

Cited as "1 ERA Para. 70,746"

St. Lawrence Gas Company, Inc. (ERA Docket No. 87-54-NG), January 12, 1988.

## DOE/ERA Opinion and Order No. 214

### Order Amending Authorization to Import Natural Gas from Canada

#### I. Background

On October 7, 1987, St. Lawrence Gas Company, Inc. (St. Lawrence), filed an application to amend its existing import authorization to extend through October 31, 1989, the term during which it can import natural gas from Canada at the current maximum daily volumes of 50,000 Mcf. St. Lawrence is an intrastate distribution system serving residential, commercial and industrial customers in St. Lawrence County, New York, near the Canadian border. The gas will be imported from Niagara Gas Transmission Limited (Niagara). Under the provisions of St. Lawrence's October 15, 1986, gas sales contract with Niagara, the price of the additional volumes of gas will be \$1.72 (U.S.) per MMBtu.

On June 22, 1981, the ERA issued DOE/ERA Opinion and Order No. 33 1/ amending St. Lawrence's then existing import authority, granted by the Federal Power Commission on August 8, 1961,<sup>2/</sup> to increase the daily volumes from 30,000 Mcf to no more than 43,000 Mcf, and to increase the annual total from 6.5 Bcf to 9.7 Bcf. On December 3, 1984, the ERA issued DOE/ERA Opinion and Order No. 64 3/ granting St. Lawrence authority to import an additional 7,000 Mcf per day, during the contract year November 1, 1984, to October 31, 1985. On December 23, 1985, the ERA issued DOE/ERA Opinion and Order No. 97 4/ extending the 50,000 Mcf per day limit until October 31, 1987. St. Lawrence is requesting that the 50,000 Mcf per day limit be further extended until October 31, 1989. St. Lawrence states that the requested two-year extension is needed to permit it to maintain its current service without curtailment, that Niagara, which has historically supplied all of St. Lawrence's gas requirements, is a sound and reliable supplier, and that the additional volumes of natural gas will be purchased only as needed on a best-efforts, interruptible basis.

Notice of St. Lawrence's application was issued on October 23, 1987, inviting protests, motions to intervene, or notices of intervention and written comments by November 30, 1987.<sup>5/</sup> No responses were received.

## II. Decision

St. Lawrence's application has been evaluated in accordance with the Administrator's authority to determine if the proposed import arrangement meets the public interest requirements of Section 3 of the Natural Gas Act. Under Section 3, an import is to be authorized unless there is a finding that it "will not be consistent with the public interest." 6/ The Administrator is guided by the DOE's natural gas import policy guidelines.7/ Under these policy guidelines, the competitiveness of an import arrangement in the markets served is the primary consideration for meeting the public interest test.

In this case, the applicant contends the arrangement is competitive. No party intervened to claim otherwise. The additional volumes will be imported on a best-efforts, interruptible basis, and only to the extent that St. Lawrence needs such gas. Overall, this import arrangement is reasonable, flexible and market responsive, and thus complies with the policy guidelines.

After taking into consideration all of the information in the record of this proceeding, I find that the two-year extension of the previously authorized daily volumes requested by St. Lawrence is not inconsistent with the public interest and thus should be granted.8/

### ORDER

For the reasons set forth above, pursuant to Section 3 of the Natural Gas Act, it is hereby ordered that:

A. The authorization granted to St. Lawrence Gas Company, Inc., in Ordering Paragraph A of DOE/ERA Opinion and Order No. 64, issued on December 3, 1984, to import up to 50,000 Mcf of natural gas per day from Niagara Gas Transmission Limited, is hereby extended through the contract year ending October 31, 1989.

B. The extension granted by Ordering Paragraph A above does not otherwise change the terms of St. Lawrence's existing authorization granted by DOE/ERA Opinion and Order No. 33 issued on June 22, 1981.

Issued in Washington, D.C., on January 12, 1988.

--Footnotes--

1/ 1 ERA Para. 70,532.

2/ 26 FPC 265.

3/ 1 ERA Para. 70,576.

4/ 1 ERA Para. 70,615.

5/ 52 FR 4176, October 30, 1987.

6/ 15 U.S.C. Sec. 717b.

7/ 49 FR 6684, February 22, 1984.

8/ Because the proposed importation of gas will use existing pipeline facilities, the DOE has determined that granting this application clearly is not 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.) and therefore an environmental impact statement or environmental assessment is not required.