

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

SIERRA PACIFIC POWER COMPANY)

FE DOCKET NO. 03-43-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1888

AUGUST 19, 2003

I. DESCRIPTION OF REQUEST

On August 15, 2003, Sierra Pacific Power Company (Sierra) 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/} for blanket authorization to import up to 100 billion cubic feet of natural gas from Canada, over a two-year term beginning on January 1, 2004.^{2/} Sierra, a public utility presently engaged in the distribution and sale of natural gas, is a Nevada corporation and a wholly-owned subsidiary of Sierra Pacific Resources, with its principal place of business in Reno, Nevada. Sierra will import the gas under short-term and spot market arrangements. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Sierra 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 Sierra 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:

^{1/} 5 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redefinition Order No. 00-002.04 (January 8, 2001).

^{2/} Sierra's current blanket authorization to import natural gas granted by DOE/FE Order No. 1730 dated December 30, 2001 (2 FE ¶ 70,683), expires on December 31, 2003.

A. Sierra Pacific Power Company (Sierra) is authorized to import up to 100 Bcf of natural gas from Canada, over a two-year term beginning on January 1, 2004, and extending through December 31, 2005.

B. This natural gas may be imported at any point on the border of the United States and Canada.

C. With respect to the natural gas imports authorized by this Order, Sierra 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, the report must give details of each transaction, including: (1) total monthly volumes in thousand cubic feet (Mcf); (2) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry; (8) the geographic market(s) served; and if applicable, (9) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

D. The first quarterly report required by this Order is due not later than April 30, 2004, and should cover the period from January 1, 2004, until the end of the first calendar quarter, March 31, 2004.

E. The quarterly reports shall 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.

Issued in Washington, D.C., on August 19, 2003.

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