

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

PORTLAND GENERAL ELECTRIC COMPANY) FE DOCKET NO. 99-65-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1515

SEPTEMBER 20, 1999

I. DESCRIPTION OF REQUEST

On September 15, 1999, Portland General Electric Company (PGE) 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, requesting blanket authorization to import up to 90 Bcf of natural gas from Canada. The term of the authorization will be two years beginning on November 3, 1999,^{2/} through November 2, 2001. PGE, an Oregon corporation with its principal place of business in Portland, Oregon, is an electric utility and a wholly-owned subsidiary of Enron Corp. PGE will import this gas under spot and short-term purchase arrangements to use as fuel for its Beaver and Coyote Springs electric generating plants. The specific terms of each import transaction, including price and volume, would be negotiated at arms length in response to market conditions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

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

^{1/} 15 U.S.C. § 717b.

^{2/} This is the expiration date of PGE's existing blanket import authorization granted by DOE/FE Order No. 1245 dated January 31, 1997 (1 FE ¶ 71,360).

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. Portland General Electric Company (PGE) is authorized to import from Canada, at any point on the international border, up to 90 Bcf of natural gas over a two-year term beginning on November 3, 1999, and extending through November 2, 2001.

B. With respect to the natural gas imports authorized by this Order, PGE will file, within 30 days following each calendar quarter, reports indicating whether imports of natural gas have been made. If imports of natural gas have not been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, PGE must report the following information: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per MMBtu at the international border; (3) the name of the seller; (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry; and (8) the geographic market(s) served (by State). The report will also include this additional information: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

C. The reports required in Ordering Paragraphs B of this Order will be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, SW., Washington, D.C. 20585.

D. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 2000, and should cover the period from November 3, 1999, until the end of the fourth calendar quarter, December 31, 1999.

Issued in Washington, D.C., on September 20, 1999.

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