

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

AVISTA CORPORATION

FE DOCKET NO. 00-46-NG

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ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1608

JULY 3, 2000

I. DESCRIPTION OF REQUEST

On July 3, 2000, Avista Corporation (Avista) filed an application with the Office of Fossil Energy (FE) 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, requesting authority to import up to 100 billion cubic feet of natural gas from Canada over a two year term beginning June 26, 2000.^{2/} Avista is a Washington State corporation with its principal place of business in Spokane, Washington. Avista owns and operates electric power generation, transmission and distribution facilities in eastern Washington and northern Idaho and provides natural gas service, at retail, to customers within the states of Washington, Idaho, Oregon and California. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Avista 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 Avista 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.

^{1/} 15 U.S.C. § 717b.

^{2/} June 25, 2000, was the expiration date of Avista's previous import authorization granted by DOE/FE Order No. 1381 on May 7, 1998 (1 FE ¶ 71,557).

ORDER

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

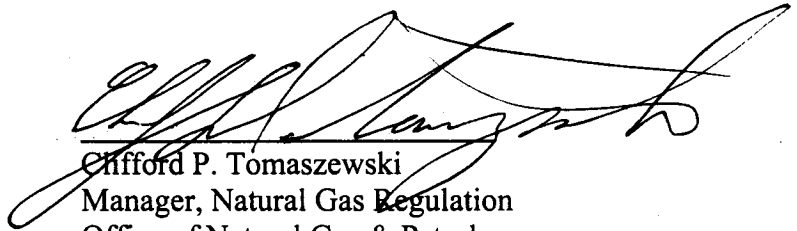
A. Avista Corporation (Avista) is authorized to import up to 100 billion cubic feet of natural gas from Canada over a two-year term beginning on the June 26, 2000, and extending through June 25, 2002. This natural gas may be imported at any United States/Canada border point.

B. With respect to the natural gas imports authorized by this Order, Avista shall file with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, within 30 days following each calendar quarter, 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, Avista 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. [OMB No.: 1901-0294]

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than July 30, 2000, and should cover the period from June 26, 2000, until the end of the second calendar quarter, June 30, 2000.

D. The quarterly report 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 July 3, 2000.



Clifford P. Tomaszewski
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Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy