

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

SUMAS COGENERATION COMPANY, L.P.

FE DOCKET NO. 97-101-NG

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS  
FROM CANADA

DOE/FE ORDER NO. 1335

NOVEMBER 19, 1997

## I. DESCRIPTION OF REQUEST

On November 12, 1997, Sumas Cogeneration Company, L.P. (SCCLP) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>(1)</sup> and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 24,900 Mcf per day and a maximum of up to 8.9 Bcf of natural gas annually from Canada over a two-year term beginning on the date of the first delivery. SCCLP, with its principal place of business in Kirkland, Washington, owns and operates a 125-megawatt cogeneration facility in Sumas, Washington. SCCLP's cogeneration facility uses natural gas during the process of generating electricity. SCCLP will import the natural gas under short-term and spot market arrangements. The proposed authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by SCCLP 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 import 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 must be granted without modification or delay. The authorization sought by SCCLP 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. Consistent with our treatment of similar blanket applications and in order to maximize flexibility, there will be no restriction on the daily or annual volumes that may be imported.

## ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Sumas Cogeneration Company, L.P. (SCCLP) is authorized to import up to 17.8 Bcf of natural gas from Canada over a two-year term beginning on the date of the first delivery. This natural gas may be imported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, SCCLP 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 occurred.

C. With respect to the natural gas imports authorized by this Order, SCCLP 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 of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, SCCLP must report total monthly volumes in Mcf and the average purchase price of gas 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; (3) the estimated or actual duration of the agreement(s); (4) the name of the United States transporter; (5) the point of entry; (6) the geographic market 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 January 30, 1998, and should cover the period from the date of this Order until the end of the fourth calendar quarter, December 31, 1997.

Issued in Washington, D.C., on November 19, 1997.

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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.