



NIXON PEABODY LLP
ATTORNEYS AT LAW

Suite 900
401 9th Street, N.W.
Washington, D.C. 20004-2128
(202) 585-8000
Fax: (202) 585-8080

Direct Dial: (202) 585-8338
E-MAIL: ewhittle@nixonpeabody.com

New

RECEIVED
FE DOCKET ROOM

2003 JAN -8 P 3:41

OFFICE OF Fossil Energy
U.S. DEPARTMENT OF ENERGY

January 8, 2004

BY HAND DELIVERY

Office of Fuels Programs
Fossil Energy
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: NYSEG Solutions, Inc., FE Docket No. No. 04-⁰²NG

Dear Sir/Madame:

Enclosed please find the original and fifteen (15) copies of the Application for Blanket Authority to Import Natural Gas from Canada for filing on behalf of NYSEG Solutions, Inc. Also enclosed is the filing fee in the amount of \$50.00. Kindly acknowledge receipt of this filing by time-stamping the three (3) extra copies and returning them to the messenger.

Thank you for your consideration in this regard.

Respectfully submitted,

Elizabeth W. Whittle

Enclosures

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

In the matter of:

NYSEG Solutions, Inc.

)
)
)

FE Docket No. 04-  **-NG**

**APPLICATION OF
NYSEG SOLUTIONS, INC.
FOR BLANKET AUTHORITY TO
IMPORT NATURAL GAS FROM CANADA**

Pursuant to Section 3 of the Natural Gas Act, 15 U.S.C. § 717b, Part 590 of the Department of Energy's Regulations, 10 C.F.R. Part 590, and Section 201 of the Energy Policy Act of 1992, NYSEG Solutions, Inc. ("NYSEG Solutions") hereby files this Application for blanket authority to import natural gas from Canada for a two-year term. NYSEG Solutions respectfully requests that the authorization under the new blanket import authorization become effective on January 1, 2004. In support of its Application, NYSEG Solutions asserts as follows:

I.

BACKGROUND

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

Elizabeth W. Whittle, Esq.
Nixon Peabody LLP
401 9th Street, N.W.
Suite 900
Washington, D.C. 20004-2128
202-585-8000
202-585-8080 (facsimile)
ewhittle@nixonpeabody.com

and

Byron Farnsworth Jr.
Energetix, Inc.
755 Brooks Avenue
Rochester, NY 14619
(585) 724-8579
(585) 328-7509 (facsimile)
bfarnsworth@energetix.net

NYSEG Solutions is a corporation organized and existing under the laws of the State of New York with its principal office located at 81 State Street, Stephens Square, 5th Floor, Binghamton, New York 13901. NYSEG Solutions is engaged in, among other things, the business of purchasing, selling, and marketing natural gas and electricity. NYSEG Solutions is an affiliate of Energetix, Inc.

II.

AUTHORIZATION REQUESTED

NYSEG Solutions requests authorization to import up to a total of 15 Bcf of natural gas from Canada over a two-year term. The requested authorization will enable NYSEG Solutions to participate in short-term and/or spot market transactions involving natural gas supplies from Canada.

NYSEG Solutions requests that this short-term authorization become effective on January 1, 2004. Due to administrative oversight, NYSEG Solutions commenced imports from Canada

in January 2004 without obtaining blanket authorization. For this reason, NYSEG requests that the blanket authorization requested herein be issued effective January 1, 2004. NYSEG Solutions will include in its quarterly reports any imports that occurred prior to blanket authorization being granted.

III.

GRANT OF THIS APPLICATION IS IN THE PUBLIC INTEREST

The Energy Policy Act of 1992¹ provides that the importation and exportation of natural gas from or to a nation with which there is a free trade agreement in effect shall be deemed to be within the public interest and that applications for such importation and exportation shall be granted without modification.² Because the United States has a free trade agreement with Canada, NYSEG Solutions submits that its Application for blanket import authorization is in the public interest.

Good cause exists for granting NYSEG Solutions' request that the authorization requested herein become effective on January 1, 2004. NYSEG Solutions anticipates that Canadian gas will constitute an important portion of NYSEG Solutions' gas portfolio. As such, NYSEG Solutions requests that this authorization be granted as soon as practicable under the circumstances.

IV.

ENVIRONMENTAL IMPACT

No new facilities will be constructed in the United States or in Canada for the proposed importation of natural gas. Therefore, granting this Application for blanket authorization will

¹ Energy Policy Act of 1992, title II – Natural Gas, Pub. L. No. 102-486 (1992).

² Id.

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, neither an environmental impact statement nor an environmental assessment is required.

V.

FILING REQUIREMENTS

NYSEG Solutions will comply with the filing requirements of the DOE/FE, including the filing of quarterly reports.

VI.

OTHER INFORMATION

Along with this Application, NYSEG Solutions is submitting an opinion of counsel stating that the importation of natural gas is within the corporate powers of NYSEG Solutions. Also enclosed is a notice of filing.

The following exhibits are attached to this Application:

Exhibit 1 - - Opinion of Counsel

Exhibit 2 - - Notice of Filing

VII.

CONCLUSION

WHEREFORE, for the foregoing reasons, NYSEG Solutions respectfully requests that the DOE/FE expeditiously review NYSEG Solutions' Application for blanket import

authorization and, pursuant to Section 3 of the Natural Gas Act and Section 201 of the Energy Policy Act, grant its request for blanket authorization effective on January 1, 2004.

Respectfully submitted,



Elizabeth W. Whittle
Karen Georgenson Gach
Attorneys for NYSEG Solutions, Inc.

Of Counsel:

Nixon Peabody LLP
401 9th Street, N.W.
Suite 900
Washington, D. C. 20004-2128
202-585-8000

Dated: January 8, 2004



NIXON PEABODY LLP

ATTORNEYS AT LAW

Suite 900
401 9th Street, N.W.
Washington, D.C. 20004-2128
(202) 585-8000
Fax: (202) 585-8080

January 8, 2004

BY HAND DELIVERY

U.S. Department of Energy
Office of Fossil Energy, Natural Gas Branch
Room 3F-056 FE-531
1000 Independence Avenue, S.W.
Washington, D.C. 20585

RE: NYSEG Solutions, Inc., Docket No. 04- -NG

Dear Ladies and Gentlemen:

Pursuant to 10 C.F.R. Section 590.202(c), this opinion of counsel is hereby furnished in connection with the Application of NYSEG Solutions, Inc. for Blanket Authority to Import Natural Gas from Canada.

In respect to the above, we are of the opinion that the proposed importation of Canadian natural gas is within the corporate powers of NYSEG Solutions, Inc.

Respectfully submitted,

Nixon Peabody LLP
Nixon Peabody LLP

**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FUELS PROGRAMS, FOSSIL ENERGY
FE DOCKET NO. 04- -NG**

AGENCY: Office of Fuels Programs, Fossil Energy, Department of Energy.

ACTION: Notice of Application for Blanket Authorization to Import Natural Gas from
Canada.

SUMMARY: The office of Fuels Programs, Fossil Energy (“OFE”) of the Department of
Energy (“DOE”) hereby gives notice of receipt on January 8, 2004, of the Application of
NYSEG Solutions, Inc. for Blanket Authorization to Import Natural Gas from Canada.

The Application is filed with the OFE pursuant to Section 3 of the Natural Gas Act and
DOE Delegation Order Nos. 0204-111 and 0204-127. Protests, motions to intervene or notices
of intervention, as applicable and written comments are invited.

DATE: Protests, motions to intervene or notices of intervention, as applicable, requests for
additional procedures and written comments are to be filed in Washington, D.C., at the address
listed below, no later than 4:30 p.m., Eastern time, _____, 2004.

ADDRESS: Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
Forrestal Building, Room 3F-056 FE-50
1000 Independence Avenue, S.W.
Washington, D.C. 20585
202-586-9478

FOR FURTHER INFORMATION CONTACT:

Office of Fuels Programs, Fossil Energy
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585
202-586-_____

Office of Assistant General Counsel, for Fossil Energy
U.S. Department of Energy
Forrestal Building, Room _____
1000 Independence Avenue, S.W.
Washington, D.C. 20585
202-586-_____

PUBLIC COMMENT PROCEDURES:

In response to this Notice, any person may file a protest, motion to intervene or notice of intervention, as applicable, and written comments. Any person wishing to become a party to the proceeding and to have written comments considered as a basis for any decision on the application must, however, file a motion to intervene or notice of intervention, as applicable. The filing of a protest with respect to this Application will not serve to make a protestant a party to the proceeding although protests and documents received from persons who are not parties will be considered in determining the appropriate action to be taken on the application. All protests, motions to intervene, notice of intervention and written comments must meet the requirements of 10 C.F.R. Part 590. Protests, motions to intervene, notice of interventions, requests for additional procedures, and written comments should be filed with the Office of Fuels Programs at the above address.

It is intended that a decisional record will be developed on the application through responses to this notice by parties, including the parties' written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. A party seeking intervention may request that additional procedures be provided such as additional written comments, an oral presentation, a conference, or a trial-type hearing. Any request to file additional written comments should explain why they are necessary. Any request for an oral presentation should identify the substantial question of fact, law or policy at issue, show that it is material and relevant to a decision on the proceeding, and demonstrate why an oral presentation is needed. Any request for a conference should demonstrate why the conference would materially advance the proceeding. Any request for a trial-type hearing must

show that there are factual issues genuinely in dispute that are relevant and material to a decision and that a trial-type hearing is necessary for a full and true disclosure of the facts.

If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final opinion and order may be issued based on the official record, including the application and responses filed by parties pursuant to this notice, in accordance with 10 C.F.R. Part 590.316.

A copy of this Application is available for public inspection and copying in the Office of Fuels Programs Docket Room 3F-056 at the above address. The docket room is open between the hours of 8:00 a.m. and 4:40 p.m., Monday through Friday, except Federal Holidays.

Issued in Washington, D.C.

January __, 2004

Office of Fuels Programs,
Office of Fossil Energy