

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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WESTERN GAS MARKETING INC. ) FE DOCKET NO. 91-45-NG  
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ORDER AMENDING LONG-TERM AUTHORIZATION  
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 637-B

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OCTOBER 28, 1993

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I. DESCRIPTION OF REQUEST

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On September 2, 1993, Western Gas Marketing Inc. (WGM Inc.) 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/, and DOE Delegation Order Nos. 0204-111 and

0204-127, requesting an amendment to its natural gas import authorization previously granted on June 19, 1992, in DOE/FE Opinion and Order No. 637 (Order 637)2/, as amended by DOE/FE

Opinion and Order No. 637-A (Order 637-A)3/ issued August 4,

1992. Order 637 granted WGM Inc. authority to import from Canada, at the international boundary near Monchy, Saskatchewan, up to 25,000 Mcf per day of natural gas over a 10-year period ending October 31, 2001. Under the arrangement approved in Order 637, WGM Inc. purchases the gas from an affiliate, Western Gas Marketing Ltd. (WGML) pursuant to a gas sales contract dated November 1, 1990. The gas is resold to Northern Natural Gas Company (Northern) under a contract also dated November 1, 1990, after transportation by Northern Border Pipeline Company (Northern Border) from Monchy to Ventura, Iowa.

WGM Inc. seeks to amend Order 637 by adding additional import points to its authorization: (1) the interconnection of TransCanada PipeLines Limited and Great Lakes Gas Transmission Limited Partnership (Great Lakes) at Emerson, Manitoba, and St.

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1/ 15 U.S.C. § 717b.

2/ Western Gas Marketing USA Ltd., 1 FE § 70,600.

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3/ Order 637-A transferred the earlier import authorization to  
reflect the name change from Western Gas Marketing USA Ltd. to  
Western Gas Marketing Inc. (unpublished order).

Clair, Ontario; and (2) the interconnection of Michigan Consolidated Gas Company and Union Gas Limited Partnership system at St. Clair, Ontario. These additional import points are necessary to provide access to the Great Lakes pipeline system which would sometimes be used by WGM Inc. to make deliveries to Northern at the interconnection of Northern's pipeline facilities and those of Great Lakes near Carlton, Minnesota, rather than at Northern's Ventura, Iowa, interconnection with Northern Border. No new pipeline facilities or expansion of existing facilities is required. As part of its application, WGM Inc. filed copies of amendments to the two November 1990 contracts in which WGML and Northern agreed to the change in delivery points.<sup>4/</sup>

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II. FINDING

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The application filed by WGM Inc. has been evaluated to determine if the proposal to add additional import points to previously granted Order 637 meets the public interest requirement of section 3 of NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the importation of natural gas from a nation with which the United States has 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. Approving additional import points for

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4/ See Amendment No. 1 to the gas purchase contract between WGM Inc. and Northern entered into and made effective as of

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February 1, 1992; see also the letter agreement between WGM Inc.  
— — and WGML dated August 27, 1993.

gas imported 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.

ORDER

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Pursuant to section 3 of the Natural Gas Act, DOE/FE Opinion and Order No. 637 issued June 19, 1992, is amended to authorize Western Gas Marketing, Inc. to import natural gas from Canada at the following additional points: (1) the interconnections of the TransCanada PipeLines Limited and Great Lakes Gas Transmission Limited Partnership pipeline systems at Emerson, Manitoba, and St. Clair, Ontario; and (2) the interconnection of the Michigan Consolidated Gas Company and Union Gas Limited pipeline systems at St. Clair, Ontario. In all other respects the earlier order shall remain in full force and effect.

Issued in Washington, D.C., on October 28, 1993.

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