

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

MIDLAND COGENERATION VENTURE)	
LIMITED PARTNERSHIP)	FE DOCKET NO. 93-81-NG
)	
)	

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 845

SEPTEMBER 24, 1993

I. DESCRIPTION OF REQUEST _____

On August 5, 1993, Midland Cogeneration Venture Limited Partnership (MCV) 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 MCV to import up to 20 Bcf of gas over a period of two years beginning on the date of the first delivery. MCV is a limited partnership organized under the laws of the State of Michigan with its principal place of business at Midland, Michigan. MCV was organized to construct, own, and operate a natural gas-fired combined-cycle cogeneration facility at Midland, Michigan, that would produce electricity and steam. The MCV facility is a qualifying cogeneration facility under the Public Utility Regulatory Policies Act of 1978.^{2/} The imported gas would be used by the MCV facility. MCV previously held a blanket authorization to import up to 20 Bcf of natural gas from Canada over a two-year period. That authorization was granted July 20, 1990, by DOE/FE Opinion and Order No. 411.

II. FINDING _____

The application filed by MCV 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

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

2/ 16 U.S.C. Sec. 2601 et seq.

—

3(c), an 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 MCV 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. Midland Cogeneration Venture Limited Partnership (MCV) is authorized to import from Canada, at any point on the international border, up to 20 Bcf of natural gas over a two-year period beginning on the date of the first delivery.

B. Within two weeks after deliveries begin, MCV shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, 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, MCV shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made.

Quarterly reports must be filed whether or not 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, MCV 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 United States 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 per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

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

Issued in Washington, D.C., on September 24, 1993.

Anthony J. Como
Director
Office of Coal and Electricity
Office of Fuels Programs
Office of Fossil Energy