

## 15 U.S. Code § 3301 - Definitions

### § 3301.

#### Definitions

For purposes of this chapter—

#### (1) Natural gas

The term “natural gas” means either natural gas unmixed, or any mixture of natural and artificial gas.

#### (2) Well

The term “well” means any well for the discovery or production of natural gas, crude oil, or both.

(3) **New well**The term “new well” means any well—

#### (A)

the surface drilling of which began on or after February 19, 1977; or

#### (B)

the depth of which was increased, by means of drilling on or after February 19, 1977, to a completion location which is located at least 1,000 feet below the depth of the deepest completion location of such well attained before February 19, 1977.

#### (4) Old well

The term “old well” means any well other than a new well.

#### (5) Marker well

#### (A) General rule

The term “marker well” means any well from which natural gas was produced in commercial quantities at any time after January 1, 1970, and before April 20, 1977.

#### (B) New wells

The term “marker well” does not include any new well under paragraph (3)(A) but includes any new well under paragraph (3)(B) if such well qualifies as a marker well under subparagraph (A) of this paragraph.

(6) **Reservoir**The term “reservoir” means any producible natural accumulation of natural gas, crude oil, or both, confined—

#### (A)

by impermeable rock or water barriers and characterized by a single natural pressure system; or

#### (B)

by lithologic or structural barriers which prevent pressure communication.

#### (7) Completion location

#### (A) General rule

The term “completion location” means any subsurface location from which natural gas is being or has been produced in commercial quantities.

#### (B) Marker well

The term “completion location”, when used with reference to any marker well, means any subsurface location from which natural gas was produced from such well in commercial quantities after January 1, 1970, and before April 20, 1977.

(8) **Proration unit**The term “proration unit” means—

#### (A)

any portion of a reservoir, as designated by the State or Federal agency having regulatory jurisdiction with respect to production from such reservoir, which will be effectively and efficiently drained by a single well;

#### (B)

any drilling unit, production unit, or comparable arrangement, designated or recognized by the State or Federal agency having jurisdiction with respect to production from the reservoir, to describe that portion of such reservoir which will be effectively and efficiently drained by a single well; or

#### (C)

if such portion of a reservoir, unit, or comparable arrangement is not specifically provided for by State law or by any action of any State or Federal agency having regulatory jurisdiction with respect to production from such reservoir, any voluntary unit agreement or other comparable arrangement applied, under local custom or practice within the locale in which such reservoir is situated, for the purpose of describing the portion of a reservoir which may be effectively and efficiently drained by a single well.

**(9) New lease**

The term “new lease”, when used with respect to the Outer Continental Shelf, means a lease, entered into on or after April 20, 1977, of submerged acreage.

**(10) Old lease**

The term “old lease”, when used with respect to the Outer Continental Shelf, means any lease other than a new lease.

**(11) New contract**

The term “new contract” means any contract, entered into on or after November 9, 1978, for the first sale of natural gas which was not previously subject to an existing contract.

**(12) Rollover contract**

The term “rollover contract” means any contract, entered into on or after November 9, 1978, for the first sale of natural gas that was previously subject to an existing contract which expired at the end of a fixed term (not including any extension thereof taking effect on or after November 9, 1978) specified by the provisions of such existing contract, as such contract was in effect on November 9, 1978, whether or not there is an identity of parties or terms with those of such existing contract.

**(13) Existing contract**

The term “existing contract” means any contract for the first sale of natural gas in effect on November 8, 1978.

**(14) Successor to an existing contract**

The term “successor to an existing contract” means any contract, other than a rollover contract, entered into on or after November 9, 1978, for the first sale of natural gas which was previously subject to an existing contract, whether or not there is an identity of parties or terms with those of such existing contract.

**(15) Interstate pipeline**

The term “interstate pipeline” means any person engaged in natural gas transportation subject to the jurisdiction of the Commission under the Natural Gas Act [15 U.S.C. 717 et seq.].

**(16) Intrastate pipeline**

The term “intrastate pipeline” means any person engaged in natural gas transportation (not including gathering) which is not subject to the jurisdiction of the Commission under the Natural Gas Act [15 U.S.C. 717 et seq.] (other than any such pipeline which is not subject to the jurisdiction of the Commission solely by reason of section 1(c) of the Natural Gas Act [15 U.S.C. 717(c)]).

**(17) Local distribution company**

The term “local distribution company” means any person, other than any interstate pipeline or any intrastate pipeline, engaged in the transportation, or local distribution, of natural gas and the sale of natural gas for ultimate consumption.

**(18) Committed or dedicated to interstate commerce**

**(A) General rule** The term “committed or dedicated to interstate commerce”, when used with respect to natural gas, means—

**(i)**

natural gas which is from the Outer Continental Shelf; and

**(ii)**

natural gas which, if sold, would be required to be sold in interstate commerce (within the meaning of the Natural Gas Act [15 U.S.C. 717 et seq.]) under the terms of any contract, any certificate under the Natural Gas Act, or any provision of such Act.

**(B) Exclusion** Such term does not apply with respect to—

**(i)** natural gas sold in interstate commerce (within the meaning of the Natural Gas Act [15 U.S.C. 717 et seq.]—

**(I)**

under section 6 of the Emergency Natural Gas Act of 1977;

**(II)**

under any limited term certificate, granted pursuant to section 7 of the Natural Gas Act [15 U.S.C. 717f], which contains a prong of abandonment of service for such natural gas;

**(III)**

under any emergency regulation under the second proviso of section 7(c) of the Natural Gas Act [15 U.S.C. 717f(c)]; or

**(IV)**

to the user by the producer and transported under any certificate, granted pursuant to section 7(c) of the Natural Gas Act [15 U.S.C. 717f(c)], if such certificate was specifically granted for the transportation of that natural gas for such user;

**(ii)**

natural gas for which abandonment of service was granted before November 9, 1978, under section 7 of the Natural Gas Act [15 U.S.C. 717f]; and

**(iii)** natural gas which, but for this clause, would be committed or dedicated to interstate commerce under subparagraph (A)(ii) by reason of the action of any person (including any successor in interest thereof, other than by means of any reversion of a leasehold interest), if on May 31, 1978—

**(I)**

neither that person, nor any affiliate thereof, had any right to explore for, develop, produce, or sell such natural gas; and

**(II)**

such natural gas was not being sold in interstate commerce (within the meaning of the Natural Gas Act [15 U.S.C. 717 et seq.]) for resale (other than any sale described in clause (i)(I), (II), or (III)).

**(19) Certificated natural gas**

The term “certificated natural gas” means natural gas transported by any interstate pipeline in a facility for which there is in effect a certificate issued under section 7(c) of the Natural Gas Act [15 U.S.C. 717f(c)]. Such term does not include natural gas sold to the user by the producer and transported pursuant to a certificate which is specifically issued under section 7(c) of the Natural Gas Act for the transportation of that natural gas, for such user unless such natural gas is used for the generation of electricity.

**(20) Sale**

The term “sale” means any sale, exchange, or other transfer for value.

**(21) First sale**

**(A) General rule** The term “first sale” means any sale of any volume of natural gas—

**(i)**

to any interstate pipeline or intrastate pipeline;

**(ii)**

to any local distribution company;

**(iii)**

to any person for use by such person;

**(iv)**

which precedes any sale described in clauses (i), (ii), or (iii); and

**(v)**

which precedes or follows any sale described in clauses (i), (ii), (iii), or (iv) and is defined by the Commission as a first sale in order to prevent circumvention of any maximum lawful price established under this chapter.

**(B) Certain sales not included**

Clauses (i), (ii), (iii), or (iv) of subparagraph (A) shall not include the sale of any volume of natural gas by any interstate pipeline, intrastate pipeline, or local distribution company, or any affiliate thereof, unless such sale is attributable to volumes of natural gas produced by such interstate pipeline, intrastate pipeline, or local distribution company, or any affiliate thereof.

**(22) Deliver**

The term “deliver”, when used with respect to any first sale of natural gas, means the physical delivery from the seller; except that in the case of the sale of proven reserves in place to any interstate pipeline, any intrastate pipeline, any local distribution company, or any user of such natural gas, such term means the transfer of title to such reserves.

**(23) Certificate**

The term “certificate”, when used with respect to the Natural Gas Act [15 U.S.C. 717 et seq.], means a certificate of public convenience and necessity issued under such Act.

**(24) Commission**

The term “Commission” means the Federal Energy Regulatory Commission.

**(25) Federal agency**

The term “Federal agency” has the same meaning as given such term in section 105 of title 5.

**(26) Person**

The term “person” includes the United States, any State, and any political subdivision, agency, or instrumentality of the foregoing.

**(27) Affiliate**

The term “affiliate”, when used in relation to any person, means another person which controls, is controlled by, or is under common control with, such person.

**(28) Electric utility**

The term “electric utility” means any person to the extent such person is engaged in the business of the generation of electricity and sale, directly or indirectly, of electricity to the public.

**(29) Mcf**

The term “Mcf”, when used with respect to natural gas, means 1,000 cubic feet of natural gas measured at a pressure of 14.73 pounds per square inch (absolute) and a temperature of 60 degrees Fahrenheit.

**(30) Btu**

The term “Btu” means British thermal unit.

**(31) Month**

The term “month” means a calendar month.

**(32) Mile**

The term “mile” means a statute mile of 5,280 feet.

**(33) United States**

The term “United States” means the several States and includes the Outer Continental Shelf.

**(34) State**

The term “State” means each of the several States and the District of Columbia.

**(35) Outer Continental Shelf**

The term “Outer Continental Shelf” has the same meaning as such term has under section 1331(a) of title 43.

**(36) Prudhoe Bay Unit of Alaska**

The term “Prudhoe Bay Unit of Alaska” means the geographic area subject to the voluntary unit agreement approved by the Commissioner of the Department of Natural Resources of the State of Alaska on June 2, 1977, and referred to as the “affected area” in Conservation Order No. 145 of the Alaska Oil and Gas Conservation Committee, Division of Oil and Gas Conservation, Department of Natural

Resources of the State of Alaska, as such order was in effect on June 1, 1977, and determined without regard to any adjustments in the description of the affected area permitted to be made under such order.

**(37) Antitrust laws**

The term “Federal antitrust laws” means the Sherman Act (15 U.S.C. 1 et seq.), the Clayton Act (15 U.S.C. 12, 13, 14–19, 20, 21, 22–27), the Federal Trade Commission Act (15 U.S.C. 41 et seq.), sections 73 and 74 of the Wilson Tariff Act (15 U.S.C. 8–9), and the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

**15 U.S. Code § 3361 - Declaration of emergency**

(a) Presidential declaration The President may declare a natural gas supply emergency (or extend a previously declared emergency) if he finds that—

(1) a severe natural gas shortage, endangering the supply of natural gas for high-priority uses, exists or is imminent in the United States or in any region thereof; and

(2) the exercise of authorities under section 3362 or section 3363 of this title is reasonably necessary, having exhausted other alternatives to the maximum extent practicable, to assist in meeting natural gas requirements for such high-priority uses.

(b) Limitation

(1) Expiration Any declaration of a natural gas supply emergency (or extension thereof) under subsection (a), shall terminate at the earlier of—

(A) the date on which the President finds that any shortage described in subsection (a) does not exist or is not imminent; or

(B) 120 days after the date of such declaration of emergency (or extension thereof).

(2) Extensions

Nothing in this subsection shall prohibit the President from extending, under subsection (a), any emergency (or extension thereof), previously declared under subsection (a), upon the expiration of such declaration of emergency (or extension thereof) under paragraph (1)(B).

**§ 3362. Emergency purchase authority**

**(a) Presidential authorization** During any natural gas supply emergency declared under section 3361 of this title, the President may, by rule or order, authorize any interstate pipeline or local distribution company served by any interstate pipeline to contract, upon such terms and conditions as the President determines to be appropriate (including provisions respecting fair and equitable prices), for the purchase of emergency supplies of natural gas—

**(1)** from any producer of natural gas (other than a producer who is affiliated with the purchaser, as determined by the President) if—

(A) such natural gas is not produced from the Outer Continental Shelf; and

(B) the sale or transportation of such natural gas was not pursuant to a certificate issued under the Natural Gas Act [15 U.S.C. 717 et seq.] immediately before the date on which such contract was entered into; or

(2) from any intrastate pipeline, local distribution company, or other person (other than an interstate pipeline or a producer of natural gas).

**(b) Contract duration**

The duration of any contract authorized under subsection (a) may not exceed 4 months. The preceding sentence shall not prohibit the President from authorizing under subsection (a) a renewal of any contract, previously authorized under such subsection, following the expiration of such contract.

**(c) Related transportation and facilities**

The President may, by order, require any pipeline to transport natural gas, and to construct and operate such facilities for the transportation of natural gas, as he determines necessary to carry out any contract authorized under subsection (a). The costs of any construction or transportation ordered under this subsection shall be paid by the purchaser of natural gas under the contract with respect to which such order is issued. No order to transport natural gas under this subsection shall require any pipeline to transport natural gas in excess of such pipeline's available capacity.

**(d) Maintenance of adequate records**

The Commission shall require any interstate pipeline or local distribution company contracting under the authority of this section for natural gas to maintain and make available full and adequate records concerning transactions under this section, including records of the volumes of natural gas purchased under the authority of this section and the rates and charges for purchase and receipt of such natural gas.

**(e) Special limitation**

No sale under any emergency purchase contract under this section for emergency supplies of natural gas for sale and delivery from any intrastate pipeline which is operating under court supervision as of January 1, 1977, may take effect unless the court approves.

NOTE that 15USC3363-3432 are available at

<http://uscode.house.gov/browse.xhtml;jsessionid=4019CD96535D7F60BAEB623447014417>