

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

MIDLAND COGENERATION VENTURE)	FE DOCKET NO. 93-81-NG
LIMITED PARTNERSHIP)	FE Docket NO. 97-17-NG
_____)	

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

DOE/FE ORDER NO. 1259

FEBRUARY 26, 1997

I. DESCRIPTION OF REQUEST

On February 10, 1997, Midland Cogeneration Venture Limited Partnership (MCV) 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 up to a combined total of 200 Bcf of natural gas from and to Canada. The term of the authorization would be for a period of two years beginning on the date of first delivery after April 1, 1997. MCV is a Michigan limited partnership with its principal place of business in Midland, Michigan. MCV states that the gas will be used to fuel a natural gas-fired, combined cycle cogeneration facility. The requested authorization does not involve the construction of new pipeline facilities.

In addition, on February 25, 1997, DOE received a letter from MCV requesting that its current short-term, blanket authorization granted in DOE/FE Order No. 845 (Order 845), issued September 24, 1993(1 FE ¶ 70,847), be vacated. Order 845 authorizes MCV to import from Canada up to 20 Bcf of natural gas over a two-year period beginning on the date of first delivery. This authorization has never been activated.

II. FINDING

The application filed by MCV has been evaluated to determine if the proposed import/export arrangement meets the

¹. 15 U.S.C. § 717b.

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 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 MCV 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© 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. Midland Cogeneration Venture Limited Partnership (MCV) is authorized to import and export up to a combined total of 200 Bcf of natural gas from and to Canada over a two-year term, beginning on the date of first import or export delivery, after April 1, 1997, whichever occurs first. This natural gas may be imported and exported at any U.S./Canada border point.

B. The authorization granted by DOE/FE Order No. 845, issued September 24, 1993, is hereby vacated.

C. Within two weeks after deliveries begin, MCV 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 or export delivery of natural gas authorized in Ordering Paragraph A above occurred.

D. With respect to the natural gas imports and exports authorized by this Order, MCV 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 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, MCV 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.

E. The first quarterly report required by Ordering Paragraph D of this Order is due not later than July 30, 1997, and should cover the period from April 2, 1997, until the end of the second calendar quarter, June 30, 1997.

Issued in Washington, D.C., on February 26, 1997.

Petroleum

Wayne E. Peters
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Import and Export Activities
Office of Fossil Energy