

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

ROCHESTER GAS AND ELECTRIC COMPANY)

FE DOCKET NO. 01-50-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA, AND VACATING
PRIOR AUTHORIZATION

DOE/FE ORDER NO. 1715

OCTOBER 10, 2001

I. DESCRIPTION OF REQUEST

On September 25, 2001, Rochester Gas and Electric Company (RG&E) 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, for blanket authorization to import up to 40 billion cubic feet (Bcf) of natural gas from Canada for a period of two years commencing on December 1, 2001, and extending through November 30, 2003. RG&E is a New York corporation with its principal place of business in Rochester, New York. RG&E will import the natural gas under spot and short-term arrangements. The proposed authorization does not involve the construction of new pipeline facilities. Additionally, on October 18, 2000, RG&E was granted authorization in DOE/FE No. 1632 to import natural gas from Canada for a two year term commencing December 1, 2000, and extending through November 30, 2002.^{2/} RG&E requests that Order 1632 be vacated, effective December 1, 2001, since the proposed authorization would supersede the current authorization.

II. FINDING

The application filed by RG&E 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 RG&E to import natural gas from Canada, a nation with which a

^{1/} 15 U.S.C. § 717b.

^{2/} 2 FE ¶ 70,545.

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. Rochester Gas and Electric Company (RG&E) is authorized to import up to 40 Bcf of natural gas from Canada over a period of two years commencing on December 1, 2001, and extending through November 30, 2003. This natural gas may be imported at any point on the international border between the United States and Canada.

B. With respect to the natural gas imports authorized by this Order, RG&E 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, RG&E 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 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 United States transporter(s); (5) the point(s) of entry; (6) the geographic markets(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 December 1, 2001, through the end of the fourth calendar quarter, December 31, 2001.

D. The quarterly 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.

E. The authorization to import natural gas from Canada in DOE/FE Order No. 1632 is hereby vacated, effective December 1, 2001.

Issued in Washington, D.C., on October 10, 2001.

Yvonne Caudillo
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Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy