

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CASCADE NATURAL GAS)
CORPORATION) FE DOCKET NO. 99-22-NG

ORDER GRANTING AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1474

APRIL 06, 1999

I. DESCRIPTION OF REQUEST

On March 29, 1999, Cascade Natural Gas Corporation (Cascade) 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 204-127, for authorization to import from Canada up to 25,000 MMBtu per day of natural gas from November 1, 1998, through March 31, 1999, and up to 15,000 MMBtu per day of natural gas from April 1, 1999, through October 31, 1999.^{2/} Cascade is a public utility engaged in the distribution and sale of natural gas in the States of Oregon and Washington. Cascade is a corporation organized and existing under the laws of the State of Washington with its principal place of business in Seattle. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Cascade 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 Cascade 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.

^{1/} 15 U.S.C. § 717b.

^{2/} The contract underlying the instant import arrangement between Cascade and Engage Energy US, L.P. (Engage) basically is a continuation of a prior import arrangement between Cascade and Engage during the 5-year period between November 1, 1993, and October 31, 1998 (See DOE/FE Order No. 877 (1 FE ¶ 70,877)).

ORDER

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

A. Cascade Natural Gas Corporation (Cascade) is authorized to import from Canada up to 25,000 MMBtu per day of natural gas from November 1, 1998, through March 31, 1999, and up to 15,000 MMBtu per day of natural gas from April 1, 1999, through October 31, 1999.

B. This natural gas may be imported at Sumas, Washington, consistent with the terms of its gas sales agreement with Engage Energy US, L.P., dated November 1, 1998.

C. With respect to the natural gas imports authorized by this Order, Cascade shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. 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, Cascade must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The monthly volumes imported by Cascade shall be reported by transportation facility used by Cascade: the Northwest Pipeline System, or Cascade's interconnection with Westcoast Energy, Inc. (Sumas-Cascade Pipeline).

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than April 30, 1999, and should cover the period from January 1, 1999, until the end of the first calendar quarter, March 31, 1999.

E. The quarterly reports shall be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585.

Issued in Washington, D.C., on April 06, 1999.

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