

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

\_\_\_\_\_  
CABOT OIL & GAS MARKETING CORPORATION ) FE DOCKET NO. 97-18-NG  
\_\_\_\_\_)

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1251

\_\_\_\_\_

FEBRUARY 13, 1997

—

I. DESCRIPTION OF REQUEST \_\_\_\_\_

On February 11, 1997, Cabot Oil & Gas Marketing Corporation (Cabot Marketing) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)<sup>1/</sup> and DOE Delegation Order Nos. 0204-111

and 204-127, for blanket authorization to import up to 10 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after March 31, 1997.<sup>2/</sup> Cabot Marketing

is a corporation organized and existing under the laws of Delaware is a wholly-owned subsidiary of Cabot Oil & Gas Corporation. Cabot Marketing will import the gas under spot and short-term purchase arrangements, either on its own behalf or as the agent for others. The proposed authorization does not involve the construction of new pipeline facilities. II.

FINDING \_\_\_\_\_

The application filed by Cabot Marketing has been evaluated to determine if the proposed import 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 of natural gas from 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

\_\_\_\_\_  
/ 15 U.S.C. 717b.

/ Cabot Marketing's current authorization, granted by DOE/FE Order Nos. 1036 and 1036-A on March 28, 1995, and May 28, 1996

(1 FE 71,096 and 71,265), expires March 31, 1997.

modification or delay. The authorization sought by Cabot Marketing to import natural gas from Canada, a nation 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. Cabot Oil & Gas Marketing Corporation (Cabot Marketing) is authorized to import up to 10 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after March 31, 1997. This natural gas may be imported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, Cabot Marketing shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3F-056, FE-35, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, Cabot Marketing shall file with the Office of Natural Gas & Petroleum Import and Export Activities, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If

no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Cabot Marketing must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the United States transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served; (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) 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 July 30, 1997, and should cover the period from April 1, 1997, until the end of the second calendar quarter, June 30, 1997.

Issued in Washington, D.C., on February 13, 1997.

---

Wayne E. Peters  
Manager, Natural Gas Regulation  
Office of Natural Gas & Petroleum  
Import and Export Activities  
Office of Fossil Energy