

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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MASSPOWER                      )  
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FE DOCKET NO. 95-34-NG

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

DOE/FE ORDER NO. 1048

MAY 12, 1995

I. DESCRIPTION OF REQUEST

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On May 12, 1995, MASSPOWER filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>1/</sup> and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import and export natural gas, including liquefied natural gas (LNG). Specifically, MASSPOWER requests authorization to import and export a combined total of up to 20 Bcf of natural gas, including LNG, from and to Canada. The term of the proposed authorization would be for two years beginning on the date of the first import or export delivery, whichever occurs first, after May 12, 1995.<sup>2/</sup>

MASSPOWER is a Massachusetts general partnership with its principal place of business in Boston, Massachusetts. MASSPOWER will import natural gas to be used as supplemental fuel in its 239-megawatt, natural gas-fired, electric cogeneration facility in Springfield, Massachusetts. The export authorization requested by MASSPOWER would give it additional flexibility to market excess imported supplies. MASSPOWER will import and export the natural gas, and LNG under spot and short-term purchase arrangements, negotiated on an individual basis at market responsive prices. The proposed authorization does not

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

2/ This is the date MASSPOWER's blanket authorization to import

and export natural gas, including LNG exports. See DOE/FE

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Opinion and Order No. 584 issued February 28, 1992 (1 FE  
70,542).

involve the construction of new pipeline facilities or LNG shipping or receiving terminals.

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

The application filed by MASSPOWER has been evaluated to determine if the proposed import and export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import or export of natural gas from 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. The authorization sought by MASSPOWER to import and export natural gas, including LNG, from and to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

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

A. MASSPOWER is authorized to import and export a combined total of up to 20 Bcf of natural gas, including liquefied natural gas (LNG), from and to Canada over a two-year term beginning on the date of the first import or export delivery, whichever occurs first, after May 12, 1995. This natural gas may be imported or

exported at any point on the border of the United States and Canada where existing facilities are located.

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

C. With respect to the natural gas imports and exports authorized by this Order, MASSPOWER shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether imports or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, MASSPOWER must report total monthly volumes of gas and LNG in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import or export transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the United States transporter(s); (5) the point(s) of entry or exit; (6) the geographic market(s) served; (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per

unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than July 30, 1995, and should cover the period from date of this authorization until the end of the second calendar quarter, June 30, 1995.

Issued in Washington, D.C., on May 12, 1995.

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Patricia Fry Godley  
Assistant Secretary  
for Fossil Energy