

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

OCEAN STATE POWER
FE DOCKET NO. 97-92-NG

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

DOE/FE ORDER NO. 1321

OCTOBER 27, 1997

I. DESCRIPTION OF REQUEST

On October 22, 1997, Ocean State Power (OSP) 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 36.5 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 December 17, 1997.⁽²⁾ OSP is a Rhode Island partnership with its principal place of business in Harrisville, Rhode Island. OSP is the owner and operator of a combined cycle, natural gas-fired 250 MW electric generating facility and intends to use the imported gas as a supplemental supply, and to export any of the facility's excess supply to Canadian purchasers. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by OSP has been evaluated to determine if the proposed import/export 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 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 OSP 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(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. Ocean State Power (OSP) is authorized to import and export up to a combined total of 36.5 Bcf of natural gas from and to Canada over a two-year term, beginning on the date of first import or export delivery, after December 17, 1997, whichever occurs first. This natural gas may be imported and exported at any U.S./Canada border point.

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

C. With respect to the natural gas imports and exports authorized by this Order, OSP 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, OSP 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.

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 December 18, 1997, until the end of the fourth calendar quarter, December 31, 1997.

Issued in Washington, D.C., on October 27, 1997.

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

1. 1/ 15 U.S.C. § 717b.

2. 2/ This is the expiration date of OSP's existing blanket import/export authorization granted by DOE/FE Order No. 1130 dated December 14, 1995 (1 FE ¶ 71,214).