

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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OFFICE OF FOSSIL ENERGY
U.S. DEPARTMENT OF ENERGY

DOMINION EXPLORATION CANADA LTD.)
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DOCKET NO. 04-132-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS
FROM CANADA

DOE/FE ORDER NO. 2063

DECEMBER 30, 2004

I. DESCRIPTION OF REQUEST

On December 22, 2004, Dominion Exploration Canada Ltd. (DECL) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),¹ for blanket authorization to import up to 25 billion cubic feet (Bcf) of natural gas from Canada. DECL requests the authorization be granted for a two-year term which will begin on the date of this Order. DECL is an Alberta corporation with its principal place of business in Calgary, Alberta. DECL is a wholly-owned subsidiary of Dominion Energy Canada Limited, which is a wholly-owned subsidiary of Dominion Resources Inc. DECL is engaged in the business of producing natural gas in Alberta and British Columbia. DECL requests authority to import this gas under spot and short-term sales arrangements, on its own behalf as well as on the behalf of others.

II. FINDING

The application has been evaluated to determine if the proposed import 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. 252-486). Under section 3(c), the import 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 authorization sought by DECL to import natural gas from 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. This Order authorizes transactions under contracts with terms of no longer than two years.

¹ 15 U.S.C. §717b.

ORDER

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

A. Dominion Exploration Canada Ltd. (DECL) is authorized to import up to 25 billion cubic feet of natural gas from Canada. The term of the authority will be for a two-year term beginning on the date of this Order, December 30, 2004, and extending through December 29, 2006.

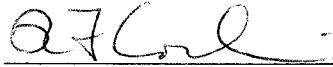
B. This natural gas may be imported at any entry point on the border of the United States and Canada.

C. With respect to the natural gas imports authorized by this Order, DECL shall file with the Office of Natural Gas Regulatory Activities, within 30 days following each calendar quarter, reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, the report must give details of each transaction, including: (1) the total monthly volumes in thousand cubic feet (Mcf); (2) the average purchase price of gas per million British thermal units (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; (8) the geographic market(s) served; and, if applicable, (9) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

D. The first quarterly report required by this Order is due not later than January 30, 2005, and should cover the period from the date of this Order until the end of the fourth calendar quarter, December 31, 2004.

E. The quarterly reports shall be filed with the U.S. Department of Energy, Office of Natural Gas Regulatory Activities, FE-34, P.O. Box 44375, Washington, D.C. 20026-4375.

Issued in Washington, D.C., on December 30, 2004.



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