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UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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OFFICE OF FOSSIL ENERGY
U.S. DEPARTMENT OF ENERGY

ABITIBI-CONSOLIDATED)
COMPANY OF CANADA)

DOCKET NO. FE

04-131-NG

APPLICATION OF ABITIBI-CONSOLIDATED COMPANY OF CANADA
FOR AUTHORIZATION TO IMPORT AND EXPORT
NATURAL GAS FROM AND TO CANADA

Communication with respect to this Application
should be addressed to:

Alain Quenneville
Corporate Energy Supervisor
Abitibi-Consolidated Company of Canada
1155 Metcalfe Street
Montreal, Quebec
H3B 5H2 Canada
(514) 394-3656

Susan Craker
Desiree C. Yang
Pace Global Energy Services, LLC
4401 Fair Lakes Court
Fairfax, Virginia 22033
(703) 818-9100
Consultants to Abitibi-Consolidated Company of Canada

December 21, 2004

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

ABITIBI-CONSOLIDATED)
COMPANY OF CANADA)

DOCKET NO. FE

APPLICATION OF ABITIBI-CONSOLIDATED COMPANY OF CANADA
FOR AUTHORIZATION TO IMPORT AND EXPORT
NATURAL GAS FROM AND TO CANADA

Pursuant to Section 3 of the Natural Gas Act ("NGA"), 15 U.S.C. Section 717b, Part 590 of the Regulations of the Department of Energy ("DOE"), Office of Fossil Energy ("FE"), and Section 201 of the Energy Policy Act of 1992 ("Energy Policy Act"), Abitibi-Consolidated Company of Canada ("Abitibi") hereby submits the instant Application for blanket authorization to import and export natural gas from and to Canada. In support of this Application, Abitibi respectfully shows as follows:

I.
GENERAL

Correspondence and communications regarding this Application should be addressed to the following:

Alain Quenneville
Corporate Energy Supervisor
Abitibi-Consolidated Company of Canada
1155 Metcalfe Street
Montreal, Quebec
H3B 5H2 Canada

Susan Craker
Desiree C. Yang
Pace Global Energy Services, LLC
4401 Fair Lakes Court
Fairfax, Virginia 22033
(703) 818-9100

II.
BACKGROUND

Abitibi is a corporation organized under the laws of Canada, with its principal place of business at 1155 Metcalfe Street, **Montreal, Quebec**, H3B 5H2 Canada. Abitibi is engaged in the business of manufacturing pulp, paper and wood products and purchases, consumes and at times resells natural gas from and to various United States and Canadian gas suppliers and customers. Through the transportation system of Centra-Canada and Centra-Minnesota, this gas is imported into the United States at Sprague, Manitoba/Warroad, Minnesota and/or exported into Canada at Baudette, Minnesota/Rainy River, Ontario to serve Abitibi's paper mill near the United States/Canada border in Fort Frances, Ontario.

III. AUTHORIZATION REQUESTED

By the instant Application, Abitibi requests that it be authorized to import and export natural gas from and to Canada for a two-year period. Abitibi is currently importing and exporting natural gas under DOE/FE Order No. 1845 granted on January 7, 2003 for a two year term beginning **February 1, 2003 and ending January 31, 2005**. Abitibi would like to continue to import and export natural gas under its own authorization.

Abitibi requests authorization to import from and export to Canada a **combined** total of up to 5.0 Bcf of natural gas per year over a two-year term beginning on **February 1, 2005** after the expiration of its current DOE import and export license. The requested authorization will enable Abitibi to participate in short-term or spot-market natural gas transactions with United States and Canada gas suppliers and customers.

Abitibi's negotiations with prospective suppliers and customers in the United States and Canada are of a continuing nature. Therefore, Abitibi requests that such import and export authority be granted on a blanket basis at all existing points of import and export from and to Canada to provide Abitibi with the flexibility necessary to respond quickly to these marketing opportunities. Abitibi cannot be competitive with other purchasers and resellers if it must apply for import and export authorization for each transaction. The subject application is similar to other blanket import and export arrangements approved by DOE.

IV. PUBLIC INTEREST

The Energy Policy Act provides that the importation and exportation of natural gas from or to a Nation with which there is in effect a free trade agreement shall be deemed to be within the public interest, and that applications for such importation and exportation shall be granted without modification or delay. Because Abitibi's application is for the importation and exportation of natural gas from and to Canada, a Nation with which the United States has a free trade agreement, Abitibi submits that its application is within the public interest.

V. ENVIRONMENTAL IMPACT

No new facilities will be constructed in the United States for the proposed importation and exportation of natural gas. Consequently, granting this application will not be a federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act, 42 U.S.C. § 4321, *et seq.* Therefore, an environmental impact statement or environmental assessment is not required.

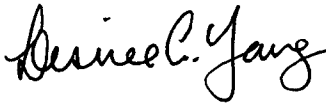
VI.
REPORTING REQUIREMENTS

With respects to all imports and exports made pursuant to the authorization requested herein, Abitibi will undertake to file with the DOE/FE in the month following the close of each calendar quarter, reports indicating by month whether imports or exports have occurred and, if so, the details of each transaction, including the total volumes of imports and exports in Mcf. To the extent required, the reports shall include the name of the seller, the name of the purchaser, the estimated or actual duration of the agreements, the name of the U.S. transporter(s), the point of entry or point of exit, whether the sales are made on an interruptible or firm basis and, if applicable, the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

VII.
CONCLUSION

WHEREFORE, for the foregoing reasons Abitibi respectfully requests that the DOE/FE expeditiously consider the instant application and, pursuant to section 3 of the NGA and section 201 of the Energy Policy Act, grant its request for blanket import and export authorization. Abitibi submits that a grant of such authorization would not be inconsistent with the public interest.

Respectfully submitted,



ABITIBI-CONSOLIDATED COMPANY OF CANADA

Desiree C. Yang
Pace Global Energy Services, LLC
4401 Fair Lakes Court
Fairfax, Virginia 22033
(703) 818-9100

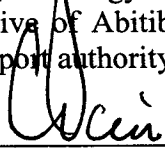
Its Consultants

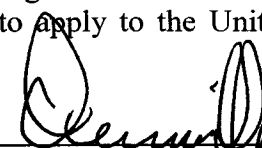
December 21, 2004

VERIFICATION

VERIFICATION

I, Alain Quenneville, being first duly sworn, deposes and saith that the facts stated in the accompanying application are true and correct to the best of his knowledge, information and belief and that Pace Global Energy Services, LLC, as energy manager of Abitibi-Consolidated Company of Canada, is the authorized representative of Abitibi to apply to the United States Department of Energy for natural gas import and export authority.


Alain Quenneville


Energy Supervisor

SUBSCRIBED and sworn to before me, a Notary Public, this 17 day of December, 2004.

My Commission Expires:

MARCH 31, 2005



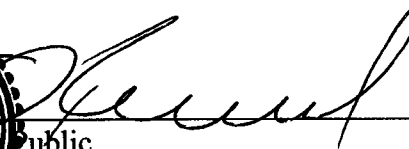

Notary Public

EXHIBIT A



Abitibi-Consolidated Company of Canada
1155 Metcalfe Street, Suite 800
Montréal, Québec, Canada H3B 5H2
Tel. 514-875-2160 Fax. 514-875-6284

Postal address:
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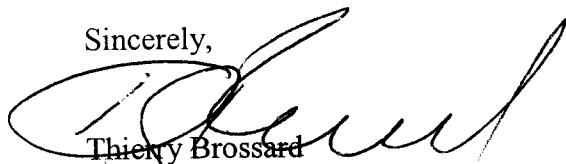
December 17, 2004

Mr. Harvey Harmon
Manager, Natural Gas Regulation
Office of Natural Gas and Petroleum
Import and Export Activities
Fossil Fuel
U.S. Department of Energy
Forrestal Building, Room 3E-042, FE-34
1000 Independence Avenue, S.W.
Washington, D.C. 20586

Dear Mr. Harmon:

I am Legal Counsel for Abitibi-Consolidated Company of Canada and, based on my familiarity with the Application of Abitibi-Consolidated Company of Canada for Authorization to Import and Export Natural Gas From and To Canada, and other relevant corporate documents, I am of the opinion that Abitibi-Consolidated Company of Canada has all requisite corporate authority to undertake the import and export activities requested in the application.

Sincerely,



Thierry Brossard
Legal Counsel