

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

OCEAN STATE POWER)
_____)

FE DOCKET NO. 95-113-NG

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

DOE/FE ORDER NO. 1130

DECEMBER 14, 1995

I. DESCRIPTION OF REQUEST _____

On November 17, 1995, Ocean State Power (Ocean State) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)^{1/} and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import and export natural gas from and to Canada. Up to a combined total of 36.5 Bcf of natural gas would be imported and exported over a two-year term, beginning on the date of first delivery after December 17, 1995.^{2/} Ocean State is a Rhode Island general partnership with its principal place of business in Harrisville, Rhode Island. Ocean State owns and operates a natural gas-fired, combined-cycle 250 megawatt electric generating facility and intends to use the imported gas as a supplemental supply, and to export any of the facility's excess supply to Canadian purchasers. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Ocean State has been evaluated to determine if the proposed import/export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import or export of natural gas from or to a nation with which there is in effect a free

1. 15 U.S.C. 717b.
2. Ocean State's existing blanket import/export authorization

granted by DOE/FE Opinion and Order No. 887 dated December 9,
1993, (1 FE 70,898) expires December 17, 1995.

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 Ocean State to import and export natural gas from and to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

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

A. Ocean State Power (Ocean State) is authorized to import and export up to a combined total of 36.5 Bcf of natural gas from and to Canada over a two-year term, beginning on the date of first import or export delivery after December 17, 1995. This natural gas may be imported and exported at any point on the border of the United States and Canada.

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

C. With respect to the natural gas imports and exports authorized by this Order, Ocean State 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, Ocean State must report the following: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per MMBtu at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry and exit; and (8) the geographic market(s) served (for imports, by State). For import transactions only, the report shall also include: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 1996, and should cover the period from December 18, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on December 14, 1995.

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

