UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TRANSCANADA PIPELINES LIMITED	)	FE DOCKET NO. 12-91-NG

ORDER GRANTING LONG-TERM AUTHORIZATION TO IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA

DOE/FE ORDER NO. 3151

OCTOBER 4, 2012

I. DESCRIPTION OF REQUEST

On August 29, 2012, TransCanada Pipelines Limited (TransCanada) 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] for long term authorization to import and export up to a combined total of 52.2 billion cubic feet (Bcf) of natural gas per year from and to Canada. TransCanada requests the authorization begin on November 1, 2012[2], and extend through October 31, 2015. TransCanada is a Canadian corporation with its principal place of business in Calgary, Alberta.

TransCanada is a North American energy company with a natural gas transmission network in Canada and the U.S. comprising over 42,500 miles of pipeline. TransCanada will transport the gas as specified in Transportation Service Agreement FT17190 (Contract) and the Great Lakes Gas Transmission Limited Partnership (Great Lakes) FERC Gas Tariff. Pursuant to the Contract, gas will enter the U.S. at the interconnection between the TransCanada Mainline system and the Great Lakes system at a point near St. Clair, Michigan, and will leave the U.S. at the international border near Emerson, Manitoba. The import and export activities will serve TransCanada Mainline shippers in Ontario, Quebec, and downstream shippers in the U.S. In a separate application, TransCanada is requesting authorization to conduct similar import and export activities with the gas entering the U.S. at a point near St. Clair, Michigan, and leaving the U.S. at the international border near Sault St. Marie, Ontario. The requested authorization will not require the construction of new pipelines.

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1 / The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA (15 U.S.C. §717b) has been delegated to the Assistant Secretary for FE in Redelegation Order No. 00-002.04E issued on April 29, 2011.
2/TransCanada's long-term authorization to import and export natural gas from and to Canada, granted in DOE/FE Order No. 2712 on October 7, 2009, extends through October 31, 2012.

II. FINDING

The application 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 and export of natural gas, including liquefied natural gas (LNG), from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public interest and applications for such imports or exports must be granted without modification or delay. The authorization sought by TransCanada to import and export natural gas from and to 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.

ORDER

Pursuant to section 3 of the NGA, it is ordered that:

A. TransCanada is authorized to import and export up to a combined total of 52.2 Bcf of natural gas per year from and to Canada in accordance with the Contract with Great Lakes, dated February 6, 2012 and the Great Lakes FERC Gas Tariff. The term of this authorization shall be effective beginning on November 1, 2012, and extending through October 31, 2015.

B. TransCanada will receive the gas at a point on the U.S./Canadian border near St. Clair, Michigan, and the gas will leave the U.S. at the international border near Emerson, Manitoba.

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, TransCanada shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month, a report indicating whether imports or

exports of natural gas have been made. Monthly 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 month must be filed. If imports or exports of natural gas have occurred, the report must give the following details: (1) for imports, the country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; (4) the volume in thousand cubic feet (Mcf); (5) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (6) the name of the supplier(s); (7) the name of the U.S. transporter(s); (8) the estimated or actual duration of the supply agreement(s); and (9) for imports, the geographic markets(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).
(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

D. The first monthly report required by this Order is due not later than December 30, 2012, and should cover the reporting period from November 1, 2012, through November 30, 2012.

E. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Ms. Yvonne Caudillo. Alternatively, reports may be e-mailed to Ms. Caudillo at Yvonne.caudillo@hq.doe.gov or ngreports@hq.doe.gov, or may be faxed to Ms. Caudillo at (202) 586-6050.

Issued in Washington, D.C., on October 4, 2012.

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Office of Oil and Gas Global Security and Supply
Office of Fossil Energy