

UNITED STATE OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

CANADIANOXY MARKETING INC.

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FE DOCKET NO. 92-127-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 719

NOVEMBER 13, 1992

I. BACKGROUND

On October 7, 1992, CanadianOxy Marketing Inc. (CanadianOxy) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA), requesting blanket authorization to extend its current import authorization issued in DOE/FE Opinion and Order No. 478, which expires February 21, 1993.^{1/} The extension would allow CanadianOxy to import up to 100 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after February 21, 1993. A notice of the application was published in the Federal Register on October 27, 1992.^{2/}

CanadianOxy is a corporation organized and existing under the laws of Delaware and a wholly-owned subsidiary of CanadianOxy Offshore Holdings Co. CanadianOxy, with its office located in Calgary, Alberta, imports gas under its current authorization from its Canadian parent, Canadian Occidental Petroleum Ltd., and a variety of other suppliers, for its own account or as agent for others, for sale to a wide range of markets in the United States, including pipelines, local distribution companies, and industrial and commercial end-users.

II. FINDING

The application filed by CanadianOxy has been evaluated to determine if the proposed import arrangement meets the public interest requirements of section 3 of the NGA, as amended by

1. 1 FE 70,412 (February 20, 1991).
2. 57 F.R. 48605.

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 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 CanadianOxy to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and is therefore consistent with the public interest.

ORDER

For the reasons set forth above, under section 3 of the Natural Gas Act, it is ordered that:

A. CanadianOxy Marketing Inc. (CanadianOxy) is authorized to import from Canada, at any point on the international border, up to 100 Bcf of natural gas over a two-year term beginning on the date of first delivery after February 21, 1993.

B. Within two weeks after deliveries begin, CanadianOxy shall notify the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, in writing of the date that the first import delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, CanadianOxy 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. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports occur, CanadianOxy 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 name of the transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served; (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.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than April 30, 1993, and should cover the period from February 22, 1993 until the end of the first calendar quarter March 31, 1992.

Issued in Washington, D.C., on November 13, 1992.

Charles F. Vacek
Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy