UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

EQUITABLE ENERGY, L.L.C.)	FE DOCKET NO. 00-75-NO
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ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA AND MEXICO

DOE/FE ORDER NO. 1636

OCTOBER 26, 2000

I. DESCRIPTION OF REQUEST

On October 20, 2000, Equitable Energy, L.L.C. (Equitable Energy) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)^{1/2} and DOE Delegation Order Nos. 0204-111 and 0204-127, for authorization to import up to a combined total of 100 Bcf of natural gas from Canada and Mexico, and to export up to a combined total of 100 Bcf of natural gas to Canada and Mexico, over a two-year term beginning on December 1, 2000.^{2/2} Equitable Energy, a wholly-owned subsidiary of Equitable Resources, Inc., is a Delaware corporation with its principal place of business in Pittsburgh, Pennsylvania. Equitable Energy will import and export this gas under spot and short-term market transactions 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 Equitable Energy has been evaluated to determine if the proposed import and 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 sought by Equitable Energy to import and export natural gas from and to Canada and Mexico, nations with which free trade agreements are in effect, meets the section 3(c) criterion and, therefore, is

<u>1</u>/ 15 U.S.C. § 717b.

² Equitable Energy's blanket import/export authority granted by DOE/FE Order No. 1437 (2 FE \P 70,263) issued on November 18, 1998, expires November 30, 2000.

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. Equitable Energy, L.L.C. (Equitable Energy) is authorized to import up to a combined total of 100 Bcf of natural gas from Canada and Mexico, and to export up to a combined total of 100 Bcf of natural gas to Canada and Mexico, over a two-year term beginning on December 1, 2000, and extending through November 30, 2002.
- B. This natural gas may be imported and exported at any point on the border between the United States and Canada, and the United States and Mexico.
- C. With respect to the natural gas imports and exports authorized by this Order, Equitable Energy shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. If imports or exports of natural gas have not been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, Equitable Energy 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 U. S. transporter(s); (7) the point(s) of entry and exit; and

report shall also include: (1) whether sales are being made on an interruptible or firm basis; and, if

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applicable, and (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of

the contract price. [OMB No.: 1901-0294]

D. The quarterly reports required by Ordering Paragraph C of this Order shall be filed

with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room

3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

E. The first quarterly report required by Ordering Paragraph C of this Order is due not

later than January 30, 2001, and should cover the period from

December 1, 2000, until the end of the fourth calendar quarter, December 31, 2000.

Issued in Washington, D.C., on October 26, 2000.

John W. Glynn
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy