UNITED STATES OF AMERICA DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TRANSCANADA PIPELINES LIMITED) FE DOCKET NO. 93-34-NG

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

DOE/FE ORDER NO. 795-A

I. <u>DESCRIPTION OF REQUEST</u>

On August 12, 1999, TransCanada PipeLines Limited (TransCanada) 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), and DOE Delegation Order Nos. 0204-111 and 0204-127, to amend its natural gas import and export authorization granted by DOE/FE Order No. 795 (Order 795). The amendment would permit TransCanada to increase the volumes of natural gas it is presently authorized to import and export from and to Canada from 1,405,000 Mcf per day to 1,717,000 Mcf per day for the remaining authorization term through November 1, 2005. The additional gas will be imported for storage in the United States and subsequent export back to Canada. In all other respects the terms and conditions of the current authority would remain unchanged.

TransCanada is a Canadian natural gas transmission company that purchases, sells, and transports natural gas to customers in Canada and the United States. Order 795 granted TransCanada authority to import up to a maximum of 1,405,000 Mcf of gas per day through

^{1/ 15} U.S.C. § 717b.

^{2/ 1} FE ¶ 70,787 (April 30, 1993).

November 1, 2005, near Noyes, Minnesota/Emerson, Manitoba, where TransCanada connects with the pipeline system of Great Lakes Gas Transmission Limited Partnership (Great Lakes). The gas is transported by Great Lakes across northern Minnesota, Wisconsin, and Michigan to two points on the international boundary near St. Clair and Sault Ste. Marie, Michigan, where Great Lakes reconnects with TransCanada. TransCanada exports the gas back to Canada and sells it to customers on the eastern end of its transmission system.

II. <u>FINDING</u>

The application filed by TransCanada 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 or export 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 proposal by TransCanada. to amend its authorization to import and 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 DOE/FE Order No. 795 (Order 795) is amended to increase the authorized maximum volumes of natural gas TransCanada PipeLines Limited (TransCanada) may import and export from and to Canada by 312,000 Mcf per day. The increase in daily volumes from 1,405,000 Mcf to 1,717,000 Mcf is approved from the

date of this Order through November 1, 2005. All terms and conditions in Order 795 remain in full force and effect.

Issued in Washington, D.C., on August _____, 1999.

John W. Glynn
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Office of Natural Gas & Petroleum
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