

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

PG&E Texas VGM, L.P. (Formerly Valero Gas Marketing, L.P.)

FE DOCKET NO. 97-59-NG

ORDER AMENDING BLANKET AUTHORIZATION

TO IMPORT AND EXPORT NATURAL GAS

DOE/FE ORDER NO. 1297-A

On August 27, 1997, the Department of Energy (DOE) granted blanket authorization to Valero Gas Marketing, L.P. (Valero) in DOE/FE Order No. 1297 (Order 1297)^(U) to import up to 150 Bcf and to export up to 150 Bcf of natural gas, including LNG, from and to Canada and Mexico, and to import up to 25 Bcf of LNG from other countries over a two-year term beginning on the date of first import or export delivery after August 31, 1997. Deliveries of natural gas under this authorization began on November 11, 1997; therefore, Order 1297 is scheduled to expire on November 10, 1999.

On April 30, 1998, as supplemented on May 5, 1998, the Office of Fossil Energy of DOE was notified that PG&E Corporation had acquired the natural gas business of Valero Energy Corporation, the indirect corporate parent of Valero. As a result, Valero's name has been changed to PG&E Texas VGM, L.P. effective February 3, 1998. Accordingly, pursuant to section 3 of the Natural Gas Act, Order 1297 is amended to substitute PG&E Texas VGM, L.P. for Valero Gas Marketing, L.P. as the importer and exporter of natural gas. All terms and conditions in Order 1297 remain in full force and effect.

Issued in Washington, D.C. on May 20, 1998.

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Office of Natural Gas & Petroleum

Import and Export Activities

Office of Fossil Energy