

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

NEW ENGLAND POWER COMPANY)	FE DOCKET NO. 90-09-NG
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)	

ORDER AMENDING LONG-TERM AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 551-A

On March 18, 1994, New England Power Company (NEP) filed an application with the Office of Fossil Energy (FE) 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, to amend its long-term import authorization issued November 27, 1991, in DOE/FE Opinion and Order No. 551 (Order 551)^{2/}.

Under the arrangement approved in Order 551, NEP is authorized to import near Iroquois, Ontario/Waddington, New York, up to 60,000 Mcf per day of natural gas from Canada, over a period of 15 years ending November 26, 2006. NEP entered into this import arrangement to displace residual fuel oil being used to generate electricity at its Brayton Point Unit 4 generating station in

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

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2/ 1 FE 70,502. —

Somerset, Massachusetts, and at its Manchester Street and South Street generating facilities in Providence, Rhode Island.

These facilities are currently being modified and repowered to add natural gas-burning capability and are expected to start running on natural gas by late 1995. The imported gas will not be used for NEP's power generation facilities until that time. Currently, NEP anticipates that the imported gas supplies sometimes will exceed NEP's power generation requirements once the facilities are operating. Therefore, NEP requests that Order 551 be amended to authorize NEP to market the surplus volumes on the domestic spot market, throughout the term of the authorization.

NEP also received authority in Order 551 to import the gas under contracts with four suppliers: BP Resources Canada Limited (BP Resources), Renaissance Energy Limited, Sceptre Resources Limited and Triton Canada Resources Limited (Triton). Since Order 551 was issued, BP Resources has changed its name to Talisman Energy, Inc., and Triton has changed its name to Transwest Energy Inc. Therefore, Order 551 will also be amended to reflect the name changes of these two suppliers.

Under section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486), the importation 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. Therefore, approving NEP's request to market natural gas imported from Canada, which is surplus to NEP's power generation requirements, is consistent with the public interest.

ORDER

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

A. DOE/FE Opinion and Order No. 551 (Order 551), issued to New England Power Company (NEP) on November 27, 1991, is amended to authorize NEP to resell some of the imported gas on the domestic spot market whenever it is not used by NEP to generate electricity at its Brayton Point, Manchester Street and South Street generating facilities.

B. Ordering Paragraph B of Order 551 is amended to substitute Talisman Energy, Inc. for BP Resources Canada Limited and Transwest Energy Inc. for Triton Canada Resources Limited.

C. With respect to the imports authorized by Order 551 which are resold by NEP to buyers in the United States, the quarterly reports required by Ordering Paragraph D of Order 551 shall provide the details of each transaction, including the name(s) of the purchaser(s), geographic market(s) served, and the volume in Mcf.

In all other respects the earlier order shall remain in full force and effect.

Issued in Washington, D.C., on May 2, 1994.

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