

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CASCADE NATURAL GAS CORPORATION

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FE DOCKET NO. 97-45-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1281

JUNE 24, 1997

I. DESCRIPTION OF REQUEST _____

On June 18, 1997, Cascade Natural Gas Corporation (Cascade) 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 60 Bcf of natural gas from Canada. The term of the authorization would be for two years beginning on the date of the first delivery after June 30, 1997.^{2/} Cascade, a Washington corporation with its headquarters in Seattle, Washington, is a public utility engaged in the distribution and sale of natural gas in the States of Washington and Oregon. Cascade will import the gas under spot and short-term transactions for its system supply. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Cascade 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 there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be

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

2/ This is the expiration date of Cascade's existing blanket

import authorization granted by DOE/FE Order No. 1067 dated
June 30, 1995 (1 FE 71,138).

consistent with the public interest and must be granted without modification or delay. The authorization sought by Cascade 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. Cascade Natural Gas Corporation (Cascade) is authorized to import from Canada up to 60 Bcf of natural gas over a two-year term beginning on the date of first delivery after June 30, 1997. This natural gas may be imported at any point on the border of the United States and Canadian.

B. Within two weeks after deliveries begin, Cascade shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3F-056, FE-34, 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 has occurred.

C. With respect to the natural gas imports authorized by this Order, Cascade 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 have occurred, Cascade must report the 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; (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 October 30, 1997, and should cover the period from July 1, 1997, until the end of

the third calendar quarter, September 30, 1997.

Issued in Washington, D.C., on June 24, 1997.

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