UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TRANSCANADA PIPELINES LIMITED	)	DOCKET NO. 05-79-NG

ORDER GRANTING LONG-TERM AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA

DOE/FE ORDER NO. 2169

DECEMBER 28, 2005

I. DESCRIPTION OF REQUEST

On September 27, 2005, TransCanada PipeLines Limited (TransCanada) 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] requesting authority to import and export from and to Canada up to a combined total of 78.8 MMcf of natural gas per day. TransCanada requests the authorization be granted beginning on November 1, 2005, and extend through October 31, 2009.[2] TransCanada will use only existing pipeline facilities to transport the gas.

TransCanada, with its principal place of business in Calgary, Alberta, is a natural gas transmission company that purchases, transports and sells natural gas to customers in Canada and the United States. This natural gas will enter the United States at the interconnection between the TransCanada PipeLines System and the Great Lakes Gas Transmission System at a point near Emerson, Manitoba and exit the United States at the international border near St. Clair, Michigan under the transportation service agreement executed on November 4, 2004, between TransCanada and Great Lakes Gas Transmission Limited Partnership. TransCanada exports the gas back to Canada and sells it to customers on the eastern end of its transmission system. TransCanada may import some of the gas for storage and subsequently export it back to Canada as the need arises.

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

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

2/ TransCanada's authorization granted in DOE/FE Order No. 795, April 30, 1993 (1 FE ¶ 70, 787), as amended by DOE/FE Order No. 795-A, August 19, 1999 (2 FE ¶ 70, 367), expired October 31, 2005.

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 TransCanada to import and/or export natural gas from and to 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

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

A. TransCanada PipeLines Limited (TransCanada) is authorized to import and export up to a combined total of 78.8 MMcf of natural gas from and to Canada per day. The term of the authority began on November 1, 2005, and will extend through October 31, 2009.

B. This natural gas will enter the United States at the interconnection between the TransCanada PipeLines System and the Great Lakes Gas Transmission System at a point near Emerson, Manitoba and exit the United States at the international border near St. Clair, Michigan.

C. **Monthly:** With respect to the imports and exports of natural gas authorized by this Order, TransCanada 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 31, 2006, and should cover the reporting period December 1, 2005, through December 31, 2005.

E. **Quarterly:** With respect to the natural gas imports and exports authorized by this Order, TransCanada 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 any transaction for gas sold, 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 November 1, 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 December 28, 2005.

R. F. Corbin
Manager, Natural Gas Regulatory Activities
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy