UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

DEK ENERGY COMPANY FE DOCKET NO. 97-63-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1306

I. DESCRIPTION OF REQUEST

On September 18, 1997, DEK Energy Company (DEK) filed an application with the Office of Fossil Energy 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, requesting blanket authorization to import up to 73 Bcf of natural gas from Canada over a two-year term beginning on November 1, 1997.⁽²⁾ DEK is a Delaware corporation with its principal place of business in Houston, Texas. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by DEK 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 importation 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 modification or delay. The authorization sought by DEK 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. DEK Energy Company (DEK) is authorized to import from Canada, at any point on the U.S./Canada border, up to 73 Bcf of natural gas over a two-year term, from November 1, 1997, through October 31, 1999.

B. With respect to the natural gas imports authorized by this Order, DEK shall file with the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3F-056, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, DC 20585, 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 have been made, a report of "no activity" for that calendar quarter must be filed. If imports occur, DEK must report total monthly volumes in Mcf and the average purchase price 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 U.S. transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served (by state); (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.

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 1998, and should cover the period from November 1, 1997 until the end of the fourth calendar quarter December 31, 1997.

Issued in Washington, D.C., on October 3, 1997.

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

1. 1. 15 U.S.C. § 717b.

2. 2. DEK's current blanket authorization to import natural gas from Canada expires on October 31, 1997. <u>See DOE/FE</u> Order No. 1054 (Order 1054) issued May 30, 1995, (1 FE ¶ 71,123), as amended by DOE/FE Order No. 1054-A issued

November 27, 1995 (1 FE ¶ 71,206). Order 1054 was issued to DEK's predecessor, DEKALB Energy Company.	