

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

POWER CITY PARTNERS, L.P.)
_____)

FE DOCKET NO. 96-85-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS
FROM CANADA

DOE/FE ORDER NO. 1223

NOVEMBER 29, 1996

I. DESCRIPTION OF REQUEST _____

On November 8, 1996, Power City Partners, L.P. (PCP) 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 up to 500,000 Mcf of natural gas from Canada over a two-year term beginning on the date of the first delivery after December 2, 1996.^{2/} PCP is a limited

partnership under the laws of Delaware with its principal place of business in Massena, New York. PCP will import the natural gas, under spot and short-term purchase arrangements, to use as fuel for its Messena, New York, cogeneration facility. PCP may also, on occasion, resell surplus gas it cannot use immediately.

II. FINDING _____

The application filed by PCP has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import 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 PCP to import natural gas from Canada, a

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

2/ This is the expiration date of PCP s current blanket authorization to import natural gas, granted by DOE/FE Order No. 1008 on November 30, 1994 (1 FE 71,056).

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. Power City Partners, L.P. (PCP) is authorized to import up to 500,000 Mcf of natural gas from Canada over a two-year term beginning on the date of the first import delivery after December 2, 1996. This natural gas may be imported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, PCP shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3F-056, FE-35, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, PCP shall file with the Office of Natural Gas & Petroleum Import and Export Activities, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have

occurred, PCP must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the United States transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served; (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 1997, and should cover the period from December 3, 1996, until the end of the fourth calendar quarter, December 31, 1996.

Issued in Washington, D.C., on November 29, 1996.

Wayne E. Peters
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import and Export Activities
Office of Fossil Energy