ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1563

JANUARY 18, 2000
I. DESCRIPTION OF REQUEST

On January 12, 2000, Poco Petroleum, Inc. (Poco) 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, for blanket authorization to import up to 250 billion cubic feet (Bcf) of natural gas from Canada for a period of two years commencing on the date of first delivery after January 21, 2000. Poco, a Delaware corporation, is a wholly-owned subsidiary of Burlington Resources Canada Energy Ltd., a subsidiary of Burlington Resources, Inc. Poco has its head office in Calgary, Alberta. Poco is a marketer of natural gas. Poco will import the natural gas under spot and short-term arrangements. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Poco 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 modification or delay. The authorization sought by Poco 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.


2/ January 21, 2000, is the expiration date of Poco’s import authorization granted by DOE/FE Order No. 1345 on December 18, 1997 (1 FE ¶ 71,505).
ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Poco Petroleum, Inc. (Poco) is authorized to import up to 250 Bcf of natural gas from Canada over a period of two years commencing on the first date of delivery after January 21, 2000. This natural gas may be imported at any point on the international border between the United States and Canada.

B. Within two weeks after deliveries begin, Poco shall provide written notification to the Office of Natural Gas & Petroleum Import & Export Activities 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, Poco shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, 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, Poco 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 markets(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.

[OMB No.: 1901-0294]
D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than April 30, 2000, and should cover the period from the date of this Order, through the end of the first calendar quarter, March 31, 2000.

E. The notification and quarterly reports required by Ordering Paragraphs B and 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.


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