

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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AVISTA ENERGY, INC. )  
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FE DOCKET NO. 99-66-NG

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1517

SEPTEMBER 23, 1999

## I. DESCRIPTION OF REQUEST

On September 21, 1999, Avista Energy, Inc. (Avista Energy) 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 204-127, for authorization to import from Canada up to 269 Bcf of natural gas over a two year term, beginning on the date of first delivery.<sup>2/</sup> Avista Energy is a corporation organized and existing under the laws of the State of Washington, and has its principal place of business in Spokane. Avista Energy is a wholly-owned subsidiary of Avista Capital, Inc. which is wholly owned by Avista Corporation which owns and operates electric power generation, transmission and distribution facilities in eastern Washington and northern Idaho. Avista Energy will import the gas under spot and short-term transactions for its own account or as the agent for others. The proposed authorization does not involve the construction of new pipeline facilities.

## II. FINDING

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

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<sup>1/</sup> 15 U.S.C. § 717b.

<sup>2/</sup> Avista Energy's current authorization to import natural gas was granted by DOE/FE Order No. 1310, dated October 16, 1997, (1 FE ¶ 71,464) expires October 31, 1999.

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. Avista Energy, Inc. (Avista Energy) is authorized to import from Canada up to 269 Bcf of natural gas over a two-year term, beginning on the date of first delivery.

B. This natural gas may be imported at any point on the border of the United States and Canada.

C. Within two weeks after deliveries begin Avista Energy shall provide written notification of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.

D. With respect to the natural gas imports authorized by this Order, Avista Energy shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, 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, Avista Energy 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 transaction, including: (1) the name of the sellers(s); (2) the name of the purchaser(s); (3) the estimate 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. [OMB NO. : 1901-0294]

E. The first quarterly report required by Ordering Paragraph D of this Order is due not later than January 30, 2000, and should cover the period from November 1, 1999, until the end of the fourth calendar quarter, December 31, 1999.

F. The notification and quarterly reports required by Ordering Paragraphs C and D 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 September 23, 1999.

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