UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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TRISTAR GAS MARKETING COMPANY

FE DOCKET NO. 00-85-NG

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

DOE/FE ORDER NO. <u>1642</u>

NOVEMBER<u>8</u>, 2000

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

On November 7, 2000, Tristar Gas Marketing Company (Tristar) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act^{1/} (NGA) and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 10 billion cubic feet (Bcf) of natural gas from Canada and to import and export up to a combined total of 10 Bcf of natural gas from and to Mexico over a two-year term beginning on April 1, 2000, and extending through March 31, 2002.^{2/} Tristar is a general partnership organized and existing under the laws of the State of Texas, with its principal place of business in Richardson, Texas. Tristar will import and export the gas under short-term and spot market purchase arrangements . The requested authorization does not involve the construction of new pipeline facilities.

II. <u>FINDING</u>

The application filed by Tristar has been evaluated to determine if the proposed import/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 or 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 Tristar to import and export natural gas from and to Canada and Mexico, nations with

<u>1</u>/ 15 U.S.C. § 717b.

^{2/} March 31, 2000, was the expiration date of Tristar's previous import/export authorization granted by DOE/FE Order No. 1369 on March 19, 1998 (1 FE ¶ 71,540). Tristar states that the application delay is due to administrative oversight.

which free trade agreements are in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

<u>ORDER</u>

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

A. Tristar Gas Marketing Company (Tristar) is authorized to import from Canada up to 10 billion cubic feet (Bcf) of natural gas and to import and export from and to Mexico up to a combined total of 20 Bcf of natural gas over a two-year term beginning on April 1, 2000, and extending through March 31, 2002. This natural gas may be imported and exported at any United States international border point.

B. With respect to the natural gas imports and exports authorized by this Order, Tristar shall file with the Office of Natural Gas & Petroleum Import & Export Activities within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, Tristar must report the following: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per 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). For import transactions only, the report shall also include: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) the per unit (MMBtu)

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demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 2001, and should cover the period from April 1, 2000, until the end of the fourth calendar quarter, December 31, 2000.

D. The quarterly reports required by Ordering Paragraph B of this Order shall be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on November 8, 2000.

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