UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

PAWTUCKET POWER ASSOCIATES LIMITED PARTNERSHIP)	FE DOCKET NO. 01-26-NG
)	

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1690

JUNE 13, 2001

I. <u>DESCRIPTION OF REQUEST</u>

On May 31, 2001, Pawtucket Power Associates Limited Partnership (Pawtucket) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act^{1/2} (NGA) and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 10.584 billion cubic feet (Bcf) of natural gas from Canada. The term of the authorization will be for two years beginning May 31, 2001, and extending through May 30, 2003.^{2/2} Pawtucket is a Massachusetts limited partnership with its principal place of business in North Dartmouth, Massachusetts. The imported gas will be used for fuel to produce electricity and steam at Pawtucket's combined cycle, independent power plant in Pawtucket, Rhode Island. Pawtucket will purchase the Canadian supplies under short-term and spot market sales contracts containing provisions that will be competitive and responsive to prevailing market conditions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Pawtucket 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 Pawtucket 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/} Pawtucket previously held two-year blanket authority to import a like amount of Canadian gas which recently expired May 30, 2001. *See DOE/FE* Order No. 1481 (2 FE ¶ 70,330). It intended to renew that authorization before the expiration date and, therefore, requests its current import application be approved back to May 31, 2001.

ORDER

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

- A. Pawtucket Power Associates Limited Partnership (Pawtucket) is authorized to import up to 10.584 Bcf of natural gas from Canada over a two-year term beginning on May 31, 2001, and extending through May 30, 2003. This natural gas may be imported at any point on the international boundary between the United States and Canada where cross-border pipeline facilities are located.
- B. With respect to the natural gas imports authorized by this Order, Pawtucket will 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, Pawtucket must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports will 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, 2001, and should cover the period from May 31, 2001, until the end of the second calendar quarter, June 30, 2001.

4

D. The quarterly reports required by Ordering Paragraph 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, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on June 13, 2001.

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