

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
ALTRESKO PITTSFIELD, L.P.) FE DOCKET NO. 93-111-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA

DOE/FE ORDER NO. 868

OCTOBER 28, 1993

I. DESCRIPTION OF REQUEST

On October 15, 1993, Altresco Pittsfield, L.P. (Altresco Pittsfield) 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, for blanket authorization to import up to 25.5 Bcf and to export up to 25.5 Bcf of natural gas from and to Canada over a two-year term, beginning on the date of first import or export delivery. Altresco Pittsfield is a Delaware limited partnership, and is the general partner of Altresco, Inc., with its principal place of business in Denver, Colorado. Altresco Pittsfield operates an electric cogeneration facility located in Pittsfield, Massachusetts. Altresco Pittsfield will import and export the gas under spot and short-term purchase arrangements. The imported volumes will be used to operate Altresco Pittsfield's cogeneration facility.^{2/}

Altresco Pittsfield states that most of the imported gas will be used in the cogeneration facility, but consumption will

1/ 15 U.S.C. § 717b.

2/ Altresco Pittsfield's gas requirements for its cogeneration facility have previously been supplied pursuant to purchase arrangements with Canadian suppliers which expire October 31, 1993. Originally, authorization to import gas to supply the cogeneration facility was granted to Vector Energy (U.S.A.) Inc. by DOE/FE Opinion and Order No. 308 (1 FE § 70,217), as amended by DOE/FE Opinion and Order No. 353 (1 FE § 70,268). That long-term import authorization has never been activated. Rather, Altresco Pittsfield has obtained its gas supplies under Vector Energy (U.S.A.) Inc.'s blanket import authorization granted by DOE/FE Opinion and Order No. 699 (FE Docket No. 92-118-NG; unpublished).

fluctuate. Altresco Pittsfield will sometimes have surplus gas supplies due to climatic fluctuations or maintenance activities. The proposed export authorization would allow Altresco Pittsfield the flexibility to market such surplus volumes to Canadian customers. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Altresco Pittsfield has been evaluated to determine if the proposed import/export 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 or export of natural gas from or to 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 Altresco Pittsfield to import and export natural gas from and to 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. Altresco Pittsfield, L.P. (Altresco Pittsfield) is authorized to import up to 25.5 Bcf and to export up to 25.5 Bcf of natural gas from and to Canada over a two-year term, beginning on the date of the first import or export delivery after October 31, 1993. This natural gas may be imported and exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, Altresco Pittsfield shall provide written notification to the Office of Fuels Programs (OFP), Fossil Energy, Room 3F-056, FE-50, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import or export delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports and exports authorized by this Order, Altresco Pittsfield shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether imports or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports occur, Altresco Pittsfield must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports also shall provide the details of each import and export 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 and exit; (6) the geographic market(s) served; (7) whether 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 November 1, 1993, until the end of the current calendar quarter, December 31, 1993.

Issued in Washington, D.C., on October 28, 1993.

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