

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

COGEN ENERGY TECHNOLOGY L.P.)
_____)

FE DOCKET NO. 99-08-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1458

FEBRUARY 02, 1999

I. DESCRIPTION OF REQUEST

On January 28, 1999, Cogen Energy Technology L.P. (CETLP) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act^{1/} (NGA) and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 10 billion cubic feet of natural gas from Canada over a two- year term beginning on the date of first delivery after June 30, 1998.^{2/} CETLP is a Delaware limited partnership that owns and operates the Fort Orange Cogeneration Facility located in Castleton-on-Hudson, New York . CETLP will import the gas near Niagara Falls, New York, at the interconnection of the Tennessee Gas Pipeline Company and TransCanada PipeLines Limited and will use it as fuel for its combined cycle cogeneration facility. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by CETLP 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 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 CETLP to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets

^{1/} 15 U.S.C. § 717b.

^{2/} June 30, 1998, was the termination date of CETLP's gas purchase contract with Coral Energy. Coral Energy was the natural gas supplier under CETLP's long-term import authorization granted by DOE/FE Opinion and Order No. 429 on September 29, 1990 (1 FE ¶ 70,357). CETLP states in its application that the first delivery after termination of its long-term contract with Coral Energy occurred on July 1, 1998.

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. Cogen Energy Technology L.P. (CETLP) is authorized to import up to 10 billion cubic feet of natural gas from Canada over a two-year term beginning on July 1, 1998, and ending on June 30, 2000. This natural gas may be imported at any United States/Canada border point.

B. With respect to the natural gas imports authorized by this Order, CETLP shall file with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, 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 have occurred, CETLP 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 (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.

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than February 5, 1999, and should cover the period from October 1, 1998, until the end of the fourth calendar quarter, December 31, 1998.

D. The quarterly reports required by Ordering Paragraph B of this Order shall be filed

with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on February 02, 1999.

John W. Glynn
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy