

SUMMARY

The Office of Natural Gas & Petroleum Import & Export Activities prepares quarterly reports showing natural gas import and export activity. Companies are required, as a condition of their authorizations, to file quarterly reports. This report is for the third quarter of 2001 (July through September).

Attachment A shows the percentage of takes to maximum firm contract levels and the weighted average per unit price for each of the long-term importers during the 5 most recent quarters.

Attachment B shows volumes and prices of gas purchased by long-term importers and exporters during the past 12 months.

Attachment C shows volume and price data for gas imported on a short-term/spot market basis.

Attachment D shows the gas exported on a short-term/spot market basis to Canada and Mexico.

Third Quarter Highlights: Changes in activity compared to the third quarter of 2000.

Canadian Imports	971.3 Bcf	up 11%
LNG Imports	66.0 Bcf	down 10%
Mexican Imports	-0-	
Total Imports	1,037.3 Bcf	up 10%
Canadian Exports	27.9 Bcf	up 121 %
Mexican Exports	48.2 Bcf	up 52%
Japanese Exports	17.0 Bcf	same
Total Exports	93.1 Bcf	up 52%

Puerto Rican Imports	7.7 Bcf	up 17%
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The Puerto Rican imports are shown in the tables above and on the next page, and in Attachment B-1. These imports are not reflected in any of the totals found on this page, as the summaries are only for trade pertaining to the continental U.S.

Prices continued to decline this quarter. The average long and short-term import prices for this quarter were \$3.09 and \$2.87 per MMBtu, respectively. This represents a substantial decrease compared to last quarter's long and short-term prices of \$4.42 and \$4.71, respectively, and compared to January's high prices of \$8.66 and \$9.72 for long and short-term imports, respectively.

During the third quarter, 8 importers of LNG (BP Energy Co.; CMS Marketing; Distrigas Corp.; Duke Energy LNG; Enron LNG Marketing; Fina Natural Gas Co.; Mirant Americas Energy Marketing; and Tractebel LNG) brought in 28 cargoes from 6 countries (Algeria, Australia, Nigeria, Oman, Qatar, and Trinidad), totaling 66 Bcf. This compares to 32 cargoes and 73.6 Bcf in the third quarter of 2000, and 34 cargoes and 75.7 Bcf last quarter.

Third Quarter Data: Comparing third quarter 2001 to third quarter 2000 data, long-term Canadian imports and LNG imports both decreased. **Natural gas imports under all long-term contracts** totaled 240.0 Bcf, compared to 355.8 Bcf in the third quarter 2000. **Long-term Canadian imports** decreased 31 percent (225.3 v. 326.9 Bcf). The average price of this gas was \$3.09 per MMBtu, which is \$1.46 lower than the preceding quarter and 74 cents or 19 percent lower than the third quarter 2000. **Long-term LNG imports** decreased 49 percent compared to the third

quarter 2000 (14.7 v. 28.9 Bcf). Distrigas imported 8.7 Bcf from Trinidad at an average price of \$3.42 per MMBtu, but did not have any imports from Algeria. Duke imported 6.0 Bcf from Algeria at \$2.40 per MMBtu.

During the third quarter, 97 companies used **short-term authorizations to import** 797.4 Bcf, which is a 35 percent increase over the third quarter 2000 (589.8 Bcf). Of this total, 746.0 Bcf was **imported from Canada** at an average price of \$2.84 per MMBtu, compared to 544.9 Bcf at \$3.88 in the third quarter 2000, and 681.7 Bcf at \$4.75 in the previous quarter. There were no **imports from Mexico** this quarter, compared to 0.2 Bcf at \$4.88 in the third quarter 2000 and 2.3 Bcf at \$5.10 last quarter. **Short-term LNG imports** totaled 51.3 Bcf for the quarter, compared to 52.2 Bcf last quarter and 44.7 Bcf in the third quarter 2000. BP Energy imported 2.4 Bcf from Australia at \$3.29; 2.4 Bcf from Nigeria at \$2.77; and 2.4 Bcf from Qatar at \$3.23. CMS imported 2.6 Bcf from Nigeria at \$3.15 and 7.4 Bcf from Qatar at \$3.20. Tractebel imported 10.4 Bcf from Algeria at \$2.74 and 2.6 Bcf from Trinidad at \$2.74. Distrigas imported 8.2 Bcf from Trinidad at \$3.97; Duke imported 1.4 Bcf from Algeria at \$2.30; Enron imported 6.0 Bcf from Oman at \$4.09; Mirant imported 2.9 Bcf from Nigeria at \$4.58; and Fina imported 2.6 Bcf from Nigeria at \$2.69.

Short-term imports from Canada by point of entry:

Point of Entry	% of Imports	Wt. Avg. \$
Port of Morgan, MT	23	\$2.90
Eastport, ID	21	\$2.86
Sherwood, ND	18	\$2.79
Noyes, MN	13	\$2.76
Sumas, WA	9	\$2.62
Calais, ME	5	\$2.89
Niagara Falls, NY	4	\$3.16
Waddington, NY	2	\$3.02
Other	3	\$2.85

In addition, 13 **short-term export** authorizations were used to export 76.1 Bcf. Eight companies exported 27.9 Bcf to Canada at an average price of \$2.95 per MMBtu; 5 companies exported 48.2 Bcf to Mexico at \$3.07; and 17.0 Bcf of LNG was exported to Japan at \$4.28 (delivered).

Year to Date Data: Comparing the first 9 months of 2001 with the first 9 months of 2000, total gas imports increased 11 percent (3,068.8 v. 2,756.0 Bcf) and total gas exports increased 46 percent (255.2 v. 175.0 Bcf). Canadian imports increased by 269.5 Bcf or 10 percent (2,859.1 v. 2,589.6 Bcf); Mexican imports increased 46 percent (7.3 v. 5.0 Bcf); and LNG imports increased 25 percent (202.4 v. 161.4 Bcf). Exports to Canada increased 125 percent (110.3 v. 49.0 Bcf) and exports to Mexico increased 24 percent (98.0 v. 79.2 Bcf). LNG exports to Japan remained constant (46.9 v. 46.8 Bcf).

The quarterly report and future revisions to the report will reside on our Electronic Bulletin Board at (202) 586-7853 and on the Fossil Energy Web Site at <http://www.fe.doe.gov> (click on Gas Regulation). Any questions or comments about this report should be directed to Yvonne Caudillo at (202) 586-4587 or by E-mail at yvonne.caudillo@hq.doe.gov.