

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

NORTHERN CALIFORNIA POWER AGENCY) FE DOCKET NO. 93-86-NG
)

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 859

OCTOBER 7, 1993

I. DESCRIPTION OF REQUEST _____

On September 1, 1993, as amended on September 9, 1993, Northern California Power Agency (NCPA) 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 NCPA to import up to 16 Bcf of gas over a period of two years beginning on the date of the first delivery. NCPA is a public agency engaged in the planning, purchase, generation, transmission, sale, and pooling of electric power and energy for 14 public agency members in Northern and Central California, including such members as the cities of Alameda, Lodi, and Palo Alto. The gas would be imported near Kingsgate, British Columbia, through Pacific Gas Transmission Company's pipeline facilities, and delivered to California for consumption at NCPA's two gas turbine electric generation facilities in Lodi and Ceres, California. NCPA would resell any imported gas which is surplus to its power generation needs to other gas consumers and/or marketers in the State.

II. FINDING _____

The application filed by NCPA 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), an import of natural gas from a nation with _____

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

—

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 NCPA 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 California Power Agency (NCPA) is authorized to import from Canada, near Kingsgate, British Columbia, up to 16 Bcf of natural gas over a two-year period beginning on the date of the first delivery.

B. Within two weeks after deliveries begin, NCPA 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, NCPA 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 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, NCPA 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; (5) the point of entry; (6) the geographic market 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 Ordering Paragraph C of this Order is due not later than January 30, 1994, and should cover the period from the date of this Order until the end of the fourth calendar quarter, December 31, 1993.

Issued in Washington, D.C., on October 7, 1993.

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