

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
NORTHERN UTILITIES, INC.) FE DOCKET NO. 93-77-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 827

JULY 30, 1993

I. DESCRIPTION OF REQUEST _____

On July 16, 1993, Northern Utilities, Inc. (Northern Utilities) 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 blanket authorization to import natural gas from Canada. The authorization would allow Northern Utilities to import up to 15 Bcf of gas over a period of two years beginning on the date of the first delivery. Northern Utilities, a New Hampshire corporation with its principal place of business in Westborough, Massachusetts, is a natural gas distributor that provides retail gas service to approximately 35,000 customers in the principal coastal communities in the States of New Hampshire and Maine.^{2/} Northern Utilities will import the gas under

short-term and spot market agreements, either on its own behalf or as the agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Northern Utilities has been evaluated to determine if the proposed import arrangement meets the public interest requirements 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 importation of natural gas

1/ 15 U.S.C. Sec. 717b. _____

2/ Northern Utilities is a wholly owned subsidiary of Bay State Gas Company, a natural gas distributor operating in

Massachusetts. It is also affiliated with Granite State Gas Transmission, Inc., an interstate natural gas pipeline company which is also a wholly-owned subsidiary of Bay State Gas Company.

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 Northern Utilities 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. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

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

A. Northern Utilities, Inc. (Northern Utilities) is authorized to import from Canada, at any point on the international border, up to 15 Bcf of natural gas over a period of two years beginning on the date of the first delivery.

B. Within two weeks after deliveries begin, Northern Utilities shall notify the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, in writing of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, Northern Utilities shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports have been made.

Quarterly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Northern Utilities must report monthly total volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the U.S. transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served; (7) whether the sales are being made on an interruptible or firm basis; and, if applicable, (8) the demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering Paragraph C is due not later than October 30, 1993, and should cover the period from the date of this order until the end of the third calendar quarter, September 30, 1993.

Issued in Washington, D.C., on July 30, 1993.

Anthony J. Como
Acting Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy