

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

CASCADE NATURAL GAS CORPORATION

FE DOCKET NO. 99-22-NG

ORDER EXTENDING LONG-TERM AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1474-C

OCTOBER 26, 2001

I. DESCRIPTION OF REQUEST

On October 10, 2001, 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 0204-127, requesting that the Department extend Cascade's authorization to import natural gas from Canada for three years beginning on November 1, 2001, and extending through October 31, 2004. Currently, Cascade is authorized to import from Engage Energy Canada, L.P. (Engage) up to 30,000 MMBtu^{2/} per day of natural gas pursuant to DOE/FE Order No. 1474, as amended by DOE/FE Order No. 1474-A and DOE/FE Order No. 1474-B.^{3/} Under its contract with Engage, as amended, Cascade will be eligible to purchase up to 30,000 MMBtu per day of natural gas from November 1, 2001 through October 31, 2004. Cascade, a Washington corporation with its principal place of business in Seattle, is a public utility which distributes and sells natural gas in the States of Washington and Oregon. The gas enters the United States at the interconnection of the pipeline systems of Westcoast Energy, Inc. and Northwest Pipeline Corporation near Sumas, Washington. 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

^{1/} 15 U.S.C. § 717b.

^{2/} One MMBtu equals approximately one Mcf.

^{3/} Cascade's current import authorization expires October 31, 2001. See 2 FE ¶ 70,318 (April 6, 1999), 2 FE ¶ 70, 400 (October 28, 1999), and 2 FE ¶ 70,551 (October 24, 2000).

must be granted without modification or delay. Cascade's request for a three-year extension of its authorization 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.

ORDER

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

A. Cascade Natural Gas Corporation (Cascade) is authorized to import up to 30,000 MMBtu per day of natural gas from Canada beginning November 1, 2001, and extending through October 31, 2004.

B. This natural gas may be imported at Sumas, Washington, consistent with the authorizations conferred by DOE/FE Order Nos. 1474, 1474-A and 1474-B and the terms of Cascade's gas sales agreement with Engage Energy Canada, L.P., as amended August 30, 2001.

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, reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. 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 price information shall itemize separately the monthly demand and commodity charges, fuel charges, and, if applicable, a breakdown of the import volumes showing the amount sold in each State and to each of its customers. [OMB No.: 1901-0294]

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 2002, and should cover the period from November 1, 2001, until the end of the fourth calendar quarter, December 30, 2001.

E. The quarterly reports required by Ordering Paragraph C 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 October 26, 2001.

Yvonne Caudillo
Acting Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy