

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TRANSCANADA PIPELINES LIMITED

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FE DOCKET NO. 09-94-NG

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

DOE/FE ORDER NO. 2712

OCTOBER 7, 2009

I. DESCRIPTION OF REQUEST

On September 1, 2009, 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)¹ for long term authorization to import and export up to a combined total of 159.3 MMcf of natural gas from and to Canada per day. The term of the authorization would begin November 1, 2009, and extend through October 31, 2012.² TransCanada is a Canadian corporation with its principal place of business in Calgary, Alberta. TransCanada will use only existing pipeline facilities to transport the gas.

TransCanada is a natural gas transmission company that purchases, transports and sells natural gas to customers in Canada and the United States. The 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 St. Clair, Michigan and leave the United States at the international border near Emerson, Manitoba. This gas will be transported in the winter periods, commencing November 1st and extending through March 31st of each year, pursuant to a backhaul provision under the Transportation Service Agreement (FT11701) executed on November 26, 2008, between TransCanada and Great Lakes Transmission Limited Partnership (Great Lakes). This service will provide TransCanada's shippers with access to the Ontario, Quebec and Northeastern U.S. markets.

¹ / 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for FE pursuant to Redefinition Order No. 00.002.04D (November 6, 2007).

² / TransCanada Pipelines Limited was granted long-term authorization to import and export natural gas from and to Canada by DOE/FE Order No. 2169 on December 28, 2005, which extends through October 31, 2009 (2FE ¶ 71,231).

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 Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import and export of natural gas, including liquefied natural gas (LNG), from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by TransCanada 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:

A. TransCanada is authorized to import and export up to a combined 159.3 MMcf of natural gas from and to Canada per day in accordance with the Transportation Service Agreement (FT11701) between TransCanada and Great Lakes, dated November 26, 2008. The term of this authorization shall be effective beginning on November 1, 2009, and extending through October 31, 2012.

B. This 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 St. Clair, Michigan and exit the United States at the international border near Emerson, Manitoba.

C. **Monthly Reports:** 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 the last day of each calendar month, a report indicating whether imports 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 have been made, a report of “no activity” for that month must be filed. If imports or exports of natural gas have occurred, the report must give the following details: (1) for imports, country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; (4) the volume in thousand cubic feet (Mcf); (5) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (6) the name of the supplier(s); (7) the name of the U.S. transporter(s); (8) the estimated or actual duration of the supply agreements(s), and (9) for imports, the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

[OMB No. 1901-0294]

D. The first monthly report required by this Order is due not later than December 30, 2009, and should cover the reporting period from November 1, 2009 through November 30, 2009.

E. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Ms. Yvonne Caudillo. Alternatively, reports may be e-mailed to Ms. Caudillo at Yvonne.caudillo@hq.doe.gov or ngreports@hq.doe.gov, or may be faxed to Ms. Caudillo at (202) 586-6050.

Issued in Washington, D.C., on October 7, 2009.



R. F. Corbin
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Office of Oil and Gas Global Security and Supply
Office of Fossil Energy