

**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY**

PORTLAND GENERAL ELECTRIC COMPANY

FE DOCKET NO. 01-42-NG

**ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA**

DOE/FE ORDER NO. 1704

AUGUST 15, 2001

I. DESCRIPTION OF REQUEST

On August 8, 2001, Portland General Electric Company (PGE) 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, for blanket authorization to import up to 90 billion cubic feet of natural gas from Canada. The term of the authorization will be two years beginning on November 3, 2001.^{2/} 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 the gas under spot and short-term purchase arrangements to use as fuel for its Beaver and Coyote Springs generating facilities and for resale to others. 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 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 PGE 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.

ORDER

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

A. Portland General Electric Company (PGE) is authorized to import up to 90 billion cubic feet of natural gas from Canada over a two-year term beginning on November 3, 2001, and extending

^{1/} 15 U.S.C. § 717b.

^{2/} November 2, 2001, is the expiration date of PGE's current blanket import authorization issued September 20, 1999, in DOE/FE Order No. 1515 (2 FE ¶ 70,380).

through November 2, 2003. 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, PGE 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, PGE 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 January 30, 2002, and should cover the period from November 3, 2001, until the end of the fourth calendar quarter, December 31, 2001.

D. The reports 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 August 15, 2001.

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