

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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U.S. DEPARTMENT OF ENERGY

DIRECT ENERGY MARKETING INC.

DOCKET NO. 05-101-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA

DOE/FE ORDER NO. 2159

NOVEMBER 23, 2005

I. DESCRIPTION OF REQUEST

On November 9, 2005, Direct Energy Marketing Inc. (DEMI) 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 import and export up to a combined total of 500 billion cubic feet (Bcf) of natural gas from and to Canada. The applicant requests the authorization be granted for a two-year term beginning on December 8, 2005. DEMI is a Connecticut corporation with its principal place of business in Stamford, Connecticut.

II. FINDING

The application has been evaluated to determine if the proposed import and 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 import and export of natural gas from and 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 DEMI to import and export natural gas from and to Canada, a nation with which a free trade agreement is in effect,

^{1/} 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redefinition Order No. 00.002.04A (April 13, 2005).

meets the section 3(c) criterion and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

ORDER

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

A. Direct Energy Marketing Inc. (DEMI) is authorized to import and export up to a combined total of 500 billion cubic feet of natural gas from and to Canada. The term of the authority will begin on December 8, 2005, and extend through December 7, 2007.

B. This natural gas may be imported and exported at any point on the border of the United States and Canada.

C. **Monthly Reports:** With respect to the imports and export of natural gas authorized by this Order, DEMI shall file with the Office of Natural Gas Regulatory Activities, within 30 days following each calendar month, a report indicating whether imports and/or exports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If neither imports nor exports of natural gas have been made, a report of "no activity" for that month must be filed. If imports and/or exports of natural gas have occurred, the report must give the following details: (1) for imports, country of origin; (2) point(s) of entry and exit; (3) total volume at each import point in Mcf for the month; and (4) for exports, the country of destination. [OMB NO.: 1901-0294]

D. The first monthly report required by this Order is due not later than January 30, 2006, and should cover the reporting period December 1, 2005, through December 31, 2005.

E. Quarterly Reports: With respect to the natural gas imports and exports authorized by this Order, DEMI shall file with the Office of Natural Gas Regulatory Activities, within 30 days following each calendar quarter, reports indicating whether imports and/or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If neither imports nor exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports and/or exports of natural gas have occurred, the report must give the details of each transaction, including: (1) the total monthly volumes in thousand cubic feet (Mcf); (2) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry and exit; and (8) the geographic market(s) served (for imports, by State). [OMB No.: 1901-0294]

F. The first quarterly report required by this Order is due not later than January 30, 2006, and should cover the period from December 8, 2005, until the end of the fourth calendar quarter, December 31, 2005.

G. The quarterly reports shall be filed with the U.S. Department of Energy, Office of Natural Gas Regulatory Activities, FE-34, P.O. Box 44375, Washington, D.C. 20026-4375.

Issued in Washington, D.C., on November 23, 2005.



R.F. Corbin
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Office of Oil and Gas Global Security and Supply
Office of Fossil Energy