

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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PACIFIC GAS AND ELECTRIC COMPANY	)	FE DOCKET NO. 93-100-NG
GAS SUPPLY BUSINESS UNIT	)	
_____	)	

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 852

SEPTEMBER 30, 1993

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I. DESCRIPTION OF REQUEST \_\_\_\_\_

On September 20, 1993, Pacific Gas and Electric Company, Gas Supply Business Unit (PG&E/GSBU), filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>1/</sup> and DOE Delegation

Order Nos. 0204-111 and 0204-127, requesting blanket authorization to import up to a maximum of 790 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery. PG&E is incorporated in the State of California and has its principal place of business in California. A public utility regulated by the California Public Utilities Commission, PG&E is principally engaged in the business of local transmission and distribution of natural gas and the generation, local transmission, and distribution of electricity.

PG&E/GSBU would use the imported gas to meet its principal responsibility within PG&E for supplying gas for resale to end users, local distribution companies, and municipalities in northern and central California and providing transportation services on PG&E's pipeline system within the State of California. PG&E/GSBU would import the gas at the international border near Kingsgate, British Columbia, under short-term and spot market transactions. The gas would be transported from Kingsgate by Pacific Gas Transmission Company to PG&E's local distribution facilities in California.

1/ 15 U.S.C. Sec. 717b. \_\_\_\_\_

## II. FINDING

The application filed by PG&E/GSBU 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), an 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 PG&E/GSBU 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.

## ORDER

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

A. Pacific Gas and Electric Company, Gas Supply Business Unit (PG&E/GSBU), is authorized to import up to a maximum of 790 Bcf of natural gas from Canada, at the international border near Kingsgate, British Columbia. The term of the authorization is for a period of two years beginning on the date of the first import delivery.

B. Within two weeks after deliveries begin, PG&E/GSBU shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, 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, PG&E/GSBU shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly 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 have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, PG&E/GSBU must report total monthly volumes in Mcf and the average purchase price 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 point of entry; (5) the name of the United States transporter; (6) the geographic market served; (7) whether the 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.

D. The first quarterly report required by ordering Paragraph C is due not later than January 30, 1994, and should cover the period from the date of this authorization until the end of the fourth calendar quarter, December 31, 1993.

Issued in Washington, D.C., on September 30, 1993.

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Anthony J. Como  
Director  
Office of Coal and Electricity  
Office of Fuels Programs  
Office of Fossil Energy