

FE DOCKET NO.: 95-64-NG

APPLICANT(S): PITTSFIELD GENERATING COMPANY, L.P.

ITEM	PREPARED OR FILED BY	FILING TYPE	DESCRIPTION OF DOCUMENT	DATED	DATE FILED OR ISSUED
1	ALTRESCO PITTSFIELD, L.P.	APPLICATION	Application for an Order Authorizing Long Term Import of Natural Gas from Canada	95-09-29	95-09-29
2	DOE/FE	ORDER	Order 1088-Granting Long Term Authorization to Import Natural Gas from Canada	95-09-28	95-09-28
3	DOE/FE	FEDERAL REGISTER ISSUED ORDER	60 FR 53771; 10/17/95	95-09-28	95-09-28
4	PITTSFIELD GENERATING COMPANY, L.P.	AMENDMENT	Amendment Reflecting Name Change from Altresco Pittsfield.	96-08-08	96-08-08
5	DOE/ERA	ORDER	Order 1088-A Amending Long-Term Authority to Import Natural Gas Reflecting Name Change	96-10-25	96-10-25

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WRITER'S DIRECT DIAL

August 29, 1995

Ms. Larine Moore
Office of Fuels Programs
Fossil Energy
U.S. Department of Energy
Forrestal Building
Docket Room 3F-056, FE-50
1000 Independence Avenue, S.W.
Washington, D.C. 20585

1995 AUG 29 P 4:33

Re: Application for Long-Term Authorization to
Import Natural Gas from Canada,
FE Docket No. 95-*C4-NG*

Dear Ms. Moore:

Please find enclosed for filing an original and fifteen (15) copies of the Application of Altresco Pittsfield, L.P. for Long-Term Authorization to Import Natural Gas from Canada. Also enclosed is a check in the amount of \$50.00 for the filing fee.

Please date-stamp the enclosed sixteenth copy of the Application and return it to us via our messenger. Thank you for your assistance.

Very truly yours,



Nancie A. Thomas

Enclosures

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

_____))
In the Matter of))
_____))
ALTRESCO PITTSFIELD, L.P.))
_____))

FE Docket No. 95-6 NG

REC'D OFFICE OF FOSSIL ENERGY
1995 JUN 29 5:33 PM

APPLICATION FOR LONG-TERM AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

Pursuant to Section 3 of the Natural Gas Act, 15 U.S.C. § 717b, the regulations of the Department of Energy ("DOE"), 10 C.F.R. § 590.201, et seq., and DOE Delegation Order Nos. 0204-111 and 0204-127, Altresco Pittsfield, L.P. ("Altresco Pittsfield") hereby applies to the Office of Fossil Energy ("OFE") for authority to import up to 22,420 Mcf of natural gas per day from Canada for a term of fourteen years and ten months beginning November 1, 1995.

In support of its application, Altresco Pittsfield states as follows:

I.

The exact legal name of Altresco Pittsfield is Altresco Pittsfield, L.P. The principal office of Altresco Pittsfield is located at One Bowdoin Square, Boston, Massachusetts 02114. Altresco Pittsfield is a Delaware limited partnership authorized

to do business in Massachusetts. As stated in the opinion of counsel, attached hereto as Exhibit A, the proposed imports are within the partnership powers of Altresco Pittsfield.

Communications regarding this Application should be directed to:

James H. Leonard
Senior Vice President - Fuel Services
~~ALTRESCO PITTSFIELD, L.P.~~ *Pittsfield*
One Bowdoin Square
Boston, Massachusetts 02114

Kenneth M. Simon
Joan M. Darby
Dickstein, Shapiro & Morin
2101 L Street, N.W.
Washington, D.C. 20037

II.

Altresco Pittsfield is the owner and operator of a 160 MW natural gas-fired combined cycle electric cogeneration facility (the "Facility") in Pittsfield, Massachusetts that began commercial operation in September, 1990. Altresco Pittsfield's gas requirements for the Facility have previously been supplied pursuant to various purchase arrangements with Canadian suppliers and imported under Vector Energy (U.S.A.) Inc.'s blanket import authorization granted by DOE/FE Opinions and Orders Nos. 699 and 699-A, 1 FE ¶ 70,861 (1992) and 1 FE ¶ 70,810 (1993), and

Altresco Pittsfield's blanket import authorization granted by DOE/FE Opinion and Order No. 868, 1 FE ¶ 70,874 (1993).

On August 23, 1995, Altresco Pittsfield entered into a Natural Gas Purchase and Sale Agreement with Talisman Energy Inc. ("Talisman") for the purchase of up to 22,420 Mcf per day of natural gas commencing November 1, 1995 (the "Talisman Agreement"). This Application concerns the Talisman gas supply. The Talisman Agreement is attached hereto as Exhibit B.

On August 23, 1995, Altresco Pittsfield entered into a Natural Gas Purchase and Sale Agreement with Home Oil Company Limited ("Home Oil") for the purchase of up to 11,757 Mcf per day of natural gas commencing November 1, 1995 (the "Home Oil Agreement"). The Home Oil gas supply is the subject of a separate application being filed concurrently by Altresco Pittsfield.

III.

The principal terms of the Talisman Agreement are as follows:

Term. The Talisman Agreement became effective on August 23, 1995, the date it was executed. The Date of First Delivery is November 1, 1995. The term of the Talisman Agreement will continue until September 1, 2010. The term may be extended

for an additional six years if mutually agreed by the parties. If the Daily Contract Quantity ("DCQ") is at any time during the term reduced to zero, the Talisman Agreement will be terminated as of the date of such reduction. The obligations of Altresco Pittsfield under the Talisman Agreement are subject to the consents of New England Power Company, a power purchaser from Altresco Pittsfield, and General Electric Capital Corporation, the lender to Altresco Pittsfield. The Talisman Agreement is terminable by either party if such consents are not obtained within 65 days of its execution.

Delivery Point. The Delivery Point for the gas volumes will be the point of interconnection between the pipeline systems of NOVA Gas Transmission Limited and TransCanada PipeLines Limited ("TransCanada") located at the Alberta-Saskatchewan border near Empress, Alberta, or such other point as the parties may agree in writing.

Quantity. Talisman is to sell and deliver, and Altresco is to purchase and receive, the volume of gas up to the DCQ of 22,420 Mcf nominated by Altresco Pittsfield for each day of the term. Altresco Pittsfield is obligated to nominate on a daily basis the Pro-Rata Amount, defined as 65.6% of the Facility's total actual daily gas requirements, up to the DCQ, plus the associated transportation fuel volumes for which Altresco

Pittsfield is responsible, less any volumes not taken due to a failure to deliver by Talisman or an event of force majeure.

The Minimum Annual Quantity under the Talisman Agreement is equal to 85% of the sum of the DCQ's in a contract year, less (i) any volumes not taken due to a failure to deliver by Talisman or an event of force majeure and (ii) any volumes deemed to have been nominated by Altresco Pittsfield when Talisman utilizes Altresco Pittsfield's capacity on TransCanada PipeLines Limited ("TCPL") pursuant to Section 4.8 of the Talisman Agreement, i.e., the volumes transported on TCPL by Altresco Pittsfield on behalf of Talisman. If, in any contract year, Altresco Pittsfield fails to nominate the Minimum Annual Quantity, Altresco Pittsfield shall pay a non-refundable reservation fee equal to \$0.17US per MMBtu of the Minimum Annual Quantity not nominated, escalated annually at the Consumer Price Index ("CPI"), with the base CPI equal to the CPI for November 1995, Boston Area, all items.

The Talisman Agreement also provides for a minimum Two Year Quantity equal to 85% of the sum of the DCQ's in the two contract year period (i.e., 11/1/95 - 10/31/97, 11/1/97 - 10/31/99, and so on) less (i) any volumes not taken due to a failure to deliver by Talisman or an event of force majeure and (ii) any volumes deemed to have been nominated by Altresco Pittsfield when Talisman utilizes Altresco Pittsfield's capacity on TransCanada PipeLines Limited ("TCPL") pursuant to Section 4.8

of the Talisman Agreement, i.e., the volumes transported on TCPL by Altresco Pittsfield on behalf of Talisman. If, in any discrete two contract year period, Altresco Pittsfield fails to nominate the Minimum Two Year Quantity, Talisman shall have the option, at any time within sixty days of the end of such two contract year period, to reduce the DCQ by an amount up to the quotient of the amount of the Minimum Two Year Quantity not taken divided by the number of days in the two contract year period.

Price. The price of gas delivered each month under the Talisman Agreement will be composed of (i) a Monthly Demand Charge, consisting of the NOVA demand and other related charges approved by the Alberta Energy and Utilities Board ("EUB") with respect to the NOVA Capacity (defined as the NOVA delivery capacity equal to the DCQ and the NOVA receipt capacity required to deliver the DCQ to the Delivery Point, but in no event greater than 1.01 times the DCQ), based on Rate Schedule FS or substitute tariff in effect for such month and converted from Canadian to U.S. dollars per MMBtu, (ii) a Monthly Commodity Charge, consisting of the NOVA commodity and other related charges approved by the EUB with respect to the NOVA capacity required to deliver volumes under the Talisman Agreement, based on Rate Schedule FS or substitute tariff in effect for such month and converted from Canadian to U.S. dollars per MMBtu, (iii) the Gas Price for such month for each MMBtu of gas used for fuel on NOVA

to deliver volumes to the Delivery Point under the Talisman Agreement that month, such fuel not to exceed 1% of the DCQ, and (iv) the Gas Price for such month for each MMBtu of gas delivered under the Talisman Agreement that month.

The Gas Price per MMBtu of gas for each month will be equal to the base price of \$1.355US adjusted monthly based on changes in a fuel index amount over the base index amount of \$1.93US. The fuel index amount for any month is comprised of (i) a 50% weighting of the average of the daily quotes for such month for No. 6 fuel oil (1.0% sulphur) as reported in Platt's Oilgram Estimated New York Harbor Spot Price, low cargo quotation, assuming 6.3 MMBtu per barrel, (ii) a 40% weighting of the arithmetic average of seven spot price indices, i.e., Louisiana and Offshore spot price indices for Tennessee Gas Pipeline Company, Texas spot price index for Tennessee, the arithmetic average of the East Louisiana and the West Louisiana spot price indices for Texas Eastern Transmission Corp. ("Texas Eastern"), the arithmetic average of the East Texas and the South Texas spot price indices for Texas Eastern, the Zone 1 (pooling point) index for Transcontinental Gas Pipe Line Corp. ("Transcontinental"), the Zone 2 (pooling point) index for Transcontinental, and the Zone 3 (pooling point) index for Transcontinental, each as published in Inside F.E.R.C.'s Gas Market Report (as long as at least four of these seven indices are so published in any month),

and (iii) a 10% weighting of the New England Power Company's weighted average delivered coal cost for such month as reported in the most recently submitted FERC Form 423. The Gas Price at no time shall be less than \$1.12US.

Altresco Pittsfield shall be relieved of responsibility for NOVA demand charges, calculated on a per Mcf basis at 100% load factor, with respect to any portion of the DCQ that Talisman fails to deliver in default of its delivery obligations and or due to force majeure declared by Talisman.

In the event that the pricing provisions of the Power Purchase Agreement dated December 9, 1987 between Altresco Pittsfield and the Massachusetts Electric Company (the predecessor in interest to the New England Power Company) are renegotiated or arbitrated thereunder, or any index or publication is replaced under the Power Purchase Agreement, the Gas Price is to be amended to be consistent with the renegotiated pricing provisions under the Power Purchase Agreement and any index or publication in Schedule A is to be replaced to be consistent with any replacement index or publication under the Power Purchase Agreement. Altresco Pittsfield and Talisman have agreed to be bound by the results of any renegotiation or arbitration under the Power Purchase Agreement with the intention that the Gas Price under the Talisman Agreement be adjusted to the same extent and in the same manner that the fuel price is

adjusted under the Power Purchase Agreement (taking into account heat rates under the Power Purchase Agreement to equate gas and electric prices).

Security of Supply. In the event of a supply or delivery failure by Talisman, Talisman is obligated to, and warrants that it will, secure at its sole expense, replacement supplies. In addition, on any day Talisman fails to supply or deliver the daily nomination, Talisman is obligated to use reasonable efforts to deliver gas at alternate delivery points at which Altresco Pittsfield has the ability to receive gas, failing which Talisman shall curtail all interruptible gas sales and then curtail firm deliveries (excepting those under dedicated reserves contracts) to enable Talisman to deliver to Altresco Pittsfield a pro-rata share of gas from Talisman's then remaining gas reserves (excepting gas committed under dedicated reserves contracts).

Talisman represents that it has uncontracted Western Canadian gas reserves sufficient to satisfy the quantities it has agreed to sell and deliver to Altresco Pittsfield for the term of the Talisman Agreement. Talisman is to provide to Altresco Pittsfield, upon Altresco Pittsfield's request not to be made more often than every two years, a reserves report filed by Talisman with the Alberta Energy and Utilities Board and an officer's certificate outlining total firm sales commitments against Talisman's corporate supply pool. If any such report and

certificate indicate that Talisman's corporate uncommitted reserves are less than 100% of the remaining requirements under the Talisman Agreement, Talisman shall use reasonable efforts to cure the deficiency and satisfy Altresco Pittsfield that it will be able to meet its supply obligations for the remainder of the term of the Talisman Agreement. If the deficiency is not cured within six months, Altresco Pittsfield may upon a further six months notice, reduce the DCQ proportionately with the deficiency.

Finally, Talisman is obligated to commit such reserves as necessary to obtain the necessary regulatory authorizations for the removal, sale, transport and export of the DCQ from the Province of Alberta, the export of the DCQ from Canada and the import of the DCQ into the United States.

IV.

Altresco Pittsfield will not own or operate any natural gas facilities. The gas delivered by Talisman under the Talisman Agreement will be received by TransCanada for the account of Altresco Pittsfield and transported first by TransCanada to a point on the international border at Niagara, New York and then by Tennessee Gas Pipeline Company ("Tennessee") and the Berkshire Gas Company ("Berkshire") to the Facility in Pittsfield, Massachusetts. The initial 100% load factor rate to be charged


by TransCanada is \$0.70US/MMBtu, by Tennessee is \$0.58US/MMBtu and by Berkshire is \$0.15US/MMBtu. Altresco Pittsfield requests that it be authorized to import the gas at any alternative point on the international border at which transportation facilities accessible to Altresco Pittsfield are located.

V.

Section 3 of the Natural Gas Act provides that an import or export of natural gas must be authorized unless there is a finding that it "will not be consistent with the public interest." 15 U.S.C. § 717b(a) (1993). As amended by Section 201 of The Energy Policy Act of 1992, P.L. 102-486, 106 Stat. 2866 (1992), 15 U.S.C. § 717b(c) (1993), the importation and exportation of natural gas from and 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. 15 U.S.C. § 717b(c). This authorization, sought by Altresco Pittsfield, is to import natural gas from Canada, a nation with which a free trade agreement is in effect. It therefore meets the new Section 3(c) criterion, and should be approved as consistent with the public interest.

WHEREFORE, Altresco Pittsfield respectfully requests authorization to import up to 22,420 Mcf of natural gas per day from Canada for a term of fourteen years and ten months beginning November 1, 1995.

Dated: August 29, 1995 Respectfully submitted,

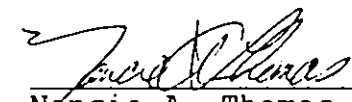
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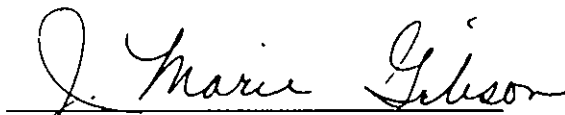
DISTRICT OF COLUMBIA, ss:

NANCIE A. THOMAS, being first duly sworn upon oath, deposes and says that she is Counsel to Altresco Pittsfield, L.P., a Delaware limited partnership; that as such she has signed the foregoing Application for Long-Term Authorization to Import Natural Gas from Canada for and on behalf of Altresco Pittsfield, L.P.; that she signed the Application with full power and authority to do so; that she has read the same and is familiar with the contents thereof; and that the facts set forth are true and correct to the best of her knowledge, information and belief.



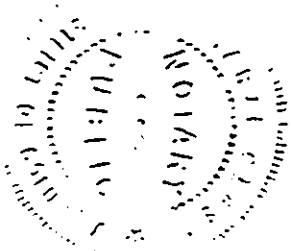
Nancie A. Thomas
Counsel to Altresco
Pittsfield, L.P.

Subscribed and sworn before me, a Notary Public in and for the District of Columbia, this 29th day of August, 1995.



Notary Public

My Commission expires: 2/28/2000



DICKSTEIN, SHAPIRO & MORIN, L.L.P.

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WRITER'S DIRECT DIAL

August 29, 1995

Mr. James H. Leonard
Senior Vice President
Altresco Inc., as General Partner
Altresco Pittsfield, L.P.
One Bowdoin Square
Boston, MA 02114

Dear Mr. Leonard:

It is our understanding that Altresco Pittsfield, L.P., a Delaware limited partnership, proposes to submit an application (the "Application") to the Office of Fossil Energy of the Department of Energy pursuant to Section 3 of the Natural Gas Act, 15 U.S.C. § 717b, for a Long-Term Authorization to Import Natural Gas from Canada pursuant to Altresco's Natural Gas Purchase and Sale Agreement, dated August 23, 1995 with Talisman Energy Inc. For the purposes of the Application to the Office of Fossil Energy, as prescribed by Section 590.202(c) of the Department of Energy Regulations, 10 C.F.R. § 590.202(c), our opinion is that the proposed imports described in the Application are within the partnership powers of Altresco Pittsfield, L.P.

Very truly yours,

Dickstein, Shapiro & Morin, L.L.P.

DICKSTEIN, SHAPIRO & MORIN, L.L.P.

**NATURAL GAS PURCHASE
AND SALE AGREEMENT**

BETWEEN

TALISMAN ENERGY INC.

- and -

ALTRESCO PITTSFIELD, L.P.

Dated August 23, 1995

JK
JEP

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Handwritten initials/signature

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SCHEDULE "A"

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NATURAL GAS PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made as of the 23rd day of August, 1995,

B E T W E E N:

TALISMAN ENERGY INC., a body corporate, having an office in the City of Calgary, in the Province of Alberta (hereinafter referred to as "Seller")

OF THE FIRST PART

- and -

ALTRESCO PITTSFIELD, L.P., a limited partnership formed under the laws of the State of Delaware, as represented by its General Partner **ALTRESCO, INC.**, a body corporate, having an office in the City of Boston, in the Commonwealth of Massachusetts (hereinafter referred to as "Buyer")

OF THE SECOND PART

WHEREAS Seller has agreed to sell and deliver Gas to Buyer and Buyer has agreed to purchase and receive such Gas for the purposes of and in accordance with the terms of this Agreement.

NOW THEREFORE in consideration of the mutual covenants herein contained, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

- (a) **"Agreement"** means this Agreement together with the Schedules;
- (b) **"Berkshire"** means The Berkshire Gas Company or any successor thereto;
- (c) **"British Thermal Unit" or "Btu"** means the amount of heat required to raise the temperature of one (1) pound of distilled water from fifty-nine degrees Fahrenheit (59°F) to sixty degrees Fahrenheit (60°F) at a constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia);

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- (d) **"Business Day"** means any Day other than a Saturday, a Sunday or a Day which is a statutory holiday in either Boston, Massachusetts or Calgary, Alberta;
- (e) **"Contract Year"** means a period of twelve (12) consecutive Months beginning with the first Day of November in any calendar year and ending with the last Day of October in the next succeeding calendar year;
- (f) **"CPI"** means the Consumer Price Index for November of a Contract Year for All Urban Consumers, unadjusted for seasonal variations, all items indexed for Boston-Lawrence-Salem, MA-NH, as published in the Bureau of Labor Statistics' CPI Detailed Report, with the Base CPI equal to November, 1995, or, if such index is no longer published then such replacement or successor index as may be reasonably determined by Buyer and Seller together, failing which such replacement shall be a substantially similar index of consumer price increases published by the Bureau of Labor Statistics or other governmental authority chosen by an arbitrator in accordance with Article 13 of this Agreement.
- (g) **"Daily Contract Quantity" or "DCQ"** means a volume of $635.1 \times 10^3 \text{m}^3$ (22,420 mcf) of Gas, subject to reduction pursuant to the provisions of Sections 4.6, 12.3 or 15.2;
- (h) **"Daily Nomination"** means the volume of Gas, up to the DCQ, nominated by Buyer or its authorized agent or representative in accordance with Section 4.2 for purchase from Seller for each Day, or any portion thereof, of the Term;
- (i) **"Date of First Delivery"** means November 1, 1995;
- (j) **"Day"** means a period of twenty-four (24) consecutive hours beginning and ending at 8:00 A.M. Mountain Standard Time or Mountain Daylight Time, whichever is in effect in Alberta, and the reference date for any Day shall be the calendar date upon which such twenty-four (24) hour period begins;
- (k) **"Delivery Point"** means the point of interconnection between the NOVA and TCPL systems at the Alberta - Saskatchewan border near Empress, Alberta or such other point as the parties may agree upon in writing;
- (l) **"EUB"** means the Alberta Energy and Utilities Board or any successor thereto;
- (m) **"Facility"** means the cogeneration facility constructed and managed by Buyer at the General Electric facility site at Pittsfield, Massachusetts;
- (n) **"Fuel Index Amount"** means, for any Month, the Fuel Index Amount for such Month as determined in accordance with Schedule "A";
- (o) **"Gas"** means a gaseous mixture consisting primarily of methane, and includes natural gas, solution gas and any primarily methane gas mix derived through the processing of natural gas, solution gas, crude oil or condensate;

JRF

- (p) **"Gas Price"** means, for any Month, a price per MMBtu of Gas, stated in \$U.S., determined in accordance with Schedule "A";
- (q) **"GECC"** means General Electric Capital Corporation or any successor thereto;
- (r) **"GJ"** means gigajoules or one billion (1,000,000,000) Joules;
- (s) **"Joule"** or **"J"** means the work done when the point of application of a force of one (1) newton is displaced a distance of one (1) meter in the direction of the force;
- (t) **"Letter Agreement"** means the Letter Agreement between Buyer and Seller dated June 19, 1995;
- (u) **"mcf"** means the quantity of Gas which occupies one thousand (1,000) cubic feet of space at a temperature of sixty degrees Fahrenheit (60°F) and a pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia);
- (v) **"MMBtu"** means one million (1,000,000) Btus;
- (w) **"MMcf"** means one thousand (1,000) mcfs;
- (x) **"Minimum Annual Quantity"** or **"MAQ"** means, with respect to any Contract Year, eighty-five percent (85%) of the sum of the DCQ's for each Day during such Contract Year less the sum of: (i) any volumes not taken due to Seller's failure to deliver or an Event of Force Majeure; and (ii) any quantities deemed to be nominated by Buyer pursuant to Section 4.8;
- (y) **"Minimum Two Year Quantity"** or **"MTYQ"** means, with respect to any discrete two Contract Year period set forth in Section 4.6, eighty-five percent (85%) of the sum of the DCQ's for each Day during such two Contract Year period less the sum of: (i) any volumes not taken due to Seller's failure to deliver or an Event of Force Majeure; and (ii) any quantities deemed to be nominated by Buyer pursuant to Section 4.8;
- (z) **"Month"** means the period beginning at 8:00 A.M. Mountain Standard Time or Mountain Daylight Time, whichever is in effect in Alberta on the first Day of a calendar month and ending at 8:00 A.M. Mountain Standard Time or Mountain Daylight Time, whichever is in effect in Alberta, on the first Day of the next succeeding calendar month;
- (aa) **"NEP"** means New England Power Company or any successor thereto;
- (ab) **"NOVA"** means NOVA Gas Transmission Ltd. or any successor thereto;

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- (ac) **"NOVA Capacity"** means NOVA delivery capacity equal to the DCQ and NOVA receipt capacity required to deliver the DCQ to the Delivery Point, but in no event greater than 1.01 times the DCQ;
- (ad) **"Power Purchase Agreement"** or **"PPA"** means the Power Purchase Agreement dated December 9, 1987 between Buyer and Massachusetts Electric Company (predecessor in interest to NEP), as amended;
- (ae) **"Prime Rate"** means an annual rate of interest equal to the floating annual rate of interest from time to time set by the Canadian Imperial Bank of Commerce as the prime rate used by it to determine rates of interest charged on U.S. dollar commercial loans to customers in Canada, being the rate from time to time quoted as such by the main branch of the said Bank in Calgary, Alberta; provided, however, that if at any time the said Bank ceases to exist or to quote a prime rate as aforesaid, the applicable rate of interest shall be the rate quoted as the prime rate as aforesaid of the largest Canadian chartered bank (determined on the basis of total assets) quoting such a rate at the relevant time of consideration;
- (af) **"Pro-Rata Amount"** means 65.6% of the Facility's total estimated daily Gas requirements (plus associated TCPL, Tennessee and Berkshire fuel gas volumes) up to the DCQ, minus any volumes not taken due to a failure to deliver or an Event of Force Majeure;
- (ag) **"Schedule"** means a Schedule to this Agreement;
- (ah) **"Seller's Account"** means Account # 400-7100, Transit # 00009 maintained by Seller at the main branch (#003) of the Royal Bank of Canada in Calgary, Alberta, or such other banking account with a branch of a Canadian chartered bank in Calgary, Alberta as Seller may from time to time designate;
- (ai) **"Spot Exchange Rate"** means, for any Month, the average noon spot exchange rate applicable to the exchange of Canadian dollars for U.S. dollars during such Month, as quoted by the Bank of Canada following the end of such Month;
- (aj) **"TCPL"** means TransCanada PipeLines Limited or any successor thereto;
- (ak) **"Tennessee"** means Tennessee Gas Pipeline Co. or any successor thereto;
- (al) **"Term"** has the meaning ascribed thereto in Section 3.1;
- (am) **"10³m³"** means the quantity of Gas which occupies one thousand (1,000) cubic metres of space at a temperature of fifteen degrees Celsius (15°C) and a pressure of one hundred and one and three hundred and twenty-five one thousandths kilopascals absolute (101.325 kpa).

1.2 **Currency.** All references to dollars (\$) and cents in this Agreement shall be references to U.S. dollars (U.S. \$) and U.S. cents unless otherwise specified. Any

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amounts required to be converted from Canadian dollar amounts to U.S. dollar amounts, and vice versa, for purposes of determining payment obligations hereunder shall be converted using the Spot Exchange Rate for the Month immediately preceding the date on which the amount to be converted first becomes due hereunder.

1.3 **Schedules.** The following schedules attached hereto are incorporated into and form part of this Agreement:

- Schedule "A" - Gas Price and Fuel Index Amount; and
- Schedule "B" - Power Purchase Agreement Price Reopener Criteria
- Schedule "C"- Sample Indices

1.4 **Conversions.** The conversion of any quantity or value referred to below shall be as follows:

$$\begin{aligned} \text{MMBtu} \times 1.054615 &= \text{GJ} \\ \text{mcf} \times 28.32784 &= \text{m}^3 \\ \text{psi} \times 6.894757 &= \text{kPa} \\ (\text{°F} - 32) \times 5/9 &= \text{°C} \end{aligned}$$

1.5 **Heat Content.** Subject to Sections 5.2 and 5.3, the total energy content per cubic foot of Gas shall be expressed in Btus determined on the basis of the complete combustion of one cubic foot of such Gas with air at a temperature of sixty degrees Fahrenheit (60°F), with such Gas free of all water vapour and at an absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch, with the products of combustion cooled to the initial temperature of the Gas and the water formed by such combustion condensed to a liquid state at the initial temperature of the Gas.

1.6 **References.** In this Agreement: words importing the singular shall include the plural and vice versa; words importing gender shall include the masculine, feminine and neuter genders; references to a "person" or "persons" shall include individuals, corporations, partnerships, associations, bodies politic and other entities, all as the context may require; references to a "party" or "parties" are references to a party or parties to this Agreement; and references to "herein", "hereby", "hereunder", "hereof" and similar expressions are references to this Agreement and not to any particular article, section, subsection or schedule.

1.7 **Standard Meanings.** Words and phrases which are not defined herein but which have an accepted meaning in the general custom and usage of either the oil and gas industry in Western Canada or the cogeneration industry in New England, as at the date hereof, shall be given such accepted meaning herein.

1.8 **Headings.** The use of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

**ARTICLE 2
TRANSPORTATION ARRANGEMENTS**

- 2.1 **Delivery Point.** All Gas to be supplied by Seller to Buyer under this Agreement shall be delivered to, and received by, Buyer at the Delivery Point.
- 2.2 **Transportation Service.** Buyer acknowledges and agrees that it has undertaken to obtain, and once obtained, that it will maintain in effect from the Date of First Delivery through the remainder of the Term of this Agreement, firm transportation service for the transportation of the DCQ (less applicable fuel gas requirements) from the Delivery Point to the Facility. Similarly, Seller acknowledges and agrees that it has obtained, and will maintain in effect from the Date of First Delivery through the remainder of the Term of this Agreement, firm transportation service for the transportation of the DCQ from the anticipated points of production to the Delivery Point. If Buyer or Seller, as the case may be, fails to obtain and maintain the transportation service rights so required, and as a result thereof is at any time prevented in whole or in part from fulfilling any of its Gas receipt or delivery obligations hereunder, it shall not be entitled to claim such lack of transportation as an Event of Force Majeure or other justifiable excuse for its non-performance of the subject obligation, and shall accordingly be fully liable for the non-performance of such obligations; provided, however, that if the transportation service rights required to be obtained and maintained by Buyer or Seller, as the case may be, have been put in place in a legally effective manner, Buyer or Seller, as the case may be, shall thereafter be entitled to rely on the provisions of Article 14 with respect to the interruption, curtailment or termination of, or other interference with such service.
- 2.3 **Seller's Authorizations.** Seller shall use all reasonable efforts to obtain and maintain in effect from the Date of First Delivery through the remainder of the Term all necessary certificates, permits, licenses, and authorizations from Canadian governmental and regulatory authorities, whether federal, provincial, local or otherwise, for the removal, sale, transport and export of the DCQ from the Province of Alberta pursuant hereto, including, without limitation, a long-term removal permit from the EUB for the full DCQ from the Date of First Delivery through the remainder of the Term.
- 2.4 **Buyer's Authorizations.** Buyer shall use all reasonable efforts to obtain and maintain in effect from the Date of First Delivery through the remainder of the Term all necessary certificates, permits, licenses and authorizations from federal Canadian governmental and regulatory authorities for the export of the DCQ (less TCPL fuel gas volumes) from Canada pursuant hereto, and from United States governmental and regulatory authorities, whether federal, state, local or otherwise, for the purchase, transport, and importation of the DCQ (less TCPL fuel gas volumes) into the United States pursuant hereto, including, without limitation, a long-term export license from the Canadian National Energy Board and a long-term import authorization from the United States Department of Energy both for the full DCQ (less TCPL fuel gas volumes) from the Date of First Delivery through the remainder of the Term.

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- 2.5 **Short-Term Authorizations.** To the extent necessary, the parties shall use all reasonable efforts to obtain and maintain a short-term removal permit, a short-term export order and a short-term import order (collectively the "Short Term Authorizations") until the long-term removal permit referred to in Section 2.3 and the long-term export license and import authorization referred to in Section 2.4 (collectively the "Long-Term Authorizations") can be obtained. If, despite the reasonable efforts of the parties, any or all of the Long-Term Authorizations are refused in a final manner by the relevant authorities, then the parties shall continue to operate under the Short Term Authorizations and shall use all reasonable efforts to renew or replace the Short Term Authorizations through the remainder of the Term.
- 2.6 **Reserves Commitment.** Seller shall commit such reserves of Gas as necessary to obtain the authorizations referred to in Sections 2.3, 2.4 and 2.5. To the extent that future regulatory policy permits a reduction in the reserves commitment required to support an authorization, Buyer will use reasonable efforts to assist Seller in reducing to a mutually acceptable level, the reserves committed to this Agreement for regulatory purposes.

ARTICLE 3 TERM

- 3.1 **Term.** The term of this Agreement (the "Term") shall commence on the day and the year first written above and shall continue in full force and effect until September 1, 2010, unless otherwise terminated prior to such date in accordance herewith. If at any time the DCQ is reduced to $0 \text{ } 10^3 \text{m}^3$, this Agreement will be terminated at the time of such reduction. The Term may be extended for an additional six (6) years if mutually agreed to by the parties.
- 3.2 **Consent of NEP and GECC.** Buyer's obligations under this Agreement shall be subject to the consent of NEP and GECC, provided that if Buyer, despite diligently pursuing such consents, has not obtained such consents within 65 Days of the execution of this Agreement, this Agreement shall be terminable by either party at any time until the last to be obtained of such consents has been obtained. If this Agreement is terminated under this Section 3.2, the provisions of the Letter Agreement shall govern the relationship between the parties and the parties agree to work with each other to incorporate terms from this Agreement which they mutually agree should be included in the Letter Agreement.

ARTICLE 4 QUANTITY

- 4.1 **Delivery Obligation.** Starting on the Date of First Delivery, and continuing for the Term, Seller shall sell and deliver to Buyer, on a firm basis, and Buyer shall receive and purchase from Seller the Daily Nomination on each Day.
- 4.2 **Nominations.** Buyer shall notify Seller of the Daily Nomination, in accordance with the nomination deadlines of NOVA and TCPL, and the volume of Gas nominated by

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Buyer for any particular Day shall remain the standing nomination for each ensuing Day until changed by notice given to Seller as aforesaid.

- 4.3 **Pro-Rata Nomination.** Buyer shall not nominate less than the Pro-Rata Amount from Seller on a daily basis.
- 4.4 **Minimum Annual Nomination.** If in any Contract Year, Buyer fails to nominate the MAQ, Buyer shall pay a non-refundable reservation fee equal to the product of: (i) \$U.S. 0.17/MMBtu (escalated each Contract Year at CPI); and (ii) the MAQ minus the volumes nominated by Buyer in that Contract Year.
- 4.5 **Payment of Fees.** All fees payable under Section 4.4 shall be calculated by Seller and paid to Seller as part of the payment of Seller's invoice for Gas purchased in the Month of December immediately succeeding the end of the relevant Contract Year. Seller shall provide Buyer with details of its fee calculations.
- 4.6 **Minimum Two Year Nomination.** If in any discrete two Contract Year period (the first period running from November 1, 1995 through October 31, 1997; the second period running from November 1, 1997 to October 31, 1999; and so on), Buyer fails to nominate the MTYQ, Seller shall have the option, at any time within sixty (60) Days of the end of the two Contract Year period, to reduce the DCQ by an amount up to: the MTYQ minus the volumes nominated by Buyer in the two Contract Year period, divided by the number of Days in the two Contract Year period. Any DCQ reduction shall become effective thirty (30) Days after Seller's election to reduce.
- 4.7 **Assignment of NOVA Transportation Service.** If the DCQ is reduced pursuant to Section 12.3 or if the Agreement is terminated pursuant to Sections 12.3, 12.6, 12.8 (only for termination due to a Seller declared Event of Force Majeure) or 16.1 (only for termination due to Seller's bankruptcy), Seller shall, if requested by Buyer: (i) immediately make available to Buyer or its nominee a quantity of NOVA delivery capacity at the interconnection of the facilities of NOVA and TCPL located at or near Empress, Alberta up to the amount of the reduction in the DCQ or up to the full DCQ in case of termination (in either case "NOVA Delivery Capacity"); and (ii) to the extent permitted by NOVA, assign to Buyer or its agent the NOVA Delivery Capacity. To the extent the NOVA Delivery Capacity is made available to Buyer or its nominee or is assigned to Buyer or its agent, then Buyer, its nominee or agent, as the case may be, shall assume Seller's obligations for any delivery point capacity demand charges payable in respect thereof from and after the effective date of the availability or assignment. If Buyer requests an assignment pursuant to this subsection but such assignment cannot be completed as a result of the failure to obtain the consent of NOVA, then Seller shall hold the NOVA Delivery Capacity as agent, on behalf of and for the benefit of Buyer.
- 4.8 **Unused Transportation Capacity.** In the event that Buyer does not nominate 95% of the DCQ from Seller under this Agreement on any Day (including a failure to nominate due to a Buyer declared Event of Force Majeure, excluding Events of Force Majeure affecting TCPL), it shall make any resulting unutilized TCPL capacity from the Delivery Point to Niagara Falls, Ontario, up to the DCQ (less applicable TCPL fuel gas volumes), available to Seller (the "Shortfall Volume"). Thereafter Buyer shall, on

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behalf of Seller, transport on TCPL a volume of Gas designated by Seller (the "Elected Volume") not to exceed the Shortfall Volume, for an amount equal to the sum of:

- (a) NOVA charges, including demand, commodity and fuel charges, associated with the Elected Volume which are payable by Buyer under this Agreement; and
- (b) TCPL commodity costs (except TCPL fuel associated with the Elected Volume, which Seller shall supply as set out below) associated with the Elected Volume; and
- (c) An administration fee of \$U.S. 0.05 per MMBtu for the Elected Volume, escalated annually at 1/2 CPI.

Seller shall supply for its own account the TCPL fuel associated with the Gas transported on TCPL on its behalf by Buyer. All Gas quantities transported by Buyer on TCPL on behalf of Seller under this Section 4.8 shall be deemed to have been nominated by Buyer for purposes of determining the MAQ and the MTYQ.

- 4.9 **Resale Rights.** Nothing in this Agreement shall restrict Buyer from reselling any Gas purchased hereunder or from using any such Gas for purposes other than consumption by the Facility.

ARTICLE 5 MEASUREMENT AND TESTING

- 5.1 **Measurement Units.** The unit of measure of Gas for the purposes of billing shall be the MMBtu. The unit of measure of Gas for all other purposes under this Agreement shall be the cubic meter. Where required, standards of measurement shall be converted in accordance with the provisions of Section 1.4.
- 5.2 **TCPL Measurement and Testing.** The point of measurement for both the volume and the energy content of all Gas delivered hereunder shall be the Delivery Point, and all measurement and testing of Gas delivered hereunder shall be carried out by TCPL at or near the Delivery Point in accordance with the respective normal and authorized standards and procedures for carrying out such activities. The result of all such measurements so taken and all such tests so conducted shall be accepted and relied upon by the parties for all purposes of this Agreement, subject only to the right of any party to audit and verify any such measurements and tests with TCPL.
- 5.3 **NOVA Fuel Gas.** Measurement of any Gas used for fuel on NOVA to deliver Gas to the Delivery Point hereunder shall be as determined by NOVA in accordance with its tariff.

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**ARTICLE 6
QUALITY**

- 6.1 **Quality.** Gas delivered under this Agreement shall be of pipeline quality and shall satisfy the specifications from time to time prescribed by TCPL for Gas delivered and received at the Delivery Point.
- 6.2 **Non-Specification Gas.** In the event the Gas offered for delivery by Seller hereunder shall fail at any time to conform to the quality requirements of the transporter receiving Gas at the Delivery Point, then Buyer shall notify Seller of such failure and, at Buyer's option, may refuse to purchase such Gas pending correction by Seller, in which case Seller shall be deemed to have failed to deliver such Gas to Buyer.

**ARTICLE 7
POSSESSION, TITLE AND WARRANTIES**

- 7.1 **Transfer of Risk.** Possession of, title to and all risk associated with the Gas sold and delivered under this Agreement shall pass from Seller to Buyer at the Delivery Point.
- 7.2 **Warranty.** Seller warrants that it will have good title to and the full right and authority to deliver the Gas to Buyer under this Agreement, free and clear from all liens, encumbrances, and claims whatsoever and that it will indemnify and save Buyer harmless against and from all suits, actions, debts, damages, claims, costs, losses and expenses (including, without limitation, legal costs on a solicitor/client basis) arising from or out of any adverse claims to such Gas or to royalties, taxes, fees or charges accruing thereon or in respect thereof before possession of and title to such Gas passes from Seller to Buyer under this Agreement. Buyer warrants that it will indemnify and save Seller harmless against and from all suits, actions, debts, damages, claims, costs, losses and expenses (including, without limitation, legal costs on a solicitor/client basis) arising from or out of any adverse claims to such Gas or to taxes, fees or charges accruing thereon or in respect thereof after possession of and title to such Gas passes from Seller to Buyer under this Agreement.

**ARTICLE 8
PRICE**

- 8.1 **Price.** Starting on the Date of First Delivery, Buyer shall pay Seller each Month the sum of:
- (a) subject to subsection 12.3(a) and Section 14.5, a Monthly Demand Charge, converted from Canadian dollars to U.S. Dollars, for the demand charges and other related charges approved by the EUB with respect to the NOVA Capacity (the "NOVA Demand Charge"). This charge will be based on the "Rate Schedule FS" or substitute tariff in effect and on file with the EUB for the Month in question. For purposes of determining the NOVA Demand Charge, all Gas delivered by Seller under this Agreement shall be deemed to be Alberta sourced Gas. Buyer shall not be responsible for any receipt point

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surcharge imposed by NOVA as a special charge in respect of the cost of constructing a new lateral or other facility to tie a Gas property into the NOVA system. Any retroactive adjustments resulting from a revision in the above tariff will be passed through to the appropriate party, with credits and debits being applied to the party responsible for the original charge which has been affected by the revision;

- (b) a Monthly Commodity Charge, converted from Canadian dollars to U.S. dollars, for the commodity charges, if any, and other related EUB approved charges with respect to the NOVA capacity required to deliver to the Delivery Point any quantities purchased under this Agreement (the "NOVA Commodity Charge") This charge will be based on the "Rate Schedule FS" or substitute tariff in effect and on file with the EUB for the Month in question. For purposes of determining the NOVA Commodity Charge, all Gas delivered by Seller under this Agreement shall be deemed to be Alberta sourced Gas. Buyer shall not be responsible for any surcharge imposed by NOVA as a special charge in respect of the cost of constructing a new lateral or other facility to tie a Gas property into the NOVA system. Any retroactive adjustments resulting from a revision in the above tariff will be passed through to the appropriate party, with credits and debits being applied to the party responsible for the original charge which has been affected by the revision;
- (c) the product obtained by multiplying the Gas Price for such Month by the total energy content, expressed in MMBtus, of Gas used for fuel on NOVA to transport to the Delivery Point all Gas delivered under this Agreement during such Month; and
- (d) the product obtained by multiplying the Gas Price for such Month by the total energy content, expressed in MMBtus, of all Gas delivered under this Agreement during such Month;

The above amounts shall be payable in accordance with the provisions of Article 9.

8.2 PPA Renegotiation/Index Replacement. Buyer warrants that:

- (a) the pricing terms 'GCC', 'M' and 'N' in the NEP letter attached as Schedule "B" hereto (the "NEP Letter") are equivalent in meaning and value to the terms 'BP', 'FI' and 'BI' in Schedule "A" attached hereto and that the "Restated PPA" referred to in the NEP Letter and the PPA as defined herein refer to the same agreement;
- (b) the NEP Letter provides that commencing September 1, 2000, and once every three years thereafter, either party thereunder has the right to renegotiate the GCC;
- (c) a renegotiation of the GCC under the PPA ("Renegotiation") shall not be binding on Seller unless it follows the criteria outlined in the NEP Letter which, for all practical purposes, shall be the complete criteria for amending the GCC, M and N;

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- (d) the PPA provides that in the event any indices used to calculate M cease to be published, the parties to the PPA shall agree upon a substantially equivalent method of escalating the GCC ("Index Replacement").
- 8.3 **PPA Procedure.** Buyer and Seller shall work together to develop a common position under any Renegotiation or Index Replacement. In the event of any disagreement between Buyer and Seller as to their common position, Buyer shall put forward and advocate (including arbitration) with NEP the position of Seller with respect to a renegotiation of the GCC or any alternative method of escalating the GCC.
- 8.4 **PPA Results Binding.** Both parties agree to be bound under this Agreement by the results of any Renegotiation or Index Replacement, and the provisions of Schedule "A" hereto shall be amended accordingly, provided that: (i) the renegotiated GCC and amended M and N components are based on the criteria set out in the NEP Letter; and (ii) any Index Replacement is undertaken only because an index has ceased to be published.
- 8.5 **Amendments To PPA.** Notwithstanding anything else herein contained, Buyer shall not amend any provision of the PPA relating to Renegotiation or Index Replacement in a manner which would have a material adverse effect on Seller under this Agreement without Seller's consent. Should the PPA terminate prior to termination of this Agreement or should the PPA Renegotiation or Index Replacement provisions not be complied with or be amended in contravention of this Section 8.5, Buyer and Seller shall apply the terms of the NEP Letter and the terms of this Article 8 to the renegotiation of the BP herein or the replacement of indices herein.

ARTICLE 9 BILLING AND PAYMENT

- 9.1 **Invoice.** On or about the fifteenth (15th) Day of each Month, Seller shall provide Buyer with an invoice for the amounts payable by Buyer in respect of the preceding Month. Each invoice shall set forth:
- (a) the total volume and energy content of all Gas delivered under this Agreement during such preceding Month;
 - (b) the total amount payable under Section 8.1 for such Gas, together with reasonable particulars of the calculation thereof; and
 - (c) any other amounts payable by Buyer under this Agreement for such preceding Month.

In the event Seller fails to so provide an invoice to Buyer on or before the fifteenth (15th) Day of the Month, the date by which Buyer must deposit payment to Seller shall be extended one (1) Day for each Day Seller's invoice is late; provided, however, that

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Seller may at its option provide an estimate invoice to Buyer which invoice shall contain Seller's best estimate of those items listed above. In the event of an estimate invoice, amounts payable shall be subsequently adjusted, if required, when actual amounts are available.

- 9.2 **Buyer's Payments.** Subject to Section 9.4, Buyer shall within ten (10) Days after receipt of any such invoice from Seller, but not earlier than the twenty fifth (25th) Day of the Month following the Month to which the invoice relates, wire transfer the amount stated to be payable in such invoice to Seller's Account. If any Day on which Buyer is obligated to wire transfer funds pursuant to this Section 9.2 is not a Business Day, Buyer shall be obligated to wire transfer such funds by the next Business Day following such Day.
- 9.3 **Seller's Payments.** Seller shall pay to Buyer any amounts owing by Seller to Buyer hereunder within ten (10) Days of receipt of Buyer's invoice specifying the amount due.
- 9.4 **Dispute.** In the event a dispute arises as to the amount payable in any invoice rendered, the party disputing the amount (the "Disputing Party") shall pay the undisputed amount and notify the other party of the disputed amount and the reasons for the dispute. The Disputing Party shall not be obligated to pay any disputed amounts until the dispute is resolved in accordance with the terms of this Agreement provided that disputed amounts in excess of \$U.S. 10,000.00 shall, upon the request of the other party, be paid into an escrow account pending resolution of the dispute. Seller shall not suspend the sale and delivery of Gas as a result of Buyer's failure to pay any disputed amount provided that Buyer complies with the foregoing obligation to pay, upon request, any disputed amount in excess of \$U.S. 10,000.00 into an escrow account pending settlement of the dispute. If the parties are unable to resolve the dispute within sixty (60) Days, then the matter shall be submitted to arbitration in accordance with Article 13. The amount determined to be owing by the Disputing Party, if any, shall be paid by the Disputing Party, together with earned interest, following the final arbitration award.
- 9.5 **U.S. Dollars.** All invoices submitted by Seller pursuant to this Article 9 shall be in U.S. dollars, and shall state the rate at which any applicable Canadian dollar amounts have been converted to US dollar amounts, having regard to the provisions of Section 1.2.
- 9.6 **Default.** If either party (the "Defaulting Party") fails at any time to pay an amount payable by it under or in respect of this Agreement, the said amount shall bear interest at an annual rate equal to the Prime Rate plus one percent (1%), accruing on a daily basis from the date on which said amount first becomes payable to the date on which the said amount is paid, the said interest to be payable by the Defaulting Party without demand therefor, to be payable both before and after judgment, and to be payable irrespective of any termination of this Agreement. The Defaulting Party's obligation to pay interest pursuant to this Section 9.6 shall not be construed as limiting any other rights or remedies which the other party may have, whether under this Agreement or otherwise, as a result of the Defaulting Party's failure to pay any amount when due.

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- 9.7 **Payment Security.** On or before December 1, 1995, Buyer shall post a twelve (12) Month irrevocable stand-by letter of credit ("LOC") in favour of Seller in the amount of \$U.S. 2.1 million. The LOC shall be available to Seller to cover any payment defaults by Buyer (excluding disputed payments provided that Buyer has paid, upon Seller's request, any disputed amounts in excess of \$U.S. 10,000.00 into an escrow account pursuant to Section 9.4) and may be drawn upon by Seller as provided in Section 12.1. If the LOC is drawn upon by Seller, Buyer shall replenish the LOC within seven (7) Business Days of such drawdown. Seller may at any time, upon thirty (30) Days notice prior to the expiry of an existing LOC, require Buyer to renew the LOC for a twelve (12) Month period. Seller shall pay Buyer any and all direct costs associated with establishing, maintaining and renewing the LOC. Should Buyer, after being requested by Seller, fail to post an LOC, or fail to fully replenish an LOC after any drawdown of the LOC within seven (7) Business Days of the drawdown, Seller shall be entitled to suspend deliveries as if Seller was unable to cover a payment default by drawing on an LOC under Section 12.1, provided that Seller shall in no event have any right to terminate this Agreement solely on the basis of an LOC default continuing for a period of less than six (6) Months.

ARTICLE 10 AUDIT RIGHTS

- 10.1 **Audit.** Each of the parties shall keep and maintain detailed records and books of account containing accurate and complete entries in respect of all transactions and matters relative to the subject matter of this Agreement, and each of the parties shall have the right to audit such records and books of account of the other party, upon the following terms and conditions:
- (a) Audits shall be performed only upon reasonable prior notice, during normal business hours, so as to cause a minimum of inconvenience to the party whose books and records are being audited;
 - (b) Unless the party whose books and records are being audited otherwise agrees, audits shall be performed only by independent auditors who agree to maintain confidential all information of a confidential nature disclosed to them in the course of the audit, except to the extent that the disclosure of such information is reasonably required in order to effectively communicate the results of such audit to the auditing party;
 - (c) Notice of the undertaking of an audit with respect to any Month during the Term of this Agreement must be given within twenty-four (24) Months of the end of the Month to be audited (although the auditing party may review documents prepared prior to the Month to be audited if and to the extent that they relate to such Month), and the audit must be commenced with a view to diligent pursuit within thirty (30) Days of the giving of such notice, failing which a new notice of audit must be given;

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- (d) The auditing party shall provide a copy of any audit report to the party whose books and records have been audited within thirty (30) Days of the date of the auditing party's receipt of the report;
- (e) Any claims or discrepancies disclosed in any audit report shall be resolved by the parties as soon as reasonably practicable following presentation of the audit report to the party whose books have been audited;
- (f) Buyer may not be audited more than once in any Contract Year;
- (g) Seller may not be audited more than once in any Contract Year; and
- (h) The cost of any audit undertaken pursuant hereto shall be borne by the party undertaking such audit.

10.2 **Maintenance of Records.** The books and records of account required to be kept and maintained by each party in respect of the subject matter of this Agreement shall be preserved for a period of at least five (5) years.

ARTICLE 11 TAXES

11.1 **Taxes.** Seller shall pay or cause to be paid all taxes, royalties and other assessments and levies imposed on Seller with respect to Gas delivered hereunder prior to or on a concurrent basis with its delivery to Buyer and Buyer shall pay or cause to be paid all taxes and assessments imposed upon Buyer with respect to Gas delivered hereunder after its receipt by Buyer. Seller shall be responsible for any taxes associated with the TCPL capacity it uses pursuant to Section 4.8. Neither party shall be responsible or liable for any taxes or other statutory charges levied or assessed against any of the facilities of the other party used for the purpose of carrying out the provisions of this Agreement.

ARTICLE 12 DEFAULT AND TERMINATION

12.1 **Suspension/Termination for Failure to Pay.** If Buyer fails at any time to pay any amount payable by it under or in respect of this Agreement, excluding disputed amounts, provided that Buyer has paid, upon request, any disputed amounts in excess of \$U.S. 10,000.00 into an escrow account pursuant to Section 9.4, Seller may at any time after the date on which such amount first became payable give Buyer notice of its payment delinquency, and if Buyer fails to pay such unpaid amount, together with all interest accruing thereon pursuant to Section 9.6, within seven (7) Business Days of the Day on which such delinquency notice is given, Seller may draw upon the LOC required to be maintained under Section 9.7. In the event that Seller is not able to cover the payment default by drawing on the LOC, Seller may suspend its Gas supply obligations under this Agreement, in which event, notwithstanding any provisions to the contrary contained herein, all of Seller's obligations to supply Gas

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under this Agreement shall be suspended until Buyer has paid the entire amount of indebtedness and replenished any drawdown of an LOC, or until Seller elects to lift such suspension. If any suspension of deliveries hereunder continues for sixty (60) Days, Seller shall have the right to terminate the Agreement on a further thirty (30) Days notice to Buyer and the Agreement will terminate on the expiry of such thirty (30) Day notice period unless within such thirty (30) Day notice period Buyer pays all overdue amounts in full. Any suspension of obligations of this Agreement by Seller hereunder shall not be interpreted to relieve Buyer of any of its obligations under this Agreement and any suspension of obligations or termination of this Agreement by Seller under this Section 12.1 shall be in addition to any other rights and remedies Seller may have under this Agreement or otherwise at law or in equity.

12.2 Notice of Delivery Shortfall. If Seller becomes aware of any circumstance or matter by virtue of which it is or expects to be unable or unwilling to satisfy all or any part of its Gas delivery obligations under Section 4.1 for any period of time whatsoever, or if Seller at any time becomes aware of any Event of Force Majeure by virtue of which it is or expects it will be claiming a suspension of all or any part of its Gas supply obligations under Section 4.1 for any period of time whatsoever, it shall forthwith provide Buyer with notice of the resultant delivery shortfall, whether occurring or impending. Such notice shall be given in accordance with Section 20.2, and, for any interruption of five (5) Days or greater, the written component of such notice shall be by way of a certificate of a senior officer of Seller containing:

- (a) a statement as to the actual or expected date of commencement and the expected duration of the delivery shortfall;
- (b) a statement as to the actual or expected daily volume of the delivery shortfall;
- (c) full particulars of the actual or expected cause of the delivery shortfall and of actions being and to be taken by Seller to alleviate the delivery shortfall; and
- (d) if the delivery shortfall is due in whole or in part to the occurrence or subsistence of an Event of Force Majeure, confirmation of the factual circumstances contemplated by Article 14, including reasonable particulars of the Gas supply interfered with by the Event of Force Majeure.

In addition, for so long as such delivery shortfall persists, Seller shall provide Buyer with a Monthly report on the status of the remedial actions being taken by Seller to alleviate the delivery shortfall.

12.3 Suspension/Termination For Failure To Deliver. If Seller at any time defaults on its Gas delivery obligations under Section 4.1, either in whole or in part:

- (a) Seller shall bear, and Buyer shall be relieved of any responsibility for, the NOVA demand charges (calculated on a per 10^3m^3 basis at a 100% load factor) attributable to that portion of the DCQ Seller fails to deliver in default of its Section 4.1 Gas delivery obligations; and

(b) For the purposes of this subsection 12.3(b) the "Daily Percentage" means the volume of Gas delivered hereunder on a Day by Seller divided by the Daily Nomination for that Day, expressed as a percentage. If as a result of one or more delivery defaults, Seller is unable over a ninety (90) Day consecutive period to deliver sufficient Gas whereby the arithmetic average of the Daily Percentages for that period is equal to or greater than ninety percent (90%), Buyer may, in addition to pursuing any other rights and remedies which it may have under this Agreement or otherwise at law or in equity with respect to such defaults:

- (i) reduce the DCQ by the same proportion that the quantity of Gas which Seller failed to deliver bears to the sum of the Daily Nominations in effect during such ninety (90) Day period; or
- (ii) terminate this Agreement;

in either case by giving written notice of such DCQ reduction or termination to Seller at any such time prior to the end of the third Month following the last Month of such ninety (90) Day period, and such DCQ reduction or termination shall be effective as of the end of the Month next following the Month in which such notice is given.

12.4 Damages For Failure to Deliver. Notwithstanding any exercise of rights under Section 12.3 if, on any Day, Seller defaults to any extent on its delivery obligations under Section 4.1, Seller shall be liable to Buyer for, and shall indemnify and save Buyer harmless against and from, all direct losses, costs and damages sustained by Buyer as a result of such default, which shall be quantified as follows:

- (a) If Buyer purchases the shortfall in delivery of Gas requested by Buyer (the "Shortfall Volumes") from other sources, or purchases alternative fuel (with a Btu equivalent to the Shortfall Volumes, after adjustment for the less efficient operation of the Facility using alternative fuel) Seller shall be liable for all costs, charges, expenses and penalties actually incurred by Buyer in connection with the purchase and transportation of such Shortfall Volumes or alternative fuels; and
- (b) If as a result of Seller's delivery default any of the firm transportation capacity maintained by Buyer pursuant to Section 2.2 goes unutilized, Seller shall be liable to reimburse Buyer for Buyer's demand charges attributable to such unutilized capacity;

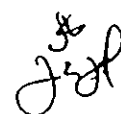
Buyer shall use reasonable efforts to mitigate costs incurred if Seller defaults on its obligation to deliver. Buyer shall only be indemnified to the extent that the costs in (a) and (b) above exceed the delivered gas costs which Buyer would have actually incurred if Seller had not defaulted on its delivery obligations. Any amounts owing to Buyer under this Section 12.4 may be offset against any payment owing by Buyer to Seller hereunder. In no event shall Seller be liable to Buyer for any indirect or consequential damages resulting from or attributable to Seller's failure to deliver Gas hereunder.

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- 12.5 **Default.** If either party (the "Defaulting Party") at any time defaults on any obligation on any of its covenants or obligations under this Agreement, excluding obligations for which specific remedies are provided in Sections 4.4, 4.6 or 12.4, it shall be liable to the other party for and shall indemnify and save the other party harmless against and from all direct losses, costs and damages of any nature sustained by the other party as a result of such default, as may be determined by law, provided that the Defaulting Party shall not be liable to the other party for, and shall not be obligated to indemnify and save the other party harmless against and for, any special, punitive, consequential or indirect losses, costs, damages, claims or liabilities sustained by the other party as a result of any such default.
- 12.6 **Regulatory Changes.** In the event that any regulatory authority with authority over one or both parties to this Agreement, or with authority over any transportation of Gas to be sold or purchased hereunder, or with authority over any sales or other performance pursuant to the Agreement, takes any action which:
- (a) affects Gas exported from Canada in a manner which is materially different from other indigenous Gas produced and not exported from Canada; or
 - (b) affects Gas imported into the United States in a manner which is materially different from indigenous Gas produced and sold in the United States;

and which has the effect of fundamentally altering and undercutting the economic position of the parties or either of them; then the party thereby injured may, by written notice to the other party, require that this Agreement or other arrangements incidental to this Agreement be amended as necessary to preserve the economic position held by the affected party immediately prior to such event. Such notice shall describe the action taken by the regulatory authority and shall include reasonable particulars as to the manner and extent to which the economic position of the party giving the notice has been adversely affected. The parties shall use their reasonable efforts during a sixty (60) Day period following such notice to negotiate and effect such amendments following which the injured party may, if such efforts are unsuccessful, by further written notice to the other party within sixty (60) Days after such sixty (60) Day period terminate this Agreement without further liability.

- 12.7 **Mitigation.** Each party shall be obligated to use reasonable efforts to mitigate any losses, costs, damages, claims or liabilities sustained by it as a result of a default on a covenant or obligation of the other party.
- 12.8 **Extended Force Majeure.** If either party (the "Affected Party") at any time claims suspension of its obligations under this Agreement as a result of one or more Events of Force Majeure, and such claimed suspension of obligations continues uninterrupted for a period of twelve (12) consecutive Months, the other party may terminate this Agreement by giving written notice to the Affected Party at any time after the end of such twelve (12) Month period and while the claimed suspension is continuing, and such termination shall be effective as of the end of the Month next following the Month in which such notice was given.



**ARTICLE 13
ARBITRATION**

- 13.1 **Notice of Arbitration.** In the event the parties are unable to agree on a replacement reference or payment amount pursuant to subsection 1.1(f) or Section 9.4 respectively, either Buyer or Seller (the "Initiating Party") may initiate arbitration proceedings with respect to such matter by serving written notice on the other (the "Receiving Party") of its desire so to do, such notice to name and appoint one (1) arbitrator. Upon receipt of the notice, the Receiving Party shall have a period of ten (10) Business Days in which to provide the Initiating Party with a response notice naming and appointing a second arbitrator. If the Receiving Party fails so to do within said ten (10) Business Day period, the arbitrator appointed by the Initiating Party shall serve as the sole arbitrator of the matter.
- 13.2 **Third Arbitrator.** If the Receiving Party names and appoints a second arbitrator within the ten (10) Business Day period provided therefor, the two arbitrators thus appointed shall jointly appoint a third arbitrator within fifteen (15) Business Days of the date of appointment of the second arbitrator, and the three arbitrators shall constitute the board of arbitrators which shall determine the matter in dispute. If the two arbitrators fail to appoint a third arbitrator within the fifteen (15) Business Day period provided therefor, either the Initiating Party or the Receiving Party may apply to a court of the Commonwealth of Massachusetts for the appointment of a third arbitrator.
- 13.3 **Arbitrators' Qualifications.** Each arbitrator selected to act hereunder shall be a disinterested person, and shall be qualified by education, training, knowledge and experience to pass upon the particular matter in dispute.
- 13.4 **Position Statements.** Within ten (10) Business Days of the appointment of a third arbitrator pursuant to Section 13.2 or within ten (10) Business Days of the expiration of the Receiving Party's response period under Section 13.1 if the Receiving Party fails to appoint a second arbitrator within that period, the Initiating Party and the Receiving Party (the "Arbitrating Parties") shall each provide to the board of arbitrators, or the single arbitrator if applicable (in either case, the "Arbitrator") a written position statement setting forth its suggested solution to the matter in dispute, or, if it wishes, two suggested solutions, ranked as first and second alternatives. Once the Arbitrator has received both such position statements it shall provide the Initiating Party with a copy of the Receiving Party's position statement and shall provide the Receiving Party with a copy of the Initiating Party's position statement. If either of the Arbitrating Parties fails to provide a position statement within the ten (10) Business Day period stipulated therefor, the arbitration proceedings shall be cancelled, and the solution suggested by the Arbitrating Party which has provided a position statement shall be conclusively deemed to have been accepted by both Arbitrating Parties, provided that if the Arbitrating Party which has provided a position statement has suggested two solutions, its first ranked alternative shall be the solution deemed to have been accepted.
- 13.5 **Hearings.** If both Arbitrating Parties provide the position statements required to be provided by them pursuant to Section 13.4 within the ten (10) Business Day period stipulated therefor, the Arbitrator shall within fifteen (15) Business Days of the date on

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which the latter of such position statements is provided commence a hearing of the matter in dispute at a mutually agreeable location and shall provide each Arbitrating Party with a reasonable opportunity to present its position with respect to the matter in dispute. Upon having heard such presentations the Arbitrator shall be required and authorized only to select one (1) of the two (2), three (3) or four (4) suggested solutions.

- 13.6 **Date of Decision.** The decision of the Arbitrator (or the majority thereof in the case of a board of arbitrators) shall be made and communicated to the Arbitrating Parties not later than thirty (30) Days after the close of argument in the arbitration, subject to any reasonable delay due to unforeseen circumstances. Should the Arbitrator fail to make and communicate its decision to the Arbitrating Parties within ninety (90) Days after the close of argument, either Arbitrating Party may elect to initiate a new arbitration proceeding in respect of the matter in dispute, with the provisions of this Article 13 to apply, mutatis mutandis.
- 13.7 **Decision Binding.** The decision of the Arbitrator (or the majority thereof in the case of a board of arbitrators) shall be drawn up in writing and signed, and shall be final and binding on all of the parties, and the provisions of Articles 34, 35 and 36 of the "International Law" incorporated in the *International Commercial Arbitration Act* (Alberta) shall be applicable with respect thereto.
- 13.8 **Further Assurances.** Each of the Arbitrating Parties shall be bound to diligently pursue and facilitate the completion of arbitration proceedings hereunder, and the failure of either Arbitrating Party to participate in such proceedings, or to provide submissions or responses in a timely manner, shall not prevent the Arbitrator from proceeding to resolve the matter in dispute as expeditiously as reasonably practicable.
- 13.9 **Costs.** All costs of the arbitration (including the compensation and expenses of the Arbitrator, legal counsel and witnesses of both Arbitrating Parties) shall be paid by the Arbitrating Party whose suggested solution is not selected by the Arbitrator (or the majority thereof in the case of a board of arbitrators).
- 13.10 **Continued Deliveries.** The sale and delivery of Gas under this Agreement shall continue during the course of any arbitration proceedings under this Article 13.
- 13.11 **International Act Applies.** The provisions of the *International Commercial Arbitration Act* (Alberta) and the schedules thereto shall apply:
- (a) with respect to arbitration proceedings under this Agreement, to the extent that such provisions may be needed to supplement the arbitration rules established by this Article 13; and
 - (b) with respect to the recognition and enforcement of any award arising out of any arbitration proceedings hereunder;

provided, however, that in the event of any conflict between any provision of this Agreement and any provisions of such Act or the schedules thereto, the provision of this Agreement shall take precedence, to the extent permitted by law.

**ARTICLE 14
FORCE MAJEURE**

14.1 **Event of Force Majeure.** For purposes of this Agreement, the term "Event of Force Majeure" means, subject to Section 14.2, any event the occurrence or subsistence of which prevents any party from performing any obligation under this Agreement and which is not reasonably within the control of the party seeking to claim such event as an Event of Force Majeure, and includes without limitation:

- (a) A storm, flood, tornado, earthquake, lightning strike or other acts of God;
- (b) A war, revolution, insurrection, riot, blockade or other unlawful act against public order or authority;
- (c) A strike, lockout, shortage of labour or other labour disturbances;
- (d) A fire, explosion, breakage of machinery or equipment, or accident or act of sabotage causing breakage of or damage to the Facility, or to any pipeline, plant machine or item of equipment;
- (e) An order, directive or restraint issued or imposed by any government authority, regulatory body or court having jurisdiction;
- (f) An inability to obtain, or an interruption or curtailment of the provisions of, a supply of electricity, water, fuel (other than Gas) or other utilities or services or of any major materials or pieces of machinery or equipment;
- (g) An inability to obtain or renew, or a revocation or adverse amendment of, any license, permit, order, approval or authorization of any governmental authority or regulatory body having jurisdiction, provided that the party claiming the Event of Force Majeure has used all reasonable best efforts to obtain and maintain such governmental or regulatory license, permit, order, approval or authorization;
- (h) Interruption in the operation of the Facility caused by outages of equipment or by any event of a kind constituting an Event of Force Majeure; or
- (i) Subject to Section 2.2 and subsections 14.1(l) and (m), a failure of any transporter of Gas to receive, transport or deliver Gas;

but does not include:

- (j) a lack of financial resources or available funds or similar financial predicament;
- (k) damage to or production problems with any Gas well or Gas reservoir or related facilities, a lack of developed and tied-in Gas reserves or insufficiency of Seller's Gas supplies or deliverability to the NOVA system;

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- (l) the proration of transportation service on pipelines necessary to transport all or a portion of the Gas hereunder unless all shippers with similar transportation service rights on such pipelines are subject to such proration; or
- (m) any curtailment or interruption of service by NOVA unless such curtailment or interruption occurs at the Empress, Alberta delivery point or affects deliveries from more than thirty percent (30%) of Seller's corporate pool (excluding deliverability from lands committed under dedicated reserves contracts which are unaffected by the Event of Force Majeure).

14.2 Exclusions. An event the occurrence or subsistence of which is due in whole or in part to:

- (a) the financial inability of a party to pay any amount which a prudent and financially sound person in similar circumstances would reasonably be expected to pay to avoid or discontinue such event, or
- (b) a negligent act or omission, breach of contract, violation of law, violation of the terms of a regulatory approval, or similar wrongful act or omission on the part of a party,

shall not be considered to be an Event of Force Majeure for such party to the extent that its occurrence or subsistence is so due.

14.3 Suspension of Obligations. Subject to the provisions of Section 14.4, if either party is prevented by an Event of Force Majeure from performing any obligation under this Agreement, in whole or in part, such obligation shall, to the extent that its performance is prevented by such Event of Force Majeure, be suspended for so long as such Event of Force Majeure continues to prevent such performance, and the non-performance of such obligation to such extent during such period of suspension shall not constitute a breach or default hereunder.

14.4 Notice And Remedial Action. A party shall be entitled to claim suspension of performance under Section 14.3 only if, and for so long as:

- (a) in the case of Buyer claiming suspension of performance, Buyer shall as soon as possible after being made aware of the occurrence, or the impending occurrence, of the Event of Force Majeure giving rise to the right to rely on Section 14.3, notify Seller of such Event of Force Majeure and of the obligations expected to be affected thereby;
- (b) in the case of Seller claiming suspension of performance: (i) with respect to Events of Force Majeure affecting Seller's gas delivery obligations, Seller shall notify Buyer as set forth in Section 12.2; and (ii) with respect to Events of Force Majeure affecting any of Seller's other obligations hereunder, Seller shall as soon as possible after being made aware of the occurrence, or the impending occurrence, of the Event of Force Majeure giving rise to the right to rely on Section 14.3, notify Buyer of such Event of Force Majeure and of the obligations expected to be affected thereby;

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- (c) in the case of either Buyer or Seller claiming suspension of performance, the affected party shall immediately commence, and diligently pursue, the taking of all such steps as may be reasonable in the circumstances to cause the discontinuance of, and to minimize the effect of, the Event of Force Majeure, provided that no party shall be required by the provisions of this subsection 14.4(b) to settle any strike, lockout or other labour dispute on terms which it would not otherwise be willing to agree to; and
- (d) in the event of either Buyer or Seller claiming suspension of performance, the affected party shall forthwith upon the occurrence of any significant development in the process of attempting to discontinue and minimize the effect of the Event of Force Majeure, notify the other party thereof.

14.5 **Seller's/Buyer's FM Declaration.** To the extent that Seller fails to deliver Gas to Buyer due to a declaration of an Event of Force Majeure by Seller, Buyer shall be correspondingly relieved of its obligations to pay NOVA charges under subsection 8.1(a). To the extent that Buyer fails to nominate Gas from Seller due to a declaration of an Event of Force Majeure by Buyer, Buyer shall not be relieved of its obligations to pay NOVA charges under subsection 8.1(a).

14.6 **Further Exclusions.** The provisions of this Article 14 shall not:

- (a) apply so as to suspend the performance of any obligation to make payment of any amount payable under or in respect of this Agreement; or
- (b) give rise to any extension of the Term.

14.7 **Seller's Curtailment Priorities.** In the event Seller serves notice of an Event of Force Majeure under this Article, then notwithstanding any other provision, Seller shall, each Day commencing on the Day of the Event of Force Majeure:

- (a) use commercially reasonable efforts to work with Buyer in attempting to deliver Gas at alternate delivery points available to Buyer and Seller;
- (b) if on that Day Seller remains unable to deliver the entire Daily Nomination, then Seller shall not enter into any new firm sales contracts that would commence delivery during the Event of Force Majeure and must first curtail and cease delivering Gas to all of its interruptible customers on that Day, to the extent necessary to enable Seller to deliver the entire quantity as nominated under this Agreement for that Day; and
- (c) if on that Day Seller still remains unable to deliver the entire Daily Nomination, then Seller must next curtail all deliveries of Gas under Seller's firm sales contracts (excepting dedicated reserves contracts), to the extent necessary to enable Seller to deliver to Buyer a pro-rata share of Seller's then remaining Gas supply (excepting Gas committed under dedicated reserves contracts).

To the extent Seller fails to deliver Gas to Buyer in accordance with subsections 14.7(b) and (c), such a failure shall be deemed to be an unexcused failure of Seller's

Gas delivery obligations under Section 4.1 notwithstanding that there may be an Event of Force Majeure in effect.

ARTICLE 15 SUPPLY SECURITY

15.1 Supply Assurances.

- (a) Seller warrants Gas supply and delivery required under this Agreement.
- (b) If on any Day Seller fails to deliver the Daily Nomination, then Seller shall first use commercially reasonable efforts to work with Seller in attempting to deliver Gas at alternate delivery points available to Buyer and Seller failing which Seller shall curtail all of Seller's interruptible Gas sales and thereafter curtail all deliveries of Gas under Seller's firm sales contracts (excepting dedicated reserves contracts), to the extent necessary to enable Seller to deliver to Buyer, at a minimum, a pro-rata share of Gas from Seller's then remaining Gas reserves (excepting Gas committed under dedicated reserves contracts).

15.2 Seller's Reserves.

- (a) Seller has uncontracted Western Canadian Gas reserves under its control sufficient to satisfy the quantities which it has agreed to sell and to deliver to Buyer for the Term on the terms and conditions contained herein.
- (b) Seller shall provide Buyer, upon Buyer's request (not to be made more often than every two years), with an EUB reserves report and an officer's certificate outlining total firm sales commitments against Seller's corporate supply pool. If such report and certificate indicate that Seller's corporate uncommitted reserves (excluding obligations to Buyer under this Agreement) are less than 100% of the remaining requirements of this Agreement (a "Deficiency"), Seller shall use all reasonable efforts to cure the Deficiency and satisfy Buyer that it will be able to meet its supply obligations for the remaining Term. If the Deficiency is not cured within six (6) Months, Buyer may, on a further six (6) Months notice, in addition to pursuing any other rights and remedies which it may have under this Agreement or otherwise at law or in equity, reduce the DCQ proportionately in accordance with the Deficiency.

ARTICLE 16 BANKRUPTCY

- 16.1 **Bankruptcy.** Either party ("Innocent Party") may suspend its obligations to perform under this Agreement if the other party ("Defaulting Party") is declared bankrupt by a court of competent jurisdiction or files a petition or otherwise commences a proceeding under any bankruptcy or similar law for the protection of creditors or has such a proceeding commenced against it. The Innocent Party shall resume performance of its obligations upon: (i) payment in full by the Defaulting Party of any

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overdue accounts under the Agreement; and (ii) security, acceptable to the Innocent Party, acting reasonably, being provided by the Defaulting Party to cover its continued performance under the Agreement. If any suspension of obligations hereunder continues for sixty (60) Days, the Innocent Party shall have the right to terminate the Agreement on a further thirty (30) Days notice to the Defaulting Party and the Agreement will terminate on the expiry of such thirty (30) Day notice period unless within such thirty (30) Day notice period the Defaulting Party pays all overdue amounts in full and posts security as required in (i) and (ii) above. Any rights and remedies of the Innocent Party under this Section 16.1 are not exclusive or exhaustive, but are in addition to any other rights and remedies of the Innocent Party under any other provision of the Agreement, at law or in equity.

ARTICLE 17 ASSIGNMENT

- 17.1 **Assignment.** Except as otherwise provided in Sections 17.2 and 17.3 and except as otherwise expressly provided herein, neither party may assign any of its rights or obligations under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld. This Agreement shall be binding upon and shall enure to the benefit of the parties and their successors and assignees, as permitted under this Article 17.
- 17.2 **Assignment for Security.** Each party shall be entitled to assign its rights and interests under and in respect of this Agreement as security for indebtedness without the prior consent of the other party, provided that any person which succeeds to the rights of the assigning party under this Agreement, by foreclosure or otherwise pursuant to such assignment, shall not be entitled to exercise any of such rights without also assuming all of such assigning party's obligations hereunder.
- 17.3 **Buyer's Assignment To GECC.** Seller acknowledges that Buyer has assigned its interests under this Agreement to GECC and Seller consents to such assignment. Buyer acknowledges that such assignment shall not release Buyer of any of its obligations under this Agreement without the written consent of Seller.

ARTICLE 18 COMPLIANCE WITH APPLICABLE LAW

- 18.1 **Applicable Law.** In exercising their respective rights and discharging their respective obligations under this Agreement the parties shall comply in all material respects with all mandatorily applicable present and future statutes, regulations, rules and orders of any government or governmental agency or authority having jurisdiction over this Agreement or any portion of the subject matter hereof.

**ARTICLE 19
CONFIDENTIALITY**

19.1 Confidentiality. Subject to:

- (a) the right of a party to meet reporting obligations imposed by any government or governmental agency or authority having jurisdiction over such party;
- (b) the right of a party to provide a bona fide lender with such information as such lender may reasonably request and itself agree to maintain confidential; and
- (c) the right of Buyer to provide NEPOOL, GECC, NEP and any other purchaser of output from the Facility with such information as they may reasonably request and themselves agree to maintain confidential;

each of the parties shall safeguard and maintain confidential all information of a confidential nature from time to time disclosed to it by the other party in connection with this Agreement, provided that information which is in the public domain, and information which is obtained by a party from any source other than the other party, shall not for the purposes of this Agreement be considered to be information of a confidential nature.

**ARTICLE 20
NOTIFICATION**

20.1 Notices. All notices, statements, invoices and other communications to be given in connection with this Agreement shall be in writing, and shall be addressed to the intended recipient thereof at the address, and to the attention of the person, specified for such party below:

Seller: TALISMAN ENERGY INC.
Suite 2400, 855 2nd Street S.W.
Calgary, Alberta
T2P 4J9

Business Issues

Attention: Manager, Natural Gas Marketing

Telephone: (403) 237-1234

Facsimile: (403) 237-1078

Invoicing

Attention: Natural Gas Marketing Accounting

Telephone: (403) 237-1234

Facsimile: (403) 237-1078

Buyer: ALTRESCO PITTSFIELD, L.P.
c/o J. Makowski Company, Inc.
One Bowdoin Square
Boston, MA 02114

Business Issues

Attention: Senior Vice President - Fuel Services

Telephone: (617) 227-8080

Facsimile: (617) 227-2690

Accounting Issues

Attention: Manager, Administration - Fuel Services

Telephone: (617) 227-8080

Facsimile: (617) 227-2690

Except as otherwise provided in Section 20.2, all notices and like communications to be given in connection with this Agreement shall be sufficiently given if addressed as aforesaid and either delivered by hand or by reputable courier service to the intended recipient's address for service as set forth above; or sent by direct facsimile telecommunication to such party at its fax number as set forth above. Any notice so given shall be deemed to have been given and received on the first Business Day on which it is presented during normal business hours at the address for service of the addressee thereof, or, in the case of a direct facsimile telecommunication, on the Day on which it is transmitted if transmitted prior to or during normal business hours on a Business Day, or on the first Business Day following the Day on which it is transmitted if transmitted otherwise.

- 20.2 **Oral Notice.** In the case of notices to be given pursuant to Sections 4.2, 12.2 and 14.4, the party giving such notice shall use reasonable efforts to communicate such notice orally by telephoning the intended recipient of such notice at the telephone number therefor as set forth in Section 20.1, and shall also send such notice by direct facsimile telecommunication as soon as reasonably practicable in the circumstances. For purposes of determining periods of time which are based on the giving of any such notice, and for purposes of determining whether any such notice has been given within a period of time stipulated therefor, such notices shall be considered to have been given on the Day on which the facsimile telecommunication of such notice is deemed to have been given to Buyer pursuant to Section 20.1.

- 20.3 **Change of Address.** Either party may change its address for service, its representative for communications or its telephone or fax numbers by giving written notice of such change to the other party.

**ARTICLE 21
MISCELLANEOUS**

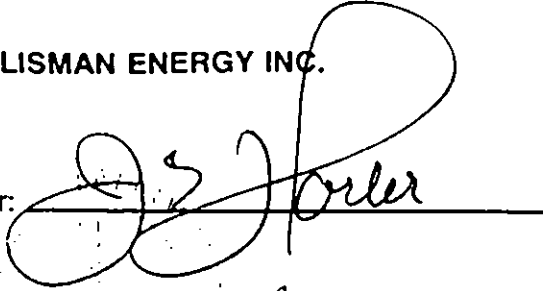
- 21.1 **Entire Agreement.** This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof, and, subject to Section 3.2, supersedes and replaces all previous discussions, negotiations and agreements between the parties with respect to the subject matter hereof, including, but not limited to, the Letter Agreement.
- 21.2 **Further Assurances.** Each of the parties shall from time to time and at all times hereafter, without further consideration, execute and deliver such further documents and instruments, and do and perform all such further acts and things, as may reasonably be required to more fully assure the carrying out of the provisions of this Agreement.
- 21.3 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws in force in the Province of Alberta.
- 21.4 **Waiver.** No waiver by any party shall be effective unless in writing, and a waiver shall affect only the matter, and the occurrence thereof, specifically identified in the writing granting such waiver, and shall not extend to any other matter or occurrence.
- 21.5 **Litigation.** Each party shall in a timely manner provide the other parties with full particulars of all claims, litigation or other proceedings made, instituted or threatened against or involving such party which may in any material way affect the performance by such party of its obligations under this Agreement.
- 21.6 **No Partnership.** Nothing herein contained shall be read or construed as creating a partnership between the parties, or as imposing upon either party any partnership duty, obligation or liability of any kind.
- 21.7 **Counterpart Execution.** This Agreement may be executed in separate counterparts, and all of the executed counterparts shall together constitute one instrument and have the same force and effect as if each of the parties executing such counterparts had executed the same instrument.

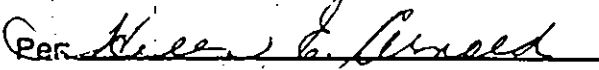
JK
JJP

IN WITNESS WHEREOF the parties have executed and delivered this Agreement effective as of the date first above written.

TALISMAN ENERGY INC.

Per:



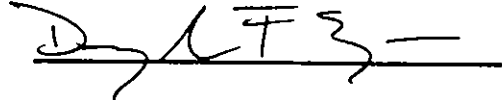
Per: 

ALTRESKO PITTSFIELD, L.P.,
by its General Partner, ALTRESKO INC.

Per:



Per:







SCHEDULE "A" TO A NATURAL GAS PURCHASE AND SALE AGREEMENT DATED AUGUST 23, 1995 BETWEEN ALTRESCO PITTSFIELD, L.P. AND TALISMAN ENERGY INC.

"Gas Price" means, for any Month, a price per MMBtu of Gas determined by multiplying:

$$BP \times (FI/BI)$$

where: BP = \$1.355 (U.S.) per MMBtu,
FI = the Fuel Index Amount for such Month, and
BI = \$1.93 (U.S.) per MMBtu;

Point of Escalation: Into NOVA

FUEL INDEX AMOUNT

The Fuel Index Amount for any Month shall be the weighted average of the following reference amounts, with each such amount expressed in or converted to U.S. dollars (US\$) per MMBtu:

<u>Weighting</u>	<u>Reference Amount</u>
(a) 50% weighting	- the average for such Month of the daily quotes for #6 fuel oil (1.0% sulphur) in Platt's Oilgram Estimated New York Harbour Spot Price, low cargo quotation, assuming 6.3 MMBtu per barrel;
(b) 40% weighting	- the arithmetic average of the following seven spot gas market indices ("T7"): i) La. & Offshore spot price index for Tennessee Gas Pipeline Co. ("TGP"), ii) Texas spot price index for TGP, iii) the arithmetic average of the East Louisiana and West Louisiana spot price indices for Texas Eastern Transmission Corp. ("Tetco"), iv) the arithmetic average of the East Texas and South Texas spot price indices for Tetco, v) the Zone 1 (pooling point) index for Transcontinental Gas Pipe Line Corp. ("Transco"), vi) the Zone 2 (pooling point) index for Transco, and vii) the Zone 3 (pooling point) for Transco, each as published in <i>Inside F.E.R.C.'s Gas Market Report</i> (provided that as long as at least four of these seven indices are so published for any Month);
(c) 10% weighting	- New England Power Company's weighted average delivered coal cost for such Month, as reported in the most recently submitted FERC Form 423.

JK
gyp

SCHEDULE "B" TO A NATURAL GAS PURCHASE AND SALE AGREEMENT DATED AUGUST 23, 1995 BETWEEN ALTRESCO PITTSFIELD, L.P. AND TALISMAN ENERGY INC.



New England Power

A New England Electric System company

New England Power Company
28 Pevenot Drive
Westborough, Massachusetts 01581-0010
Telephone: (508) 366-9211

June 20, 1995

Mr. Duncan McEachern
J. Makowski Associates, Inc.
One Bowdoin Square
Boston, MA 02114

Via fax: (617) 227-4868

Dear Duncan:

In connection with your negotiations with Talisman, we have discussed several different structures with regard to reopener provisions under our Power Purchase Agreement (PPA). The purpose of this letter is to outline for you NEP's position and preferences with regard to reopener provisions in a Restated PPA. This letter supersedes my letter to you dated June 13, 1995 on this subject. We believe that this proposal should meet the needs and concerns of both parties to the PPA and that it should be acceptable to Talisman as well.

The outline of NEP's proposal is as follows:

1. The rails would be narrowed from the current 7.5% to 5.0%.
2. The rails would be applied to the average of the preceding 12 months' gas price as calculated by multiplying "GCC" x "M" / "N".
3. The new base fuel index amount "N" would equal the average of the "M" values for the preceding 12 months.
4. The first reopener would occur in five years on September 1, 2000, with subsequent reopeners every three years, with a November 1 effective date for each reopener.
5. On September 1 of each reopener, the average gas price for the preceding 12 months (for which complete data is available) would be calculated and the upper and lower bounds for a renegotiation using the 5% rails would be calculated.
6. By September 5, either party may submit a proposal for a new GCC (base price) within the rails. It would be the intent that any proposed pricing should be comparable to prices paid over the preceding 12 months for similar long term firm natural gas supplies to electric generating facilities in the Northeast (adjusted for firm transportation costs back to the Alberta wellhead) with comparable supply security provisions.

7. If the proposed pricing is not acceptable to the other party, both parties would be required to submit by October 1 the data that they believe substantiates pricing that meets the criteria above, in an effort to reach agreement. The parties would agree that the data must be verifiable, publicly reported or published, and available for at least the 12 months preceding the onset of the reopener renegotiation.
8. If no agreement is reached by November 1, the matter would be submitted to arbitration pursuant to the draft Restated PPA (an arbitration agreement has been included in the draft Restated PPA that was transmitted to Bob Warburton on June 5). The arbitrators would establish a new GCC (base price) within the rails using only the data submitted by the parties during their efforts to reach agreement through negotiation, provided that each party may provide the arbitrator with comments on data submitted by the other party. The arbitrator's decision would be effective on the first of the month following the arbitrator's decision and would be binding on the parties until the next reopener.

Duncan, we believe that this proposal is an effective, workable compromise between the various positions that have been discussed to date. As always, this proposal is for discussion purposes only and is subject to final management approval, execution of a formal contract amendment, successful completion of the current Talisman discussions, and agreement on a NEP assignment of TCPL capacity to Altresco.

Please give me a call if you have any questions after reviewing this.

Sincerely,



David P. Nickerson
Principal Engineer



**SCHEDULE "C" TO A NATURAL GAS PURCHASE AND SALE AGREEMENT DATED
AUGUST 23, 1995 BETWEEN ALTRESCO PITTSFIELD, L.P. AND TALISMAN ENERGY
INC.**

SAMPLE INDICES

Samples of the following indices used in the Agreement are attached:

1. **CPI (Sections 4.4 and 4.8)**
 - all urban consumers, all items, Boston-Lawrence-Salem, MA-NH

2. **Platt's Oilgram (Schedule "A")**
 - #6 fuel oil (1.0% sulphur) estimated New York Harbour spot price, low cargo quotation

3. **Inside F.E.R.C.'s Gas Market Report (Schedule "A")**
 - Tennessee Gas Pipeline Co.: La. & Offshore spot price index
 - Tennessee Gas Pipeline Co.: Texas spot price index
 - Texas Eastern Transmission Corp.: East Louisiana spot price index
 - Texas Eastern Transmission Corp.: West Louisiana spot price index
 - Texas Eastern Transmission Corp.: East Texas spot price index
 - Texas Eastern Transmission Corp.: South Texas spot price index
 - Transcontinental Gas Pipe Line Corp: Zone 1 (pooling point)
 - Transcontinental Gas Pipe Line Corp: Zone 2 (pooling point)
 - Transcontinental Gas Pipe Line Corp: Zone 3 (pooling point)

5. **FERC Form 423 (Schedule "A")**
 - New England Power Company weighted average delivered coal cost

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Table 16. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, by expenditure category and commodity and service group

(1982-84 = 100, unless otherwise noted)

Group	Monthly cities and pricing schedule 1											
	U.S. city average			Baltimore, MD			Boston-Lawrence-Salem, MA-NH			Chicago-Gary-Lake County, IL-IN-WI		
	Index	Percent change from—		Index	Percent change from—		Index	Percent change from—		Index	Percent change from—	
		Mar. 1995	Mar. 1994		Jan. 1995	Mar. 1995		Mar. 1994	Jan. 1995		Mar. 1995	Mar. 1994
Expenditure category												
All items	151.4	2.9	0.7	150.3	3.7	1.1	158.4	2.2	0.3	152.6	3.4	0.5
All items (1967=100)	453.5	-	-	449.5	-	-	466.7	-	-	455.9	-	-
Food and beverages	147.9	2.8	0	153.2	3.2	1.1	153.1	2.5	-1.2	151.3	2.9	.7
Food	147.4	2.9	-1	154.0	3.3	1.2	152.9	2.3	-1.6	150.3	3.2	.5
Food at home	147.6	3.4	-4	152.9	4.0	.9	151.8	2.5	-2.8	156.7	3.5	.5
Cereals and bakery products	165.3	3.1	.4	187.4	4.3	1.8	173.7	7.6	.6	172.5	4.8	-6
Meats, poultry, fish, and eggs	138.4	.4	.8	139.2	5.1	4.8	138.4	-3.1	-2.5	155.8	-3	-4
Meats, poultry, and fish	139.9	.7	.9	142.6	5.7	5.1	139.4	-2.9	-2.6	159.6	-1	-2
Dairy products	132.2	.3	-4	144.7	3.0	.0	130.4	-2.8	1.1	146.4	.1	-4
Fruits and vegetables	174.0	6.9	-3.5	174.2	4.4	-6.6	197.7	7.7	-8.6	180.1	5.6	2.9
Other food at home	140.7	6.1	.3	144.4	2.6	1.3	137.2	5.9	-1.2	140.0	8.3	1.2
Food away from home	148.1	2.3	.5	155.5	1.6	1.7	156.0	2.0	.2	139.0	2.5	.6
Alcoholic beverages	153.1	1.1	.7	143.4	1.7	.2	156.3	3.8	1.9	162.8	.8	2.3
Housing	147.4	2.3	.7	139.4	1.2	1.2	153.1	3.4	.9	149.1	3.8	-1
Shelter	164.5	2.9	1.0	156.4	1.8	1.0	175.3	3.9	1.0	172.7	5.2	1.1
Renters' costs ²	174.6	2.6	2.3	158.4	1.0	2.6	188.8	5.7	2.3	173.4	4.4	1.9
Rent, residential	156.7	2.3	.4	155.4	.5	.1	162.3	3.4	.4	169.4	3.9	.9
Other renters' costs	206.7	3.4	7.0	146.5	2.1	10.8	231.0	10.2	5.7	159.6	6.4	6.0
Homeowners' costs ²	169.2	3.1	.5	163.0	2.1	.4	177.0	2.8	2	178.9	5.5	.7
Owners' equivalent rent ²	169.5	3.1	.5	164.0	2.1	.4	177.4	2.8	.2	177.9	5.6	.7
Fuel and other utilities	122.3	-1	-5	107.8	-2.9	.3	125.3	1.7	-1	112.3	.1	-3.9
Fuels	109.8	-1.2	-8	99.6	-4.6	.1	106.7	.3	.0	101.4	2.1	-6.9
Fuel oil and other household fuel commodities	89.0	-3.8	-4	83.6	.4	-1	84.8	-5.1	-2	90.2	-1.1	-2
Fuel oil	85.6	-4.6	-8	85.5	.4	-1	85.3	-4.7	-1	91.1	-9	.0
Other household fuel commodities ³	119.3	-1.9	.1	NA	-	-	101.0	-11.7	.0	113.6	-1.5	-4
Gas (piped) and electricity (energy services)	117.1	-8	-8	113.7	-5.4	.2	135.2	2.0	.1	104.1	2.2	-7.0
Electricity	125.4	1.8	-1	123.4	-2.1	.0	133.9	2.6	.2	119.3	42.4	-2.2
Utility (piped) gas	104.7	-6.3	-2.3	92.3	-13.9	.5	133.8	1.3	.0	89.7	-24.6	-12.4
Household furnishings and operation	122.6	1.7	.7	126.6	2.1	3.2	114.4	3.0	1.9	117.1	1.8	-9
Apparel and upkeep	134.4	-1.2	3.9	140.1	4.0	5.5	142.3	-8.9	2.4	130.1	-4.7	3.8
Apparel commodities	131.3	-1.6	4.2	135.1	4.0	6.0	132.8	-10.6	2.5	130.6	-5.0	4.1
Men's and boys' apparel	127.2	1.3	2.6	129.5	1.3	12.1	124.7	-6.9	-2.6	126.7	2.6	-7
Women's and girls' apparel	131.5	-4.2	6.9	137.0	8.7	1.2	118.0	-19.3	6.8	126.3	-10.4	9.7
Footwear	125.9	-9	1.5	149.2	5.2	11.6	138.5	6.3	-3.3	141.2	-4.7	-2
Transportation	138.0	4.4	.5	138.6	7.1	.2	135.9	1.3	-9	134.6	6.1	1.1
Private transportation	135.2	5.1	.2	137.6	7.4	.0	136.4	1.6	-1.6	131.9	5.9	.4
Motor fuel	97.5	4.5	-1.2	100.0	3.7	-3.3	98.1	5.8	-1.5	97.3	4.7	-2.7
Gasoline	97.2	4.9	-1.2	97.9	4.3	-3.5	97.2	6.7	-1.5	97.1	4.9	-2.7
Gasoline, unleaded regular	94.8	5.3	-1.3	96.5	3.5	-3.5	96.0	7.7	-1.1	95.0	5.8	-3.1
Gasoline, unleaded midgrade ⁴	101.9	4.1	-1.5	99.6	4.1	-3.1	102.4	4.4	-1.3	104.4	4.2	-2.1
Gasoline, unleaded premium	99.8	3.4	-1.7	98.7	5.9	-3.9	103.4	3.9	-1.0	98.4	2.9	-3.1
Public transportation	174.5	-2.2	3.6	151.3	3.4	3.3	132.7	-1.1	5.3	155.3	6.7	5.0
Medical care	218.4	4.8	.8	229.0	9.4	.6	262.7	5.4	1.9	221.9	5.1	.5
Entertainment	152.6	2.0	.3	157.4	3.4	-.8	166.0	2.7	-2	160.0	.6	.6
Other goods and services	204.0	4.3	.5	205.3	4.1	.5	209.0	1.8	-2	214.6	4.2	.1
Personal care	146.0	2.1	.2	132.8	.2	2.6	134.6	-3	.4	149.2	4.5	1.4
Commodity and service group												
All items	151.4	2.9	.7	150.3	3.7	1.1	158.4	2.2	.3	152.6	3.4	.5
Commodities	135.9	2.3	.6	137.7	3.7	1.3	133.7	.6	-.4	139.2	2.0	.6
Food and beverages	147.9	2.8	0	153.2	3.2	1.1	153.1	2.5	-1.2	151.3	2.9	.7
Commodities less food and beverages	126.6	2.1	.9	129.2	4.0	1.3	121.8	-.7	.2	131.2	1.3	.5
Nondurables less food and beverages	129.2	1.1	1.3	131.4	3.0	.8	124.9	-3.3	.4	133.0	-1.0	.4
Durables	127.7	3.5	.4	128.1	5.3	2.1	121.3	3.6	-2	127.4	5.3	.7
Services	167.3	3.2	.8	165.7	3.6	.9	182.1	3.2	.7	165.8	4.6	.5
Medical care services	221.8	5.4	.9	232.7	10.5	.6	270.8	5.7	2.0	220.5	5.7	.5
Special indexes												
All items less shelter	147.7	2.8	.6	149.4	4.3	1.2	153.8	1.4	-1	146.5	2.7	.3
All items less medical care	147.6	2.6	.7	146.5	3.2	1.1	153.4	1.9	.1	149.1	3.3	.5
All items less energy	157.8	2.9	.8	157.7	4.0	1.2	166.5	2.1	.4	159.6	3.4	.9
All items less food and energy	160.4	3.0	1.1	158.6	4.1	1.3	169.8	2.2	.7	162.0	3.4	1.1
Energy	103.2	1.3	-1.0	99.3	-.9	-1.6	104.3	2.1	-.5	98.9	3.3	-4.9
Commodities less food	129.5	2.0	.9	129.8	3.9	1.3	123.4	-.3	.3	132.7	1.2	.6
Nondurables less food	130.5	1.1	1.2	132.1	2.9	.8	126.8	-2.6	.6	135.1	-.8	.6
Nondurables	138.7	2.0	.7	141.7	3.1	.9	138.8	-.3	-.4	142.5	1.1	.6
Services less rent of shelter ¹	175.1	3.4	.6	181.4	5.2	.8	197.5	2.5	.5	166.2	3.9	.0
Services less medical care services	162.2	3.0	.8	160.3	2.6	.9	175.0	2.8	.5	161.3	4.5	.5

See footnotes at end of table

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Spot Price Assessments

An assessment of cargo and barge prices made by the Oilgram staff based on transactions and market information from sources deemed reliable and active in the marketplace. All U.S. gasoline quotes represent nonoxygenated product unless otherwise indicated.

European Bulk	Cargoes FOB Med Basis Italy	Cargoes CIF Med Basis Genoa/Lavera	Cargoes CIF NWE Basis ARA	Barges FOB Rotterdam	Cargoes FOB NWE
\$/MT					
Prem 0.15 G/L	175.00-178.00	185.00-188.00	183.00-185.00	174.00-175.00	173.00-175.00
98 RON Ual			193.00-198.00	186.00-188.00	184.00-187.00
Prem Ual	172.00-175.00	183.00-186.00	180.00-183.00	169.50-171.00	170.00-173.00
Reg Ual			177.00-179.00	165.00-167.00	168.00-170.00
MTBE				280.00-284.00	
Naphtha Physical	136.00-139.00	153.00-156.00	156.00-158.00	154.00-155.00	
Naphtha Swaps			155.00-156.00		
Jet Kerosene	149.00-151.00		168.00-170.00	166.50-167.50	159.00-161.00
Gasoil ENS90	143.00-144.00	151.00-152.00	152.50-154.00		144.00-145.50
Gasoil 0.2	139.50-140.50	147.50-148.50	151.50-152.50	150.50-151.00	143.00-144.00
1% Fuel Oil	80.00-81.00	88.00-89.00	86.00-87.00	83.50-84.50	79.00-80.00
3% Fuel Oil			80.00-82.00		73.00-74.00
3.5% Fuel Oil	69.00-71.00	77.00-79.00	80.00-82.00	+81.00-82.00+	73.00-74.00
E4 Feedstock			+9.00-11.00+		
M-40 Feedstock		7.00-8.00			
0.5%-0.7% Straight Run					101.00-103.00

0.2 PCT Gasoil does not include -5 -15 spec. IPE Average (SEP) 151.00- IPE Average (OCT) 151.50-

New York/Boston	Cargo	Barge
9.0 RVP		
Ual 87	53.50-53.75	53.75-54.00
Ual 87 RFG*	-55.25-55.50+	-55.50-55.75+
Ual 87 (Boston)	+54.00-54.25+	
Ual 87 (Boston RFG)*	-56.00-56.25+	
Ual 89	-55.50-55.75+	-55.75-56.00+
Ual 89 RFG*	-58.25-58.75+	-58.50-59.00+
Super Ual 93	-58.75-59.00+	-58.75-59.00+
Super Ual 93 RFG*	-63.25-63.75+	-63.25-63.75+
Jet Fuel	-50.75-51.00+	-50.75-51.00+
LS Jet/Kero	-51.50-51.75+	-51.50-51.75+
LS Jet/Kero (Boston)	-51.75-52.00+	
No. 2	48.00-48.25	48.00-48.25
LS No. 2	49.25-49.50	49.25-49.50
No. 2 (Boston)	-48.75-49.00+	
LS No. 2 (Boston)	50.50-50.75	
No. 6 0.3% S HiPr	-15.25-15.50+	-15.25-15.50+
No. 6 0.3% S LoPr	15.75-16.00	16.00-16.25
No. 6 0.7% S Max	14.75-14.45+	+14.20-14.45+
No. 6 1% S Max	+13.80-14.05+	+13.80-14.05+
No. 6 2.2% S Max	+13.00-13.25+	+13.00-13.25+
No. 6 2.2% S Max (Bstr)	+13.10-13.35+	
No. 6 3.0% S Max	+12.35-12.60+	+12.60-12.85+
No. 6 1.0% S Pap. 1st M	-13.75-14.00+	
No. 6 1.0% S Pap. 2nd M	-14.00-14.25+	
No. 6 1.0% S Pap. Qrly	14.40-14.65	

* RFG is 8.3 RVP

West Coast Waterborne		
c/Gal	Unleaded 87	-52.50-53.50
	Jet Fuel	54.00-55.00
\$/Bbl	Gasoil	+17.80-18.20+
	No. 6 0.5% S	15.25-15.75
	No. 6 1.0% S	14.25-14.75
	No. 6 1.6% S	13.50-14.00
\$/MT	180cst	86.00-96.00
	380cst	82.00-92.00

Note to readers: Superfund tax

Platt's U.S. spot market assessments for refined products include the Superfund tax. However, wholesale prices which appear in the U.S. Tank Car Truck Transport table may or may not contain Superfund. Not all of the companies surveyed for that table include Superfund in the wholesale price of refined products.

U.S. Gulf Coast	Waterborne	Pipeline
9.0 RVP--Summer Supplemental		
c/Gal		
Ual 87	-51.25-51.75+	-50.75-51.75+
Ual 89	-52.75-53.25+	-52.25-53.25+
Prem Ual 92	-54.75-55.25+	-54.25-55.25+
Prem Ual 93	-55.50-56.00+	-55.00-56.00+
7.8 RVP		
c/Gal		
Ual 87	-51.25-52.00+	-51.00-52.00+
Ual 87 RFG*	-54.50-55.25+	-54.25-55.25+
Ual 89	-52.75-53.50+	-52.50-53.50+
Ual 89 RFG*	-56.00-56.75+	-55.75-56.75+
Prem Ual 92	-54.75-55.50+	-54.50-55.50+
Prem Ual 92 RFG*	-58.00-58.75+	-57.75-58.75+
Prem Ual 93	-55.50-56.25+	-55.25-56.25+
Prem Ual 93 RFG*	-58.75-59.50+	-58.50-59.50+
MTBE	-86.00-87.25+	
Naphtha	-48.50-49.00+	
Jet/Kero 54	+48.75-49.00+	+48.75-49.00+
Jet/Kero 55	+49.25-49.50+	+49.25-49.50+
No. 2	46.25-46.75	46.25-46.50
LS No. 2	48.25-48.75+	48.25-48.75+
\$/Bbl		
No. 6 0.7% S	12.85-13.10	
No. 6 1.0% S 8 API	12.60-12.85	
No. 6 1.0% S 10.5 API	12.60-12.85	
No. 6 3.0% S	12.10-12.60	
No. 6 3.0% S Pap. 1st M	12.15-12.40	
No. 6 3.0% S Pap. 2nd M	12.25-12.50	
No. 6 3.0% S Pap. Qrly	12.60-12.85	
8.3 RVP		
c/Gal	Supplemental--Northern Grade Gasoline	
Ual 87 RFG	-54.00-54.75+	-53.75-54.75+

*RFG is 7.4 RVP

Gasoline with 7.8 RVP reflects the 24rd cycle. 9.0 RVP unleaded summer supplemental reflects the 24rd cycle. RFG assessments reflect the 24rd cycle. No. 2, LS No. 2 and Jet assessments reflect the 24th cycles.

West Coast Pipeline	California	Los Angeles(a)	San Francisco(b)
c/Gal			
Ual 87	-54.25-55.25+	-54.25-55.25+	
Ual 87 RFG	-59.25-60.25+		
Prem Ual 92	-60.25-61.25+		-59.75-60.25+
Prem Ual 92 RFG	-64.00-65.00+		
Jet Fuel	-55.00-55.75+		-55.00-55.75+
LS No. 2	-54.00-55.00+		-54.00-55.00+
CARB Diesel	-58.75-59.50+		-58.50-59.50+
\$/MT			
180cst	-87.00-90.00+		
380cst	-84.00-87.00+		
(a)=RVP is 7.4, (b)=RVP is 7.8			
Northwest		Portland(a)	Seattle(a)
c/Gal			
Ual 87		-56.00-57.00+	-55.00-56.00+
Prem Ual 92		-62.00-63.00+	-61.00-62.00+
Jet Fuel			-54.00-55.00+
LS No. 2		53.00-54.00	+51.50-52.50+
180cst		95.00-96.00	+88.00-90.00
380cst		93.00-94.00	83.00-86.00
(a)=RVP is 9.0 (b)=RVP is 9.0			

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Inside F.E.R.C.'s GAS MARKET REPORT

PRICES OF SPOT GAS DELIVERED TO PIPELINES MAY 1, 1995 (per MMBtu dry)

	Range	Index		Range	Index
ANR Pipeline Co.			Northwest Pipeline Corp.		
Louisiana	\$1.53 to \$1.68	\$1.61	Rocky Mountains	\$1.03 to \$1.09	\$1.06
Oklahoma	\$1.41 to \$1.48	\$1.45	Canadian border	\$0.96 to \$1.03	\$0.99
Offshore	\$1.59 to \$1.62	N.A.	ONG Transmission Co.		
CNG Transmission Corp.			Oklahoma	\$1.42 to \$1.50	\$1.45
Appalachia	\$1.75 to \$1.87	\$1.83	Panhandle Eastern Pipe Line Co.		
Colorado Interstate Gas Co.			Texas, Okla. (mainline)	\$1.38 to \$1.51	\$1.45
Rocky Mountains	\$1.03 to \$1.12	\$1.07	Questar Pipeline Co.		
Columbia Gas Transmission Corp.			Rocky Mountains	\$1.03 to \$1.10	\$1.07
Appalachia (W.Va., Ohio, Ky.)	\$1.70 to \$1.86	\$1.81	Southern Natural Gas Co.		
Columbia Gulf Transmission Co.			Louisiana	\$1.57 to \$1.71	\$1.64
Louisiana	\$1.60 to \$1.71	\$1.64	Tennessee Gas Pipeline Co.		
Offshore	\$1.57 to \$1.64	\$1.58	L.A. & Offshore (zone 1)	\$1.50 to \$1.68	\$1.60
El Paso Natural Gas Co.			Texas (zone 0)	\$1.51 to \$1.64	\$1.58
Anadarko Basin	N.A. to N.A.	N.A.	Texas Eastern Transmission Corp.		
Permian Basin	\$1.27 to \$1.38	\$1.35	East Louisiana	\$1.57 to \$1.72	\$1.65
San Juan Basin	\$1.14 to \$1.19	\$1.17	West Louisiana	\$1.58 to \$1.66	\$1.63
Florida Gas Transmission Co.			East Texas	\$1.56 to \$1.64	\$1.60
Zone 1	\$1.58 to \$1.66	\$1.60	South Texas	\$1.55 to \$1.64	\$1.58
Zone 2	\$1.64 to \$1.69	\$1.66	Texas Gas Transmission Corp.		
Zone 3	\$1.62 to \$1.72	\$1.67	Zone 1	\$1.59 to \$1.65	\$1.62
Kern River Gas Transmission Co.			Zone SL	\$1.57 to \$1.66	\$1.62
Wyoming	\$1.05 to \$1.12	\$1.07	Transcontinental Gas Pipe Line Corp.		
Koch Gateway Pipeline Co. (formerly United)			Zone 1 (pooling point)	\$1.54 to \$1.64	\$1.60
Louisiana	\$1.47 to \$1.66	\$1.57	Zone 2 (pooling point)	\$1.61 to \$1.67	\$1.64
Texas	\$1.45 to \$1.61	\$1.52	Zone 3 (pooling points)	\$1.64 to \$1.74	\$1.67
Natural Gas Pipeline Co. of America			Mississippi, Alabama	\$1.62 to \$1.70	\$1.68
Oklahoma	\$1.40 to \$1.49	\$1.44	Transwestern Pipeline Co.		
Louisiana	\$1.54 to \$1.68	\$1.61	Permian Basin	\$1.31 to \$1.38	\$1.35
Texas (Gulf Coast Line)	\$1.56 to \$1.63	\$1.59	Thoreau	\$1.16 to \$1.35	\$1.20
NorAm Gas Transmission Co. (formerly Arkla)			Trunkline Gas Co.		
East	\$1.53 to \$1.62	\$1.57	Field zone (Texas, La.)	\$1.54 to \$1.68	\$1.61
West	\$1.42 to \$1.48	\$1.46	Valero Transmission L.P.		
Northern Natural Gas Co.			Texas	\$1.35 to \$1.63	\$1.50
Texas, Oklahoma, Kansas	\$1.32 to \$1.45	\$1.37	Williams Natural Gas Co.		
Demarcation	\$1.39 to \$1.45	\$1.41	Texas, Oklahoma, Kansas	\$1.35 to \$1.44	\$1.40
Ventura, Iowa	\$1.35 to \$1.42	\$1.39			

DELIVERED SPOT-GAS PRICE

May 1995 (per MMBtu)	
Houston Ship Channel/Beaumont, Texas	
large packages (3,500 Mc/d and up)	\$1.58 to \$1.67
index (large packages only)	\$1.63
small packages	\$1.60 to \$1.62
Louisiana/Mississippi River Corridor	
packages of at least 2,000 Mc/day	\$1.65 to \$1.74
index	\$1.69

HENRY HUB CASH PRICE

May 1, 1995
\$1.68/MMBtu

Handwritten initials/signature

FERC 423 - COAL
 June 1895 - Report dated 8/11/95

	QTY REC'D		TOTAL MMBTU's	PRICE cents/MMBTU	AMOUNT PAID
	Tons	MMBTU/LB			
	40.3	12.847	1,035,458	179.67	1,860,425.71
	40.0	12.905	1,032,400	165.36	1,707,176.64
	39.9	13.102	1,045,540	195.20	2,040,893.30
	11.2	12.710	284,704	175.80	500,509.63
	28.9	12.710	734,638	175.80	1,291,493.60
	40.3	12.385	998,231	183.37	1,830,458.18
	51.3	12.067	1,238,074	142.71	1,768,855.69
Total	251.9	88.7	6,369,055.0		10,997,810.8

1.7268

JK
JEP

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

SEP 28 1995

REC'D DOE/FE/OFF

ALTRESKO PITTSFIELD, L.P.)
_____)

FE DOCKET NO. 95-64-NG

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

DOE/FE ORDER NO. 1088

SEPTEMBER 28, 1995

I. DESCRIPTION OF REQUEST

On August 29, 1995, 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 authorization to import up to 22,420 Mcf per day of natural gas from Canada. Altresco Pittsfield is a Delaware limited partnership with its principal place of business in Boston, Massachusetts. The gas would be purchased from Talisman Energy Inc. (Talisman) pursuant to a Natural Gas Purchase and Sale Agreement (Talisman Agreement), dated August 23, 1995, and used as fuel for Altresco Pittsfield's 160 MW, natural gas-fired, combined cycle, cogeneration facility located in Pittsfield, Massachusetts. The proposed authorization would be effective November 1, 1995,^{2/} and extend for fourteen years and 10 months.^{3/}

The gas would be imported at the border of the United States and Canada near Niagara Falls, New York, through the pipeline facilities of TransCanada PipeLines Limited (TransCanada), and

^{1/} 15 U.S.C. § 717b.

^{2/} This is the date of first delivery of natural gas under the Talisman Agreement.

^{3/} Since November 1, 1993, Altresco Pittsfield has been importing natural gas under its two-year blanket authorization granted by DOE/FE Opinion and Order No. 868, issued October 28, 1993 (1 FE ¶ 70,874). Altresco Pittsfield obtained additional supplies of natural gas from Vector Energy (U.S.A.) Inc. under blanket authorizations granted by DOE/FE Opinion and Order No. 699 (FE Docket No. 92-118-NG) issued October 29, 1992 (1 FE ¶ 70,810) and DOE/FE Order No. 699-A, issued June 25, 1993 (1 FE ¶ 70,861).

then by Tennessee Gas Pipeline Company to Berkshire Gas Company which will deliver the natural gas to the Pittsfield cogeneration facility. Altresco Pittsfield also requests authority to import the natural gas at any alternative border point on the United States and Canada border that has transportation facilities accessible to Altresco Pittsfield.

The gas will be delivered by Talisman to Altresco Pittsfield at the interconnection between NOVA Gas Transmission Limited (NOVA) and TransCanada. The contract between Altresco Pittsfield and Talisman provides that Altresco Pittsfield will pay Talisman the monthly demand, commodity, and fuel use charges associated with transporting the gas on NOVA, and a gas price for each month for each MMBtu of delivered gas. The monthly demand charge (in U.S. dollars) consists of the NOVA demand and other related charges approved by the Alberta Energy and Utilities Board (EUB). The monthly commodity charge (in U.S. dollars) consists of NOVA's commodity and related charges approved by the EUB with respect to the NOVA capacity required to deliver the Talisman Agreement quantities. The fuel use charge consists of the gas price for each MMBtu of gas used for fuel on NOVA to deliver volumes to the delivery point, but it will not exceed one percent of the Talisman Agreement's daily contract quantity (DCQ).

The gas price per MMBtu for each month will be equal to the base price of \$1.355/U.S. adjusted monthly based on the changes in a monthly fuel index amount over a base index amount of \$1.93/U.S. The fuel index for any month shall be comprised of 50

percent of the price of No. 6 fuel oil, 40 percent of the average of a basket of natural gas spot price indices, and 10 percent of the delivered cost of coal to New England Power Company. The gas price at no time shall be less than \$1.12/U.S. per MMBtu.

The contract also provides for a minimum annual quantity and a minimum two-year quantity. The minimum annual quantity is 85 percent of the DCQ, and if Altresco Pittsfield fails to nominate the minimum annual quantity it shall pay a non-refundable reservation fee equal to the product of \$0.17/U.S. per MMBtu times the minimum annual quantity not nominated. If in any two contract year period Altresco Pittsfield fails to nominate a minimum two-year quantity equal to 85 percent of the DCQ, Talisman shall have the option within 60 days of the end of the two contract year period to reduce the DCQ by the difference between the minimum two-year quantity and the amount nominated.

II. FINDING

The application filed by Altresco Pittsfield has been evaluated to determine if the proposed import arrangement meets the public interest requirements of section 3 of NGA, as amended by section 201 of the Energy Policy Act of 1992 (P.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 Altresco Pittsfield 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.

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 22,420 Mcf per day of natural gas commencing on November 1, 1995, for 14 years and 10 months. This gas shall be imported consistent with the terms and conditions of Altresco Pittsfield's gas purchase and sales agreement with Talisman Energy Inc. (Talisman), dated August 23, 1995. This natural gas may be imported at the United States and Canada border near Niagara Falls, New York, or at any alternative border point which has facilities accessible to Altresco Pittsfield.

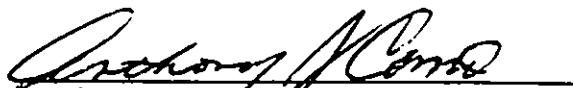
B. Within two weeks after deliveries begin, Altresco Pittsfield shall provide written notification to the Office of Fuels Programs (OFP), Fossil Energy, Room 3F-056, FE-50, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import delivery of natural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

C. With respect to the natural gas imports authorized by this Order, Altresco Pittsfield shall file with OFP, within 30 days following each calendar quarter, a quarterly report indicating by month the volumes and price of natural gas imported pursuant to this order. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If

imports have occurred, Altresco Pittsfield must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu delivered at the international border, and paid to Talisman. Whenever imports occur at an entry point other than Niagara Falls, these volumes and prices must be reported separately. The monthly price information shall itemize separately the demand and commodity charges, fuel charges, and, if applicable, reservation fees.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 1996, and should cover the period of November 1, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C. on September 28, 1995.



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

UNITED STATES OF AMERICA

[6450-01-P]

DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

[FE DOCKET NO 95-64-NG]

ALTRESCO PITTSFIELD, L.P.

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


AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of Order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Altresco Pittsfield, L.P. authorization to import up to 22,420 Mcf of natural gas per day from Canada beginning November 1, 1995, and extending for fourteen years and 10 months.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, D.C., September 29, 1995.



Clifford P. Tomaszewski
Director, Office of Natural Gas
Office of Fuels Programs
Office of Fossil Energy

under the Additional Agreement for Cooperation between the Government of the United States of America and the Government of the Republic of Korea concerning Civil Uses of Atomic Energy, as amended, and the Agreement for Cooperation between the Government of the United States of America and the Government of Canada concerning Civil Uses of Atomic Energy, as amended.

The subsequent arrangement to be carried out under the above-mentioned agreements involves approval of the following retransfer: RTD/CA(KO)-4, for the transfer of 420.4 grams of uranium containing 82.9 grams of the isotope uranium-235 (19.75 percent enrichment) from the Republic of Korea to Canada for repair work.

In accordance with Section 131 of the Atomic Energy Act of 1954, as amended, it has been determined that this subsequent arrangement will not be inimical to the common defense and security.

This subsequent arrangement will take effect no sooner than fifteen days after the date of publication of this notice.

Edward T. Fei,

Deputy Director, International Policy and Analysis Division, Office of Arms Control and Nonproliferation.

[FR Doc. 95-25693 Filed 10-16-95; 8:45 am]

BILLING CODE 6450-01-P

Office of Fossil Energy

[FE Docket No. 95-64-NG] ✓

Altresco Pittsfield, L.P.; Order Granting Long-Term Authorization To Import Natural Gas From Canada

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Altresco Pittsfield, L.P. authorization to import up to 22,420 Mcf of natural gas per day from Canada beginning November 1, 1995, and extending for fourteen years and 10 months.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, September 28, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-25695 Filed 10-16-95; 8:45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-65-NG]

Altresco Pittsfield, L.P.; Order Granting Long-Term Authorization To Import Natural Gas From Canada

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Altresco Pittsfield, L.P. authorization to import up to 11,757 Mcf of natural gas per day from Canada beginning November 1, 1995, through October 31, 2011, under terms and conditions of the gas sales agreement with Home Oil Company Limited.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, September 28, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-25696 Filed 10-16-95; 8:45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-73-NG]

Bay State Gas Company; Order Granting Blanket Authorization To Import Natural Gas From Canada

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Bay State Gas Company authorization to import up to 40 Bcf of natural gas from Canada over a two-year term beginning on the date of the first delivery after October 31, 1995.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and

4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, September 26, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-25698 Filed 10-16-95; 8:45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-74-NG]

Northern Utilities, Inc.; Order Granting Blanket Authorization To Import Natural Gas From Canada

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Northern Utilities, Inc. authorization to import up to 15 Bcf of natural gas from Canada over a two-year term beginning on the date of the first delivery after October 31, 1995.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, September 26, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-25699 Filed 10-16-95; 8:45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-68-NG]

Paramount Resources U.S. Inc.; Order Granting Blanket Authorization To Import Natural Gas From Canada

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Paramount Resources U.S. Inc. authorization to import up to 300 Bcf of natural gas from Canada. The import authorization is for a period of two years beginning on the date of the initial delivery after October 31, 1995.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is

open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, on September 18, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-35697 Filed 10-16-95; 8:45 am]

BILLING CODE 6450-01-P

[FE Docket No. 95-62-NG]

Texaco Natural Gas Inc.; Order Granting Blanket Authorization To Export Natural Gas to Mexico

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of order.

SUMMARY: The Office of Fossil Energy of the Department of Energy gives notice that it has issued an order granting Texaco Natural Gas Inc. blanket authorization to export up to a total of 120 Bcf of natural gas to Mexico over a period of two years beginning on the date of first delivery after September 30, 1995.

This order is available for inspection and copying in the Office of Fuels Programs Docket Room, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, September 28, 1995.

Clifford P. Tomaszewski,

Director, Office of Natural Gas, Office of Fuels Programs, Office of Fossil Energy.

[FR Doc. 95-25694 Filed 10-16-95; 8:45 am]

BILLING CODE 6450-01-P

Energy Information Administration

Agency Information Collection Under Review by the Office of Management and Budget

AGENCY: Energy Information Administration, Department of Energy.

ACTION: Notice of request submitted for review by the Office of Management and Budget.

SUMMARY: The Energy Information Administration (EIA) has submitted energy information collections to the Office of Management and Budget (OMB) for review under provisions of the Paperwork Reduction Act of 1995.

DATES: Comments must be filed by no later than November 16, 1995. If you anticipate that you will be submitting

comments but find it difficult to do so within the time allowed by this notice, you should advise the OMB DOE Desk Officer listed below of your intention to do so as soon as possible. The Desk Officer may be telephoned at (202) 395-3084. (Also, please notify the EIA contact listed below.)

ADDRESSES: Address comments to the Department of Energy Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget, 726 Jackson Place, NW, Washington, D.C. 20503. (Comments should also be addressed to the Office of Statistical Standards at the address below.)

FOR FURTHER INFORMATION: Requests for additional information or copies of the forms and instructions should be directed to Norma White, Office of Statistical Standards, (EI-73), Forrestal Building, U.S. Department of Energy, Washington, D.C. 20585-0670. Ms. White may be telephoned at (202) 254-5327.

SUPPLEMENTARY INFORMATION: The Energy Information Administration (EIA) has submitted the energy information collection(s) listed below to the Office of Management and Budget (OMB) for review under provisions of the Paperwork Reduction Act of 1995 (Pub. L. 104-13). The listing does not include collections of information contained in new or revised regulations which are to be submitted under section 3507(d)(1)(A) of the Paperwork Reduction Act, nor management and procurement assistance requirements collected by the Department of Energy (DOE).

Each entry contains the following information: (1) Collection number and title; (2) summary of the collection of information (includes sponsor; i.e., the DOE component), current OMB document number (if applicable), response obligation (mandatory, voluntary, or required to obtain or retain benefits), and type of request (new, revision, extension, or reinstatement); (3) a description of the need and proposed uses of the information; (4) a description of the likely respondents; and (5) an estimate of the total annual reporting and recordkeeping burden (number of respondents per year times the average number of responses per respondent annually times the average burden per response).

The energy information collections submitted to OMB for review were:

1. Forms EIA-412, EIA-759, EIA-826, EIA-860, EIA-861, EIA-867, and EIA-900, Electric Power Surveys.

2. Sponsor—Energy Information Administration; Docket Number—1905-

0129; Response Obligation—Mandatory; and Revision—Significant changes in the Electric Power Surveys since the EIA requested comments earlier this year are:

a. The filing date for the Forms EIA-412, EIA-861, and the EIA-867 will be April 30 of each year following the data reporting calendar year.

b. Monthly reporting on the Form EIA-759, "Monthly Power Plant Report," will be required for those operating utilities having at least one plant with a nameplate capacity of 25 megawatts or more. All other operating utilities will file yearly data on the Form EIA-759 at the end of each calendar year.

c. The Form EIA-861, "Annual Electric Utility Report," and the Form EIA-867, "Annual Nonutility Power Producer Report," will continue as separate surveys and will not be merged into the originally proposed Form EIA-899.

d. Form EIA-867, "Annual Nonutility Power Producer Report," data on Schedules: I, Identification and Certification; II, Facility Information; and III, Standard Industrial Classification Code Designation; and VII, Notes, relating exclusively to these three schedules, will not be considered confidential by the EIA. Data reported on Schedules: IV.A, Facility Fuel Information; IV.B, Facility Generation Information; V, Facility Environmental Information; VI, Electric Generator Information; and VII, Notes, relating exclusively to these three schedules will continue to be held as confidential by the EIA.

e. New Form EIA-900, "Monthly Nonutility Sales for Resale Report," will be required only from facilities with a nameplate capacity of 50 megawatts or more. The survey will collect one item on sales of electricity for resale and all data collected will be considered confidential by the EIA.

3. The Electric Power Surveys will collect information on capacity, generation, fuel receipts, consumption, fuel stocks, fuel prices, electric rates, construction costs, operating income, and revenues of electricity companies. Respondents include both electric utilities and nonutility electric power producers. Data are used for publication and analysis in both the public and private sectors.

4. State or local governments; businesses or others for profit; and Federal agencies or employees.

5. 66,512 total annual burden hours (7,944 respondents × 2.24 responses per respondent per year × 3.739 hours per response).

DICKSTEIN SHAPIRO MORIN & OSHINSKY LLP

2101 L Street NW • Washington, DC 20037-1526
Tel (202) 785-9700 • Fax (202) 887-0689

August 7, 1996

BY MESSENGER

Mr. Clifford Tomaszewski
Director, Office of Natural Gas
Office of Fuels Programs
Office of Fossil Energy
U.S. Department of Energy
Forrestal Building Room 3F-056, FE-50
1000 Independence Avenue, S.W.
Washington, D.C. 20585

REC'D DOE/FE

1996 AUG - 8 A 11: 19

Re: Altresco Pittsfield, L.P.,
FE Docket Nos. 95-64-NG, 95-65-NG and 95-85-NG

Dear Mr. Tomaszewski:

On September 28, 1995, the Office of Fossil Energy ("OFE") issued two long-term import authorizations to Altresco Pittsfield, L.P. ("Altresco"). First, in FE Docket No. 95-64-NG, OFE issued Order No. 1088 authorizing Altresco to import from Canada up to 22,420 Mcf of gas purchased from Talisman Energy Inc. per day for a fifteen year term beginning November 1, 1995. Second, in FE Docket No. 95-65-NG, OFE issued Order No. 1089 authorizing Altresco to import from Canada up to 11,757 Mcf of gas purchased from Home Oil Company Limited per day for a fifteen year term beginning November 1, 1995. Later, on October 24, 1995, OFE issued in FE Docket No. 95-85-NG DOE/FE Order No. 1100 granting Altresco blanket authority to import from Canada up to 25.5 Bcf of natural gas, and to export to Canada up to 25.5 Bcf of natural gas, over a two-year term beginning on the date of first delivery (a first delivery has not yet been made). Orders Nos. 1088, 1089 and 1100 are referred to collectively herein as the "Orders."

Pursuant to the Department of Energy Regulations, 10 C.F.R. § 590.407, Altresco hereby notifies OFE that it has amended its Certificate of Incorporation to change the name of the limited partnership to "Pittsfield Generating Company, L.P." Altresco hereby requests that OFE amend the authorizations under each of the Orders to reflect the name change.

598 Madison Avenue • New York, New York 10022-1614

Tel (212) 832-1900 • Fax (212) 877-0341

<http://www.dsmo.com>



Mr. Clifford Tomaszewski
August 7, 1996
Page 2

I am enclosing (1) a copy of the Certificate of Amendment to Certificate of Limited Partnership of Altresco Pittsfield, L.P. and (2) a check made out to the U.S. Treasurer in the amount of \$50.00 to cover the filing fee for the issuance of the amendments of the Orders.

If you have any questions about this matter, please contact me. Thank you for your attention.

Very truly yours,



Joan M. Darby
Counsel to
Pittsfield Generating
Company, L.P., formerly
Altresco Pittsfield, L.P.

cc: Peter E. Meier, Esq.

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "ALTRESCO PITTSFIELD, L.P.", CHANGING ITS NAME FROM "ALTRESCO PITTSFIELD, L.P." TO "PITTSFIELD GENERATING COMPANY, L.P.", FILED IN THIS OFFICE ON THE TWENTY-SECOND DAY OF JULY, A.D. 1996, AT 9:01 O'CLOCK A.M.



Edward J. Freel

Edward J. Freel, Secretary of State

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960212768

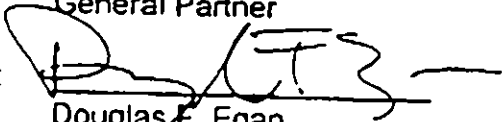
AUTHENTICATION: 8043166
DATE: 07-26-96

CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF LIMITED PARTNERSHIP
OF
ALTRESKO PITTSFIELD, L.P.

a limited partnership organized under the Delaware Revised Uniform Partnership Act (the "Act"), for the purpose of amending its Certificate of Limited Partnership pursuant to Section 17-202 of the Act, hereby certifies that effective on May 2, 1996, Paragraph FIRST of the Certificate of Limited Partnership is amended to read in its entirety as follows: FIRST: The name of the Partnership shall be "Pittsfield Generating Company, L.P."

IN WITNESS WHEREOF, this Certificate of Amendment has been duly executed by a general partner thereunto duly authorized and by each general partner designated herein as a new general partner as of the second day of May, 1996.

By: Altresco, Inc.
General Partner

By: 
Douglas F. Egan
Vice President

DICKSTEIN SHAPIRO MORIN & OSHINSKY LLP

2101 I. Street NW • Washington, DC 20037-1526
Tel (202) 785-9700 • Fax (202) 887-0689

August 7, 1996

BY MESSENGER

Mr. Clifford Tomaszewski
Director, Office of Natural Gas
Office of Fuels Programs
Office of Fossil Energy
U.S. Department of Energy
Forrestal Building Room 3F-056, FE-50
1000 Independence Avenue, S.W.
Washington, D.C. 20585

REC'D DOE/FE

1996 AUG -8 A 11:16

Re: Altresco Pittsfield, L.P.,
FE Docket Nos. 95-64-NG, 95-65-NG and 95-85-NG

Dear Mr. Tomaszewski:

On September 28, 1995, the Office of Fossil Energy ("OFE") issued two long-term import authorizations to Altresco Pittsfield, L.P. ("Altresco"). First, in FE Docket No. 95-64-NG, OFE issued Order No. 1088 authorizing Altresco to import from Canada up to 22,420 Mcf of gas purchased from Talisman Energy Inc. per day for a fifteen year term beginning November 1, 1995. Second, in FE Docket No. 95-65-NG, OFE issued Order No. 1089 authorizing Altresco to import from Canada up to 11,757 Mcf of gas purchased from Home Oil Company Limited per day for a fifteen year term beginning November 1, 1995. Later, on October 24, 1995, OFE issued in FE Docket No. 95-85-NG DOE/FE Order No. 1100 granting Altresco blanket authority to import from Canada up to 25.5 Bcf of natural gas, and to export to Canada up to 25.5 Bcf of natural gas, over a two-year term beginning on the date of first delivery (a first delivery has not yet been made). Orders Nos. 1088, 1089 and 1100 are referred to collectively herein as the "Orders."

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Mr. Clifford Tomaszewski

August 7, 1996

Page 2

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If you have any questions about this matter, please contact me. Thank you for your attention.

Very truly yours,



Joan M. Darby
Counsel to
Pittsfield Generating
Company, L.P., formerly
Altresco Pittsfield, L.P.

cc: Peter E. Meier, Esq.

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "ALTRESCO PITTSFIELD, L.P.", CHANGING ITS NAME FROM "ALTRESCO PITTSFIELD, L.P." TO "PITTSFIELD GENERATING COMPANY, L.P.", FILED IN THIS OFFICE ON THE TWENTY-SECOND DAY OF JULY, A.D. 1996, AT 9:01 O'CLOCK A.M.



Edward J. Freel

Edward J. Freel, Secretary of State

2175497 8100

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AUTHENTICATION:

8043166

DATE:

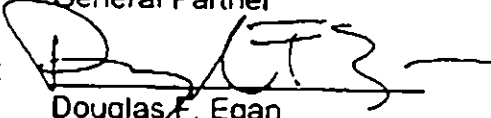
07-26-96

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TO
CERTIFICATE OF LIMITED PARTNERSHIP
OF
ALTRESCO PITTSFIELD, L.P.

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IN WITNESS WHEREOF, this Certificate of Amendment has been duly executed by a general partner thereunto duly authorized and by each general partner designated herein as a new general partner as of the second day of May, 1996.

By: Altresco, Inc.
General Partner

By: 
Douglas F. Egan
Vice President

95-64



One Bowdoin Square
Boston, MA 02114

TEL: 617.227.8080
FAX: 617.227.2690

1996 OCT 16 A 10:33

October 8, 1996

U.S. Department of Energy
Office of Fossil Energy, Fuels Program
1000 Independence Avenue, S.W. - Room 3H-087, FE531
Washington, D.C. 20585

REC'D DOE/FE
FES31

Re: Announcement of Company Name Change

Dear U.S. Department of Energy:

We are pleased to announce that Altresco Pittsfield, L.P. has changed its name to Pittsfield Generating Company, L.P. This name change became effective May 2, 1996.

Please let this letter serve as contractual notification of our new name. Effective immediately all contractual matters, including making or receiving payments and issuing invoices will take place under the name of Pittsfield Generating Company, L.P.

All notices, correspondence and invoices should be sent to:

Pittsfield Generating Company, L.P.
c/o U.S. Generating Company
Lisa M. Stalmon
Manager, Fuel Administration Services
One Bowdoin Square
Boston, MA 02114

This name change emphasizes our commitment to serving you as a comprehensive provider of energy related services. If you have any questions concerning our name change or any other issues concerning your contracts or business between our companies, please do not hesitate to contact me or my assistant Wyatt LaCoss at (617) 227-8080.

We look forward to continuing to serve your gas needs as Pittsfield Generating Company, L.P.

Sincerely,

Lisa M. Stalmon
Manager, Fuel Administration Services
Northeast Region

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

1996 OCT 25 P 4:49

OFFICE OF FOSSIL ENERGY

Pittsfield Generating Company, L.P.
(Formerly
Altresco Pittsfield, L.P.)

FE DOCKET NO. 95-64-NG

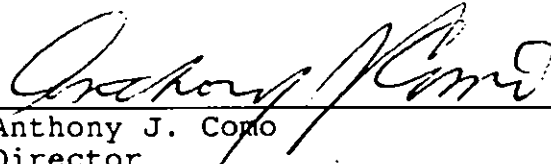
ORDER AMENDING LONG-TERM AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1088-A

In DOE/FE Order No. 1088 (Order 1088) issued September 28, 1995, the Office of Fossil Energy (FE) of the Department of Energy (DOE) granted Altresco Pittsfield, L.P. (Altresco) long-term authorization to import up to 22,420 Mcf per day of natural gas from Canada (see 1 FE ¶ 71,165). The term of the authorization is for fourteen years and ten months beginning on the date of first delivery after November 1, 1995.

On August 8, 1996, Altresco filed an application to amend Order 1088 to reflect a name change resulting from an amended Certificate of Limited Partnership, effective May 2, 1996. Accordingly, pursuant to section 3 of the Natural Gas Act, Order 1088 is amended to substitute Pittsfield Generating Company, L.P. for Altresco Pittsfield, L.P. as the importer of the natural gas.

Issued in Washington, D.C., on October 25, 1996.



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