

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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MONTANA-DAKOTA UTILITIES CO., )  
a DIVISION of MDU RESOURCES GROUP, INC. )

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FE DOCKET NO. 02-63-NG

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1812

SEPTEMBER 30, 2002

## I. DESCRIPTION OF REQUEST

On September 18, 2002, Montana -Dakota Utilities Co., a Division of MDU Resources Group, Inc. (Montana-Dakota), filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>1/</sup> for an authorization to import from Canada up to 10 billion cubic feet (Bcf) of natural gas over a two-year term beginning on December 1, 2002, and extending through November 30, 2004.<sup>2/</sup> Montana-Dakota, a public utility with its principal place of business in Bismarck, North Dakota, is duly authorized to do business in the States of Montana, North Dakota, South Dakota, and Wyoming. It is a division of MDU Resources Group, Inc., which is organized in the State of Delaware, with its principal place of business in Bismarck, North Dakota. The proposed authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by Montana-Dakota 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 Montana-Dakota to import natural gas from

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<sup>1/</sup> 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redelegation Order No. 00-002.04 (January 8, 2002).

<sup>2/</sup> Montana-Dakota's current blanket authorization to import natural gas granted by DOE/FE Order No. 1629 on October 5, 2000, expires November 30, 2002 (2 FE ¶70,542).

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. Montana -Dakota Utilities Co., a Division of MDU Resources Group, Inc. is authorized to import from Canada up to 10 billion cubic feet (Bcf) of natural gas over a two-year term beginning on December 1, 2002, and extending through November 30, 2004. 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, Montana-Dakota 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, Montana-Dakota 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 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.

D. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 2003, and should cover the period from December 1, 2002, until the end of the fourth calendar quarter, December 31, 2002.

Issued in Washington, D.C., on September 30, 2002.

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