REPORT 11

OFFICE OF FOSSIL ENERGY NATURAL GAS DIVISION DOCKET INDEX

11/14/01

FE DOCKET NO.:
APPLICANT(S):

95-01-NG

PG ENERGY INC

5	/4	ω	1/4	Z,	ITEM
DOE/FE	PG ENERGY INC	DOE/FE	DOE/FE	PENNSYLVANIA GAS AND WATER COMPANY	PREPARED OR FILED BY
ORDER	CORRESPONDENCE	FEDERAL REGISTER ISSUED ORDER	ORDER	APPLICATION	FILING TYPE
Order 1033-A Vacating Long-Term Authority Under Order 1033	Request to Vacate Long-Term Authority Granted to Pennsylvania Gas & Water Co in Order 1033	1033 60 FR 16470; 3/30/95	Order 1033Granting Long-Term Import and Amendment to Order 254	Application for Blanket Authorization to Import/Export Natural Gas	DESCRIPTION OF DOCUMENT
99-09-20	99-08-19	95-03-16	95-03-16	95-01-03	DATED
99-09-20	99-08-19	95-03-16	95-03-16	95-01-03	DATE FILED OR ISSUED

WILKES-BARRE CENTER
39 PUBLIC SQUARE.-WILKES-BARRE, PENNSYLVANIA 18711-0601

December 27, 1994

Ms. Larine Moore
Office of Fuels Programs
Fossil Energy
U.S. Department of Energy
Forrestal Building, Room 3F-056, FT-50
1000 Independence Avenue, S.W.
Washington, DC 20585

RE: Import Authorization Application

Dear Ms. Moore:

Enclosed are original and fifteen (15) copies of Pennsylvania Gas and Water Company's application for authority to import natural gas produced in Canada into the United States.

Please advise the undersigned at (717) 829-8715 if additional information or clarification is required to receive the requested authorization. Thank you for your assistance.

Very truly yours,

PENNSYLVANIA GAS AND WATER COMPANY

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William H. Eckert

Director of Gas Supply

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Enclosures

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APPLICATION FOR AUTHORIZATION TO IMPORT OR EXPORT NATURAL GAS Office of Fuels Programs

PENNSYLVANIA GAS AND WATER COMPANY

a subsidiary of PENNSYLVANIA ENTERPRISES, INC.

Attn: William H. Eckert Director of Gas Supply 39 Public Square Wilkes-Barre Center Wilkes-Barre, PA 18711

Pennsylvania Gas and Water Company (PG&W) requests authorization to import natural gas at the interconnect of TransCanada Pipeline and Tennessee Gas Pipeline (Tennessee), commonly known as Niagara, or the Niagara Spur, Meter #01-0902, in the state of New York, effective May 1, 1995. This import of natural gas is currently being accomplished by Tennessee Gas Pipeline Company(TGP), as agent for PG&W, pursuant to a Canadian Assignment Agreement (Agreement) dated February 7, 1994, effective September 1, 1993. The associated volume of natural gas to be imported is the contract volume of 15,174 Dth, or 14,703 Mcf when converted to Mcf.

TransCanada Pipelines Limited, parent of Western Gas Marketing Limited, is the supplier of natural gas to PG&W, and PG&W is the transporter on Tennessee. Import of the natural gas will take place at Niagara, New York, at the Niagara Spur, meter #01-902, and will be transported on Tennessee to PG&W in northeastern Pennsylvania for consumption by PG&W customers in northeastern Pennsylvania.

The gas purchase or sales contract, which is the aforementioned Agreement, is effective September 1, 1993 and continues until October 31, 2002. PG&W is obligated to receive and pay for 70% of the Requested Quantity of 15,174 Dth. The base price paid is an index price equivalent to the <u>Inside FERC Gas Market Report</u>, La. & Offshore (zone 1), published each month in the first issue of the report, less \$.05. This price is renegotiated each second year commencing September 1, 1995. PG&W also pays 75% of the demand charge on TransCanada Pipelines through August 31, 1995 and 80% of the same demand charge thereafter through the term of the agreement. From the import point to PG&W's receipt point, PG&W pays the Zone 5 to Zone 4 demand and commodity charges, plus any applicable surcharges, contained in TGP's currently effective FERC tariff.

EXHIBIT A

Statement of Jeffery H. Sunday, House Counsel Pennsylvania Gas and Water Company

Upon review of the Application for Authorization to Import Natural Gas, I, as House Counsel for Pennsylvania Gas and Water Company (Company), find that the import of natural gas for which the Company is applying is within the corporate powers of the Company, and that the Company has complied with the state laws and regulatory authority of the Commonwealth of Pennsylvania.

ATTEST:

PENNSYLVANIA GAS AND WATER COMPANY

Sandra M. Stefanowijez

Assistant Secretary

Jeffery H. Sunday

House Counsel

EXHIBIT B

CANADIAN ASSIGNMENT AGREEMENT

FEB 1 7 1994

This Agreement is dated as of <u>Feb. 7, 1994</u>, and effective as of September 1, 1993 by TENNESSEE GAS PIPELINE COMPANY, a Delaware corporation ("Tennessee") and PENNSYLVANIA GAS & WATER COMPANY, a Pennsylvania corporation ("Penn Gas & Water").

RECITALS:

Tennessee is a purchaser of natural gas from Western Gas Marketing
Limited (Western Gas) under the Gas Purchase and Sales Agreement ("GPSA")
listed on the attached Exhibit "A."

Pursuant to FERC Order 636, Tennessee is unbundling its services and offering its entitlements under gas purchase contracts to interested parties.

The GPSA authorizes Tennessee to assign and delegate to third parties (without relieving Tennessee of its obligations, unless by written consent) all or a portion of Tennessee's contract rights and duties under such GPSA including Tennessee's rights and obligations to purchase gas.

Tennessee wishes to permanently assign its right and duty to purchase certain of the natural gas volumes and payment obligations under the GPSA pursuant to the terms and conditions set out herein and Penn Gas & Water wishes to permanently obtain the right to purchase and assume the duty to pay

for such volumes pursuant to such terms and conditions, once written consent of same is obtained by Tennessee.

Penn Gas & Water wishes to designate Tennessee as its Agent for the limited purposes described herein below.

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

I.

SCOPE OF ASSIGNMENT

- 1.1 The requested quantity ("Requested Quantity") of gas which Penn Gas & Water desires to purchase each day from Western Gas through assignment of the GPSA shall be a firm entitlement of 15,174 Dth day.
- 1.2 <u>Assumption of Purchase Obligations</u> Penn Gas & Water hereby assumes and covenants to perform the duties of Tennessee to nominate, purchase, receive and pay for a daily minimum of 70% of the Requested Quantity of gas under the GPSA, except those rights and duties expressly retained by Tennessee pursuant to this agreement. In no event shall Tennessee take title to any of the gas acquired by Penn Gas & Water pursuant to this Agreement. Penn Gas & Water assumes any and all obligations for penalties Tennessee may incur due to Penn Gas & Water's failure to nominate, purchase, receive and pay for gas tendered

under this agreement with respect to the Requested Quantity.

- 1.3 The Assignment Price applicable to gas received and purchased by Penn Gas & Water shall be, for each MMBtu purchased, a U.S. dollar amount equal to the price reported (in the column entitled "Index") as the Louisiana and Offshore (Zone 1) posting for Tennessee Gas Pipeline Company in the table "Prices of Spot Gas Delivered to Pipelines" published in the first issue of each month of <u>Inside FERC GAS Market Report</u> for such month, less five (\$0.05) cents.
- 1.4 In the event of cessation of publication of <u>Inside FERC</u>, or any change by <u>Inside FERC</u> to the methodology used to calculate the prices referenced in Section 1.3, Tennessee (or Western Gas) and Penn Gas & Water shall mutually agree to designate another pricing index for use in determining the Assignment Price pursuant to Section 1.3. If Tennessee (or Western Gas) and Penn Gas & Water cannot mutually agree on another pricing index within 30 days, either party shall have the right to arbitrate this Agreement pursuant to the GPSA by giving thirty (30) days written notice to the other.
- 1.5 The Assignment Price as defined in Section 1.3 will be effective for the period September 1, 1993 through August 31, 1995. Effective for the year commencing September 1, 1995 and for every second year thereafter, until the termination of the GPSA, either Penn Gas & Water or Western Gas may require redetermination of the Assignment Price by written notice to be given no later than June 1 of the year in which such eliqible redetermination is

permitted.

If the parties fail to redetermine the Assignment Price by August 1, either party shall have the right to arbitrate.

- 1.6 Necessary Authorizations Any redetermined and/or arbitrated Assignment Price shall be subject to receipt of all authorizations of Canadian and U.S. Regulatory Authorities required to export/deliver and import/receive gas until the end of the Term, which shall include, without limitation, producer approval certification from the APMC, Province of Alberta provincial removal permit, export license from the NEB, authorization of transportation contracts necessary to transport gas to the Point of Sale, import authorization from the Office of Fossil Energy of the United States Department of Energy ("OFE"), Federal Energy Regulatory Commission ("FERC") authorization of transportation contracts necessary to transport gas from Point of Sale to Buyer's delivery points on Tennessee, and Pennsylvania Public Utility Commission authorization and/or approval of the aforementioned Assignment Price and/or authorizations enumerated herein.
- 1.7 Penn Gas & Water will be responsible for payment of 70% of the total Canadian transportation demand charges (as described in the GPSA) associated with the Requested Quantity for the first year (September 1, 1993 through August 31, 1994); 75% for the second year (September 1, 1994 through August 31, 1995); and 80% for the remaining term of the GPSA (September 1, 1995 through October 31, 2002).

- 1.8 All Canadian transportation demand charges associated with Penn Gas & Water's Requested Quantity will be billed in the following manner:
 - a. From September 1, 1993 through August 31, 1994 Western Gas will bill Tennessee for 100%; Tennessee will bill Penn Gas & Water 70%.
 - b. From September 1, 1994 through August 31, 1995 Western Gas will bill Penn Gas & Water 75%; Western Gas will bill Tennessee 25%.
 - c. From September 1, 1995 through October 31, 2002 Western Gas will bill Penn Gas & Water 80%; Western Gas will bill Tennessee 20%.

11.

ADMINISTRATIVE AND OPERATIONAL OBLIGATIONS

through August 31, 1994 Penn Gas & Water appoints Tennessee as its Agent for sole for the purpose of making any necessary communications or resolving any disputes or conflicts with Western Gas under the GPSA assigned herein, including but not limited to, any nominations and processing of any allocations and payments to Western Gas that are required under the assigned GPSA. Effective 1994 for 100 September 1, 1995 Tennessee will relinquish its role as Agent for all purposes, and all disputes, conflicts, etc. will be the sole responsibility of Penn Gas & Water and Western Gas.

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- 2.2 <u>Scheduling of Receipts</u> Penn Gas & Water will be responsible for nomination of all quantities of gas purchased under the GPSA assigned in this agreement.
- 2.3 Regulatory Authorizations Penn Gas & Water represents and warrants that it has all necessary authorizations to purchase and resell the gas covered by the GPSA listed in Exhibit A. Penn Gas & Water acknowledges that, effective September 1, 1994 import license authorizations (currently held by Tennessee as Agent for Penn Gas & Water) will be required to enable Penn Gas & Water to continue to purchase and resell the gas covered by the GPSA listed in Exhibit "A", and that Penn Gas & Water will diligently pursue all necessary regulatory authorizations. Notwithstanding the above and without limiting Tennessee's rights to terminate this Agreement pursuant to other provisions of the Agreement, Tennessee may terminate this Agreement or any assignment under this Agreement, if Penn Gas & Water does not have sufficient regulatory authorizations to purchase and resell the gas assigned hereunder.

2.4 Billings and Payments

a. For the period September 1, 1993 through August 31, 1994, for all gas purchased and received by Penn Gas & Water, Tennessee will invoice Penn Gas & Water within fifteen (15) days following the month of production. In the absence of final allocation statements establishing the quantity actually purchased by Penn Gas & Water in such month, Tennessee's invoice to Penn Gas & Water shall be based on the quantity nominated to Western Gas for purchase by Penn Gas &

Water under the GPSA. Tennessee's invoice shall specify the Assignment Price payable by Penn Gas & Water in such month, the volumes assigned during the month, the portion of the Canadian transportation demand charges owed to Tennessee by Penn Gas & Water and the total dollar amount due and payable to Tennessee. Effective from September 1, 1994 through October 31, 2002, Western Gas will invoice Penn Gas & Water for the requested quantity and all gas purchased and received by Penn Gas & Water.

- b. Penn Gas & Water shall remit payment to Tennessee, at a bank designated by Tennessee, so that payment is received and Tennessee has good funds available therefrom on or before the twenty-fifth (25th) day of the month following the month of production.
- c. If Penn Gas & Water fails to pay all or any portion of the amount of any invoice to Tennessee when due (including disputed amounts, if any), then interest thereon shall accrue, at a rate of interest which is equal to the prime rate published by Chase Manhattan Bank, N.A. plus one (1) percent, as of the date such payment is due (including any disputed amounts), until the same is paid. If such failure to pay continues for thirty (30) days, Tennessee, in addition to all other remedies, may revoke its assignment of GPSA's under any effective Assignment Letter and terminate this Agreement.

TERM

3.1 This Agreement will be effective from September 1, 1993 through October 31, 2002. Tennessee Gas Pipeline's role as agent, as described in this Agreement, will expire on August 31, 1994. Tennessee Gas Pipeline Company will then relieve itself of its rights and obligations pursuant to this assignment, and upon written notice of confirmation by Western Gas, will permanently assign the GPSA to Penn Gas & Water.

IV.

MISCELLANEOUS

- 4.1 Assignment Penn Gas & Water may not assign this Agreement or any of the rights or duties under this Agreement, unless Penn Gas & Water has obtained the written consent of Tennessee.
- 4.2 <u>Creditworthiness</u> At Tennessee's discretion, Tennessee may require Penn Gas & Water at any time and from time to time to secure any payments or amounts due for any gas purchased under the GPSA assigned pursuant to this Agreement with letters of credit or other good and sufficient security acceptable to Tennessee. Without limiting the termination and suspension rights set forth in other provisions of this Agreement, Tennessee shall have the right to revoke the effective assignments of the GPSA.

- 4.3 <u>Representations</u> This Agreement is entered into without any representations or warranties as to the rights or obligations under the GPSA and is without recourse on Tennessee with respect to matters governed by the GPSA.
- 4.4 Confidentiality All of the terms and provisions of this Agreement and the GPSA assigned hereunder are confidential. The parties and their employees, attorneys, and auditors agree not to disclose any of the terms and provisions of the Agreement and the GPSA assigned hereunder to any person, entity, firm or corporation, except to the extent required (1) to comply with the valid orders, rules or regulations of any administrative agency having jurisdiction over Tennessee or Penn Gas & Water or any transactions contemplated hereunder, (2) for disclosures to financial institutions, consultants, banks, auditors and accountants or (3) in any litigation seeking enforcement or damages for breach of this Agreement or the GPSA assigned hereunder. If disclosure is compelled, required or necessary as set out above, the disclosing party shall give the other party at least ten (10) days prior notice of such disclosure and will take all reasonable steps to ensure that all persons or entities receiving such information will keep the information confidential. When making any necessary or required filings or disclosure, the parties shall make confidential filings or disclosures to the extent permitted by applicable law, orders, rules or regulations. To the extent necessary, the provisions of this paragraph will not be construed as prohibiting Tennessee from disclosing the terms of this Agreement in any proceeding before the FERC or to Western Gas under the assigned GPSA to the

extent Tennessee deems it necessary in its sole discretion.

- 4.5 <u>Rights Under the GPSA</u> Penn Gas & Water's assumption of the rights and duties under the GPSA shall be subject to the terms and conditions of the GPSA. Penn Gas & Water shall have the right to amend the assigned GPSA in any way during the term of this agreement and to the extent of the assignment but not to the detriment of Tennessee, including but not limited to waiving or renegotiating any provision of the GPSA.
- 4.6 GOVERNING LAW THE PARTIES AGREE THAT: (I) THE PLACE OF EXECUTION OF THIS AGREEMENT IS HARRIS COUNTY, TEXAS; (II) THE LAW OF THE STATE OF TEXAS SHALL CONTROL CONSTRUCTION, INTERPRETATION, VALIDITY AND/OR ENFORCEMENT OF THIS AGREEMENT; AND (III) THE UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF TEXAS, HOUSTON DIVISION, SHALL BE THE SOLE VENUE FOR ALL ACTIONS BROUGHT UNDER OR INVOLVING THIS AGREEMENT, EXCEPT THAT IF THE COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, SOLE VENUE SHALL BE IN THE APPROPRIATE STATE DISTRICT COURT OF HARRIS COUNTY, TEXAS. EACH PARTY AGREES TO SUBMIT ITSELF TO THE PERSONAL JURISDICTION OF THOSE COURTS AND CONSENTS TO SERVICE OF PROCESS IN ANY SUCH LAWSUIT IN ANY MANNER PERMITTED BY THE LAWS OF THE UNITED STATES OR THE STATE OF TEXAS WHETHER OR NOT THAT PARTY IS SUSCEPTIBLE TO SUCH SERVICE UNDER THOSE LAWS, AND WAIVES ALL OBJECTIONS BASED UPON THAT PARTY'S INSUSCEPTIBILITY TO SUCH SERVICE.
- 4.7 <u>Regulatory Bodies</u> This Agreement shall be subject to all valid applicable state and federal laws and orders, directives, rules and

regulations of any governmental body or official having jurisdiction.

- 4.8 <u>Modification of Agreement</u> No modifications of the terms and provisions of this Agreement shall be or become effective except by execution of supplementary written consent.
- 4.9 <u>Notices</u> Except as otherwise expressly provided in this Agreement, every notice, request, statement or invoice provided for in this Agreement shall be in writing directed to the party to whom given, made or delivered at such party's address as follows:

Tennessee: For Billing Purposes

Tennessee Gas Pipeline Company P.O. Box 2511
Houston, Texas 77252
Attention: Accounting or Tennessee Gas Pipeline Company 1010 Milam, Suite 2100
Houston, Texas 77002
Attention: Accounting

For Notices and/or Requests:

Tennessee Gas Pipeline Company 1010 Milam, Suite 2200 Houston, Texas 77002 Attention: Gas Purchasing Department Penn Gas & Water:

For Payment Purposes:

Pennsylvania Gas & Water Company Wilkes-Barre Center 39 Public Square Wilkes-Barre, Pennsylvania 18711 Attention: Director of Gas Supply Taxpayer I.D.: 24-0717235

For Statements, Notices and Requests:

- Pennsylvania Gas & Water Company Wilkes-Barre Center 39 Public Square Wilkes-Barre, Pennsylvania 18711 Attention: Director of Gas Supply

Either Tennessee or Penn Gas & Water may change one or more of its addresses for receiving invoices, statements, notices and payments by notifying the other party in the manner as provided above. All written notices, requests, statements and invoices shall be considered properly given upon receipt at the properly designated address for the party receiving any such notice, request, statement or invoices; provided that (i) any oral notice, request or statement shall be confirmed in writing and delivered as provided above, and (ii) the receipt of any notice, request, statement or invoice sent by telecopy or telex shall be confirmed by return telecopy or by telex answerback.

- 4.10 <u>Waiver</u> No waiver by either party of any default of the other party under this Agreement shall operate as a waiver of any other term or of any future default, whether of a like or different character.
- 4.11 <u>Definitions</u> The terms "Canadian Demand Charges," "Dekatherm," "MCF,"

"plant thermal reduction (PTR)", "day," "month," and "year" shall have the meanings stated for such terms in the General Terms and Conditions of Tennessee's effective FERC Gas Tariff. The term "business day" is any weekday other than Saturday, Sunday, or any holiday observed by Tennessee.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

	TENNESSEE GAS PIPELINE COMPANY By: L. E. Slotcher	
	Title: Agent and Attorney-In-Fact	
	PENNSYLVANIA GAS & WATER COMPANY	aK]
4	By:	
•	Joseph F. Perugino Title: Vice President	

EXHIBIT "A" TO THE

ASSIGNMENT AGREEMENT

DATED SEPTEMBER 20, 1993

TGP <u>GPSA#</u>	PRODUCER	<u>SOURCE</u>	QUANTITY <u>(DTH/D)</u>	
1736	TransCanada Pipelines Ltd.	Niagara Spur Meter #01-0902	15,174	
dated August 1, 1988	(Western Gas Marketing Ltd. as agent)			

UNITED STATES OF AMERICA

[6450-01-P]

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

[FE DOCKET NO. 95-01-NG]

PENNSLYVANIA GAS AND WATER COMPANY

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

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Pennsylvania

Gas and Water Company long-term authorization to import up to

14,703 Mcf of natural gas per day from Canada beginning May 1,

1995, through October 31, 2002. This order is available for

inspection and copying in the Office of Fuels Programs Docket

Room, Room 3F-056, Forrestal Building, 1000 Independence Avenue,

S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is

open between the hours of 8:00 a.m. and 4:30 p.m., Monday through

Friday, except Federal holidays.

Issued in Washington, D.C. on March (6, 1995.

Lifford P. Tomaszewski

Director, Office of Natural Gas

Office of Fuels Programs Office of Fossil Energy UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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PENNSYLVANIA GAS AND WATER COMPANY)

FE DOCKET NO. 95-01-NG

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

DOE/FE ORDER NO. 1033

I. DESCRIPTION OF REQUEST

On January 3, 1995, Pennsylvania Gas and Water Company (PG&W) 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 and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting authorization to import natural gas from Canada. The authorization would allow PG&W to import up to 14,703 Mcf per day of natural gas from TransCanada PipeLines Limited (TCPL) beginning May 1, 1995, through October 31, 2002. PG&W, a Pennsylvania corporation, is a gas distribution utility with its principal place of business in Wilkes-Barre, Pennsylvania. The proposed imports by PG&W are volumes Tennessee Gas Pipeline Company (Tennessee) originally contracted to purchase from TCPL (and subsequently resold to PG&W) under one of Tennessee's existing import authorizations.²/

This application was initiated as a result of Tennessee's restructuring of its pipeline transportation, storage, and natural gas sales service under Order 636, 3/ issued by the Federal Energy Regulatory Commission (FERC) on April 16, 1992. The proposed authorization would enable PG&W, which has been a sales customer of Tennessee, and on whose behalf Tennessee now

^{1. 15} U.S.C. § 717b.

^{2.} See DOE/ERA Opinion and Order No. 254 issued July 15, 1988 (1 ERA ¶ 70,789), as amended by DOE/ERA Opinion and Order No. 254-A issued October 31, 1989 (1 FE ¶ 70,262). In these orders, Tennessee is authorized to import volumes over a 15-year term through October 31, 2002, in increments rising from 5,000 Mcf per day initially up to 25,000 Mcf per day.

³ FERC Statutes and Regulations ¶ 30,939.

imports the gas, to import gas directly from TCPL. Under the terms of a Canadian Assignment Agreement between PG&W and Tennessee dated February 7, 1994, Tennessee assigned to PG&W its contractual rights to purchase certain volumes of Canadian gas through October 31, 2002. This assignment is consistent with the terms of Tennessee's August 1, 1988, gas purchase and sales agreement with TCPL. PG&W would import gas under the requested authorization using Tennessee's existing pipeline facilities which interconnect with those of TCPL at the international border near Niagara Falls, New York.

Under PG&W's assignment agreement with Tennessee, PG&W is obligated to take and pay for 70% of the assigned contract volume. The commodity charge would be calculated monthly by subtracting \$.05 from a composite index of spot gas prices for domestic volumes received by Tennessee, listed in the Index column as the Louisiana and Offshore (Zone 1) posting, as published in "Inside FERC Gas Market Report." This price is subject to renegotiation each second year commencing September 1, 1995. PG&W is also obligated to pay 75% of the demand charge on TCPL through August 31, 1995, and, thereafter, 80% through October 31, 2002.

II. FINDING

The application filed by PG&W 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. 102-486).

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 PG&W 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.

ORDER

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

- A. Pennsylvania Gas and Water Company (PG&W) is authorized to import from Canada near Niagara Falls, New York, up to 14,703 Mcf per year of natural gas beginning May 1, 1995, through October 31, 2002.
- B. The natural gas import authorization previously granted to Tennessee Gas Pipeline Company (Tennessee), in DOE/FE Opinion and Order No. 254-A (Order 254-A) issued October 31, 1989, is hereby amended to reduce the daily volumes that Tennessee may import during the period November 1, 1990, through October 31, 2002, by 14,703 Mcf. Under the new authority, Tennessee's import volumes from TransCanada PipeLines Limited shall not exceed 10,297 Mcf per day. All other terms and conditions of the import authorization contained in Order 254-A, as amended by DOE/FE Opinion and Order No. 592, issued March 18, 1992, shall remain in effect.

- C. Within two weeks after deliveries begin, PG&W shall provide written notification to the Office of Fuels Programs, Fossil Energy, FE-50, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date of initial deliveries of natural gas imported under Ordering Paragraph A above.
- D. With respect to the imports authorized by this Order, PG&W shall file, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made, and, if so, showing by month the total volume imported in Mcf. If no imports have been made, a report of "no activity" for that calendar quarter must be filed.
- E. The first quarterly report required by Ordering Paragraph C of this Order is due not later than July 30, 1995, and should cover the period from May 1, 1995, through the end of the second calendar quarter, June 30, 1995.

Issued in Washington, D.C., on March 6, 1995.

Anthony J.

Director

Office of Coal & Electricity
Office of Fuels Programs

Office of Fossil Energy

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585. (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, D.C., March 16, 1995.

Clifford P. Tomaszewski.

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95–7854 Filed 3–29–95: 8.45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-01-NG]

Pennsylvania Gas and Water Company; Order Granting Long-Term Authorization To Import Natural Gas From Canada

AGENCY: Office of Fossil Energy, DOE. ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Pennsylvania Gas and Water Company long-term authorization to import up to 14,703 Mcf of natural gas per day from Canada beginning May 1, 1995, through October 31, 2002. This order is available for inspection and copying in the Office of Fuels Programs Docket Room, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC on March 16, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-7855 Filed 3-29-95; 8:45 am]

BILLING CODE 6450-01-P

FEDERAL MARITIME COMMISSION

Security for the Protection of the Public Financial Responsibility to Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages; Notice of Issuance of Certificate (Casualty)

Notice is hereby given that the following have been issued a Certificate of Financial Responsibility to Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages pursuant to the provisions of Section 2.

Public Law 89-777 (46 U.S.C. 817(d)) and the Federal Maritime Commission's implementing regulations at 46 CFR Part 540, as amended:

West Travel, Inc. (d/b/a Alaska Sightseeing/Cruise West), 4th and Battery Bldg., Suite 700, Seattle, Washington 98121

Vessel: SPIRIT OF COLUMBIA

Dated: March 24, 1995.

Joseph C. Polking,

Secretary.

[FR Doc. 95-7790 Filed 3-29-95, 8:45 am]

BILLING CODE 6730-01-M

Security for the Protection of the Public Indemnification of Passengers for Nonperformance of Transportation; Notice of Issuance of Certificate (Performance)

Notice is hereby given that the following have been issued a Certificate of Financial Responsibility for Indemnification of Passengers for Nonperformance of Transportation pursuant to the provisions of Section 3. Public Law 89–777 (46 U.S.C. 817(e)) and the Federal Maritime Commission's implementing regulations at 46 CFR Part 540, as amended:

Carnival Corporation, 3655 N.W. 87th Avenue, Miami, Florida 33178-2428

Vessel: CARNIVAL DESTINY

Dated: March 24, 1995.

Joseph C. Polking.

Secretary.

IFR Doc. 95-7791 Filed 3-29-95; 8:45 aml

BILLING CODE 6730-01-46

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders. Federal Maritime Commission. Washington, D.C. 20573.

Gilbert International, Inc., 330 S. Stiles Street, Linden, NJ 07036, Officers: Richard Gilbert, President, Ken Gross, Vice President

Worchel Transport Inc. d/b/a Prime Transport, 182-09 149th Road, Springfield Gardens, NY 11413. Officers: Sam Fischel, President, David Wortman, Vice President King Yang Shipping, Inc., 222431 S.
Vermont Avenue, Torrance, CA
90502, Officer: Aithur King, President
Quality Customs Broker, Inc. dba,
Quality Freight Services International,
7071 South 13th Street, Suite 103,
Oak Creek, WI 53154, Officer: Karin
La Freniere, President
All-Cargo Express, 7800 North
University Drive, #201, Tamarac, FL
33321, Alfred L. Cohen, Sole

Dated: March 27, 1995.

By the Federal Maritime Commission.

Joseph C. Polking.

Proprietor

Secretary.

[FR Doc. 95-7789 Filed 3-29-95; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL RESERVE SYSTEM

[Docket No. R-0867]

Internal Appeals Process

AGENCY: Board of Governors of the Federal Reserve System. **ACTION:** Final guidelines.

SUMMARY: The Board is issuing its final guidelines on an internal appeals process for institutions wishing to appeal an adverse material supervisory determination.

EFFECTIVE DATE: March 24, 1995.

FOR FURTHER INFORMATION CONTACT: Gregory A. Baer, Managing Senior Counsel, Legal Division (202/452–3236); Shawn McNulty, Assistant Director. Division of Consumer and Community Affairs (202/452–3946); or Ann Marie Kohlligian, Senior Counsel/Manager. Division of Banking Supervision and Regulation (202/452–3528), Board of Governors of the Federal Reserve System. For the hearing impaired only, Telecommunication Device for the Deaf (TDD), Dorothea Thompson (202/452–3544).

SUPPLEMENTARY INFORMATION:

Background

Section 309 of the Riegle Community Development and Regulatory Improvement Act of 1994 (the Act), 12 U.S.C. 4806, requires the Board (as well as the other Federal banking agencies) to establish an independent, intra-agency appellate process that is available to institutions to seek review of material supervisory determinations. Section 309 specifies various requirements that the appellate process must meet.

On December 29, 1994, the Board published for public comment its proposed guidelines that would implement the intra-agency appellant

REC'D DOE/FE 1999 AUG 19 P 3: 59



August 16, 1999

Mr. John Glynn
Office of Fuels Programs
Fossil Energy
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, DC 20585

RE: DOE/FE Order No. 1033, Docket No. 95-01-NG, March 17, 1995 (Order)

Dear Mr. Glenn:

PG Energy Inc., successor to Pennsylvania Gas and Water Company, hereby requests that its authorization to import natural gas from Canada pursuant to the referenced Order be vacated as of May 1, 1999. This request is the result of the assignment of the TransCanada Gas Services Limited gas supply and Tennessee Gas Pipeline interstate pipeline contracts to The Procter & Gamble Paper Products Company, effective May 1, 1999. The terms and conditions of the assigned contracts are the same as those to which PG Energy was subject, and therefore the importation of natural gas should remain the same. PG Energy no longer imports any of the gas that it previously received through the aforementioned contracts.

I apologize for the administrative oversight and timing of this request. Please advise me if there is anything that I must accomplish to perfect this request, either by telephone (570) 829-8715 or by mail.

Very truly yours,

William H. Eckert

Director of Gas Supply

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

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OFFICE OF FOSSIL ENERGY

)	
PG ENERGY INC.)	FE DOCKET NO. 95-01-NG
(Successor to Pennsylvania Gas and Water Co.))	
)	

ORDER VACATING LONG-TERM AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1033-A

On March 16, 1995, the Office of Fossil Energy (FE) of the Department of Energy (DOE) granted long-term authorization to Pennsylvania Gas and Water Company (PG&W) in DOE/FE Order No. 1033 (Order 1033) (1 FE ¶ 71,092) to import from Canada near Niagara Falls, New York, up to 14,703 Mcf of natural gas per day beginning on May 1, 1995, and extending through October 31, 2002.

On August 19, 1999, PG Energy Inc. (PG Energy), successor to PG&W, filed a letter with FE requesting that Order 1033 be vacated effective May 1, 1999. PG Energy states that the request is the result of the assignment of the TransCanada Gas Services Limited gas supply and

Tennessee Gas Pipeline interstate pipeline contracts to The Procter & Gamble Paper Products

Company and that they are no longer importing gas from the aforementioned suppliers.

Accordingly, pursuant to section 3 of the Natural Gas Act, the authorization to import natural gas granted by Order 1033 is hereby vacated.

Issued in Washington, D.C., on September 20, 1999.

/John W. Glynn

Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy