

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

POWER CITY PARTNERS, L.P.

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FE DOCKET NO. 02-46-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1793

JUNE 25, 2002

I. DESCRIPTION OF REQUEST

On June 18, 2002, Power City Partners, L.P. (Power City) 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), requesting authority to import up to 14,600,000 Mcf (146 Bcf) of natural gas from Canada over a two-year term beginning on July 1, 2002, and extending through June 30, 2004.^{2/} Power City is a limited partnership under the laws of the State of Delaware with its principal place of business in Massena, New York. The volumes will be imported by Power City under short-term sales arrangements to be used as fuel for its generation facility. Power City may also resell the imported gas to correct any imbalances or to rid itself of surplus gas it cannot immediately use. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Power City 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 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 Power City 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

^{1/} 15 U.S.C. § 717b. The authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redefinition Order No. 00-002.04 (January 8, 2002).

^{2/} June 30, 2002, is the expiration date of Power City's blanket import authorization granted by DOE/FE Order No. 1609 on July 7, 2000 (2 FE ¶ 70,523).

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. Power City Partners, L.P. (Power City) is authorized to import up to 146 Bcf of natural gas from Canada over a two-year term beginning on July 1, 2002, and extending through June 30, 2004.

B. This natural gas may be imported at any United States and Canadian border point.

C. With respect to the natural gas imports authorized by this Order, Power City 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, Power City 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]

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than October 30, 2002, and should cover the period from July 1, 2002, until the end of the third calendar quarter, September 30, 2000.

E. The quarterly report 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 June 25, 2002.

Clifford P. Tomaszewski
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