

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

THE WASHINGTON WATER POWER COMPANY

FE DOCKET NO. 98-33-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1381

MAY 07, 1998

I. DESCRIPTION OF REQUEST

On May 4, 1998, The Washington Water Power Company (WWP) 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 up to 100 billion cubic feet (Bcf) of natural gas from Canada over a two-year term beginning on the date of the first delivery after June 25, 1998.⁽²⁾ WWP, a public utility, is a State of Washington corporation with its principal place of business in Spokane, Washington. WWP requests authority to import this natural gas under short-term and spot market arrangements. The gas will be transported from the United States/Canada border on the pipeline systems of PG&E Gas Transmission Northwest and Northwest Pipeline Corporation through the border points of Sumas, Washington/Huntingdon, British Columbia, and Eastport, Idaho/Kingsgate, British Columbia. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by WWP 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 WWP 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. The Washington Water Power Company (WWP) is authorized to import up to 100 Bcf of natural gas from Canada over a two-year term beginning on the date of the first delivery after June 25, 1998. This natural gas may be imported at Sumas, Washington/Huntingdon, British Columbia, and Eastport, Idaho/Kingsgate, British Columbia.

B. Within two weeks after deliveries begin, WWP shall provide written notification 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, WWP shall file, 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, WWP 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(s); (5) the point(s) of entry; (6) the geographic market(s) served (by state); (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 notice and reports described in Ordering Paragraphs B and C of this Order shall be filed with the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W. Washington, D.C. 20585.

E. The first quarterly report required by Ordering Paragraph C of this Order is due not later than July 30, 1998, and should cover the period from June 25, 1998, until the end of the second calendar quarter, June 30, 1998.

Issued in Washington, D.C., on May 07, 1998.

John W. Glynn

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 WWP's current blanket authorization to import natural gas from Canada, granted in DOE/FE Opinion and Order No. 1181 on June 26, 1996 (1 FE ¶ 71,278).