UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

SELKIRK COGEN PARTNERS, L.P.)	FE DOCKET NO. 05-48-NG

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

DOE/FE ORDER NO. 2163

DECEMBER 28, 2005

I. DESCRIPTION OF REQUEST

On July 25, 2005, Selkirk Cogen Partners, L.P. (Selkirk) applied to the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),[1/] for authority to import up to 20,660 MMBtu per day of natural gas from Canada, under a North American Energy Standards Board (NAESB) base contract, as amended, with Imperial Oil Resources for a term beginning on January 1, 2005, until October 31, 2014. According to its application, Selkirk has terminated its existing gas purchase contract and filed for new authority using the NAESB base contract to supply fuel to its 252-megawatt cogeneration facility in Selkirk, New York. Current authority for this and two other Selkirk imports, see DOE/FE Order Nos. 756 and 756A[2/], 1 FE ¶ 70,736 and 1 FE ¶ 70,981, are being vacated simultaneously in separate dockets.

The imported natural gas will be delivered at the border at Waddington, New York, for transportation by the Iroquois Gas Transmission system to Tennessee Gas Pipeline Company. The price paid will be a spot price published monthly in the Alberta Monthly Index, as reported in the "*Canadian Gas Price Reporter*, " under the heading "Canadian Gas," in the column for "Average." The spot price will include any applicable demand charge, variable commodity charges and fuel charges, subject to a cap of $0.30/MMBtu. Selkirk also states that for a variety of reasons, including maintenance activities, it may sell some of the imported gas on the domestic spot market.

1/ 15 U.S.C. § 717b.

2/ DOE/FE Order No. 756-A reflects the name change of one of Selkirk's suppliers, Esso Resources Canada to Imperial Oil Resources.

II. FINDING

The application filed by Selkirk 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 Selkirk 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. Selkirk Cogen Partners, L.P. (Selkirk) is authorized to import up to 20,660 MMBtu per day of natural gas from Canada, beginning on January 1, 2005, and extending through October 31, 2014. The gas will be imported from Imperial Oil Resources at a border point between near Waddington, New York, under a North American Energy Standards Board base contract dated December 15, 2004, as amended.

B. **Monthly Reports:** With respect to the import of natural gas authorized by this Order, Selkirk shall file with the Office of Natural Gas Regulatory Activities, within 30 days following each calendar month, a report indicating whether import of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made a report of "no activity" for that month must be filed. If imports of natural gas have occurred, the report must give the following details: (1) point of entry; and (2) total monthly volumes volume at the import point in Mcf for the month.

C. The first monthly report required by this Order is due not later than January 30, 2006, and should cover the reporting period December1, 2005, through December 30, 2005.

D. **Quarterly Reports:** With respect to the natural gas imports authorized by this Order, Selkirk will 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. If imports of natural gas have not been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Selkirk must report the following details including each resale transaction: (1) the total monthly volumes in Mcf; (2) the average purchase price of gas per MMBtu; (3) the name(s) of the purchaser; (4) the estimated or actual duration of the agreement; (5) the name of the United States transporter; and (6) the geographic market served (State). [OMB NO.: 1901-0294]

E. The first quarterly report required by this Order, is due not later than January 30, 2006, and should cover the period from the date of this Order until the end of the fourth calendar quarter, December 31, 2005.

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

Issued in Washington, D.C., on December 28, 2005.

R. F. Corbin
Manager, Natural Gas Regulatory Activities
Office of
Oil and Gas Global Security and Supply