

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TENNESSEE GAS PIPELINE COMPANY)
_____)

FE DOCKET NO. 93-79-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 834

AUGUST 13, 1993

I. DESCRIPTION OF REQUEST _____

On July 23, 1993, Tennessee Gas Pipeline Company (Tennessee) 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/} for blanket authorization to export up to 200 Bcf of natural gas to Canada over a two-year term, beginning on the date of first delivery after August 13, 1993.^{2/} Tennessee, a Delaware corporation with its principal place of business in Houston, Texas, is a wholly-owned subsidiary of Tenneco Inc. Tennessee states that it will export the gas under spot and short-term transactions, and that the requested authorization does not require the construction of new pipeline facilities.

II. FINDING _____

The application filed by Tennessee has been evaluated to determine if the proposed 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 export of natural gas 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 Tennessee to export natural gas to Canada, a nation with which a free trade

1/ 15 U.S.C. Sec. 717b. _____

2/ This is the expiration date of Tennessee's current blanket

authorization to export natural gas to Canada, granted by DOE/FE
Opinion and Order No. 434 on October 9, 1990 (1 FE Para. 70,360).

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. Tennessee Gas Pipeline Company (Tennessee) is authorized to export up to 200 Bcf of natural gas to Canada over a two-year term, beginning on the date of first delivery after August 13, 1993. This natural gas may be exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, Tennessee shall provide written notification to the Office of Fuels Programs (OFP), Fossil Energy, Room 3F-056, FE-50, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first export delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, Tennessee shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, Tennessee must report total monthly volumes in Mcf and the

average purchase price of gas per MMBtu at the international border. The reports also shall provide the details of each export 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 exit; (6) the geographic market(s) served; and (7) whether sales are being made on an interruptible or firm basis.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than October 30, 1993, and should cover the period from August 14, 1993, until the end of the third calendar quarter, September 30, 1993.

Issued in Washington, D.C., on August 13, 1993.

Anthony J. Como
Acting Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy