

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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THE MONTANA POWER COMPANY ) FE DOCKET NO. 94-85-NG  
\_\_\_\_\_) )

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 990

OCTOBER 27, 1994

I. DESCRIPTION OF REQUEST \_\_\_\_\_

On October 14, 1994, The Montana Power Company (MPC) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)<sup>1/</sup> and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 10 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after February 6, 1995.<sup>2/</sup> MPC, a Montana corporation with its principal place of business in Butte, Montana, is a combination electric and natural gas utility company. MPC will import the gas under short-term and spot market transactions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING \_\_\_\_\_

The application filed by MPC 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), 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. The authorization sought by MPC to import natural gas

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

2/ This is the expiration date of MPC's current blanket

authorization to import natural gas from Canada, granted by  
DOE/FE Order No. 751 on December 16, 1992 (1 FE 70,727).

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

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

A. The Montana Power Company (MPC) is authorized to import from Canada, at any point on the international border, up to 10 Bcf of natural gas over a two-year term beginning on the date of first delivery after February 6, 1995.

B. Within two weeks after deliveries begin, MPC 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 delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, MPC shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports occur, MPC must report total monthly volumes in Mcf and the average purchase price of gas 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 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 April 30, 1995, and should cover the period from February 7, 1995, until the end of the first calendar quarter, March 31, 1995.

Issued in Washington, D.C., on October 27, 1994.

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