

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

PORTLAND GENERAL ELECTRIC COMPANY) FE DOCKET NO. 97-02-NG
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)

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1245

JANUARY 31, 1997

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I. DESCRIPTION OF REQUEST _____

On January 2, 1997, Portland General Electric Company (PGE) 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, requesting blanket authorization to import up to 90 Bcf of natural gas from Canada. The term of the authorization will be two years beginning on the date of the first delivery after November 2, 1997.^{2/} PGE, an Oregon corporation with its

principal place of business in Portland, Oregon, is an electric utility and a wholly-owned subsidiary of Portland General Corporation. PGE will import gas under spot and short-term purchase arrangements, to use as fuel for its Beaver, Bethel, and Coyote Springs generating plants. The specific terms of each import transaction, including price and volume, would be negotiated at arms length in response to market conditions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by PGE 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 importation of natural gas from a nation with which

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

2. This is the expiration date of PGE's existing blanket import

authorization granted by DOE/FE Order No. 976 dated September 16,
1994, (1 FE 71,017).

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 PGE 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. 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. Portland General Electric Company (PGE) is authorized to import from Canada, at any point on the international border, up to 90 Bcf of natural gas over a two-year term beginning on the date of first delivery after November 2, 1997.

B. Within two weeks after deliveries begin, PGE shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, 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 of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, PGE 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 have been made, a report of "no activity" for that calendar quarter must be filed. If imports occur, PGE must report total monthly volumes in Mcf and the average purchase price 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 U.S. transporter(s);
- (5) the point(s) of entry;
- (6) the geographic market(s) served (by state);
- (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, 1998, and should cover the period from November 3, 1997 until the end of the fourth calendar quarter, December 31, 1997.

Issued in Washington, D.C., on January 31, 1997.

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