

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

PUGET SOUND ENERGY, INC.

FE DOCKET NO. 97-103-NG

ORDER GRANTING BLANKET AUTHORIZATION  
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1340

DECEMBER 4, 1997

## I. DESCRIPTION OF REQUEST

On November 18, 1997, Puget Sound Energy, Inc. (PSE) 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, requesting blanket authorization to import up to 50 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after December 5, 1997.<sup>(2)</sup> PSE is a local distribution company incorporated in the State of Washington, with its principal place of business in Bellevue, Washington. PSE states that it will continue to participate in short-term or spot sales of the imported gas to U.S. customers. The requested authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by PSE 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 consistent with the public interest and must be granted without modification or delay. The authorization sought by PSE 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. Puget Sound Energy, Inc. (PSE) is authorized to import from Canada, at any point on the international border, up to 50 Bcf of natural gas over the two-year term beginning on the date of first delivery after December 5, 1997.

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

C. With respect to the natural gas imports authorized by this Order, PSE 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. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports occur, PSE 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; (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 December 6, 1997, until the end of the fourth calendar quarter, December 31, 1997.

Issued in Washington, D.C., on December 4, 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.

2. 2/ PSE's prior blanket authorization to import gas from Canada expires on December 5, 1997. See DOE/FE Order No. 1092 (Order 1092) issued October 13, 1995, 1 FE ¶ 71,170. Order 1092 was issued to PSE's predecessor, Washington Natural Gas Company. In February 1997 Washington Natural Gas Company and its parent, Washington Energy Company, merged with and into the surviving Puget Sound Power and Light Company, renamed Puget Sound Energy, Inc.