

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

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DOE/OFE/NGR

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MIDLAND COGENERATION VENTURE )  
LIMITED PARTNERSHIP )

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FE DOCKET NO. 02-15-NG

**ORDER GRANTING LONG-TERM AUTHORIZATION  
TO IMPORT NATURAL GAS FROM CANADA**

**DOE/FE ORDER NO. 1765**

**APRIL 9, 2002**

## I. DESCRIPTION OF REQUEST

On March 26, 2002, Midland Cogeneration Venture Limited Partnership (MCV) applied to the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>1/</sup> and DOE Delegation Order Nos. 0204-111 and 0204-127, for authority to import up to 10,000 MMBtu<sup>2/</sup> per day of natural gas from Canada. MCV is a limited partnership organized under the laws of the State of Michigan. It contracted to purchase the gas from Anadarko Canada Corporation (ACC) for a term of eight years beginning on November 1, 2002, and extending through October 31, 2010. The import volumes will be used to generate electricity and process steam at a 1,370-megawatt, natural gas-fired, combined-cycle, cogeneration facility which MCV operates in Midland, Michigan.

The gas sold to MCV will come from ACC's reserves in the province of Alberta. It will be delivered by NOVA Gas Transmission Limited (NOVA) and TransCanada PipeLines Limited (TCPL) to the international border near Noyes, Minnesota, at which point MCV will take ownership. From Noyes, Great Lakes Gas Transmission Limited Partnership will provide transportation to the power plant. The price paid under the gas purchase contract between MCV and ACC dated December 7, 2001, consists of the "Alberta Spot Price" published monthly in the *Canadian Gas Price Reporter*, the charges assessed by NOVA and TCPL for transportation services, and \$0.02 (U.S.) per MMBtu on all volumes taken.

## II. FINDING

The application filed by MCV has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by

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<sup>1/</sup> 15 U.S.C. § 717b.

<sup>2/</sup> One MMBtu is equal to approximately one Mcf.

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 MCV 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:

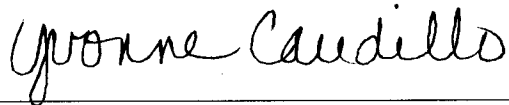
A. Midland Cogeneration Venture Limited Partnership (MCV) is authorized to import up to 10,000 Mcf per day of natural gas from Canada beginning on November 1, 2002, and extending through October 31, 2010. The gas will be imported from Anadarko Canada Corporation at Noyes, Minnesota, under a sales contract dated December 7, 2001.

B. With respect to the natural gas imports authorized by this Order, MCV will 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. 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, MCV must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports will also provide the following details of each import transaction: (1) the name of the seller; (2) the name of the purchaser; (3) the estimated or actual duration of the agreement; (4) the name of the United States transporter; (5) the point of entry; and (6) the geographic market served (State). [OMB NO.: 1901-0294]

C. The quarterly reports will be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585.

D. The first quarterly report is due not later than January 30, 2003, and should cover the period from November 1, 2002, until the end of the fourth calendar quarter, December 31, 2002.

Issued in Washington, D.C., on April 9, 2002.



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Office of Natural Gas & Petroleum  
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