UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

NUI ENERGY BROKERS, INC.) FE DOCKET NO. 96-55-NG
)

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA AND MEXICO

DOE/FE ORDER NO. 1196

I. DESCRIPTION OF REQUEST

On July 31, 1996, NUI Energy Brokers, Inc. (NUI Energy Brokers) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)1/ and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import and export up to a combined total of 100 Bcf of natural gas from and to Canada and Mexico. The term of the authorization would be for two years beginning on the date of the first import or export delivery.

NUI Energy Brokers, a marketer of natural gas, is a Delaware corporation with its principal place of business in Bedminister, New Jersey. NUI Energy Brokers is a wholly-owned subsidiary of Essel Corporation, which is a wholly-owned subsidiary of NUI Energy Brokers Corporation. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by NUI Energy Brokers has been evaluated to determine if the proposed import/export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import or export of natural gas from or to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization

1/ 15 U.S.C. 717b.

sought by NUI Energy Brokers to import and export natural gas from and to Canada and Mexico, nations with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

- A. NUI Energy Brokers, Inc. (NUI Energy Brokers) is authorized to import and export up to a combined total of 100 Bcf of natural gas from and to Canada and Mexico. The term of this authorization is for a period of two years beginning on the date of the initial import or export, whichever occurs first. The natural gas may be imported and exported at any United States border point.
- B. Within two weeks after deliveries begin, NUI Energy
 Brokers shall provide written notification to the Office of Fuels
 Programs (OFP), Fossil Energy, Room 3F-056, FE-50, Forrestal
 Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585,
 of the date that the first import or export of natural gas
 authorized in Ordering Paragraph A above occurred.
- C. With respect to the natural gas imports and exports authorized by this Order, NUI Energy Brokers shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether imports or exports of natural gas have been

made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, NUI Energy Brokers must report the following: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per MMBtu at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry and exit; and (8) the geographic market(s) served (for imports, by State). For import transactions only, the report shall also include: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering

Paragraph C of this Order is due not later than October 30, 1996,

and should cover the period from the date of this Order until the

end of the third calendar quarter, September 30, 1996.

Issued in Washington, D.C., on September 16, 1996.

Anthony J. Como Director Office of Coal & Electricity Office of Fuels Programs Office of Fossil Energy