

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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SUMAS COGENERATION COMPANY, L.P.) FE DOCKET NO. 90-92-NG
_____)

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

DOE/FE ORDER NO. 494-C

On February 7, 1996, Sumas Cogeneration Company, L.P. (SCCLP) filed an application with the Office of Fossil Energy (FE) 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, to amend its long-term import authorization to increase its maximum daily and annual import quantities. SCCLP is currently authorized to import up to 24,000 Mcf per day of natural gas, and up to 8 Bcf annually, over a 20-year term ending March 31, 2013.2/ The imported natural gas is used to fuel

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SCCLP's 125-Megawatt cogeneration facility in Sumas, Washington. SCCLP anticipates that increased sales of electricity to Puget Sound Power & Light Company and higher than expected utilization rates for the cogeneration facility will increase natural gas

1/ 15 U.S.C. 717b. —

2/ 1 FE 70,717. —

demand. Therefore, SCCLP requests that its import authorization be amended to increase its import ceilings to a maximum of 24,900 Mcf per day of natural gas and 8.9 Bcf annually for the remainder of the 20-year term. SCCLP has been importing the gas from ENCO Gas, Lt. (ENCO) and Westcoast Gas Services Inc. (WSI).^{3/}

Under section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486), 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 related applications must be granted without modification or delay. SCCLP's application to amend its current authority to import natural gas produced in Canada 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. DOE/FE Opinion and Order No. 494-B issued on November 30, 1992, is amended to authorize SCCLP to import up to 24,900 Mcf per day of natural gas and up to 8.9 Bcf annually.

^{3/} On October 11, 1995, SCCLP notified FE of a change in its purchase contract with WGSII. SCCLP and WGSII terminated the existing contract and entered into a new one-year contract, effective November 1, 1995, and extending through October 31,

1996. Further, the price SCCLP pays for the gas would decrease from \$1.801/MMBtu to \$1.289/MMBtu. All other terms and conditions will remain the same under the new contract.

B. All other terms and conditions of the import authorization contained in the final Order 494-B shall remain in full force and effect.

Issued in Washington, D.C., March 11, 1996.

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