

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

WISCONSIN PUBLIC SERVICE CORPORATION)
)

FE DOCKET NO. 03-57-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1907

OCTOBER 23, 2003

DESCRIPTION OF REQUEST

On October 2, 2003, Wisconsin Public Service Corporation (WPSC) 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 a two-year, blanket authorization to import up to a combined total of 36.5 billion cubic feet (Bcf) of natural gas from Canada, beginning October 1, 2003 and extending through September 30, 2005.^{2/}

WPSC is a Wisconsin corporation with its principal place of business in Green Bay, Wisconsin, and a wholly-owned subsidiary of WPS Resources Corporation. WPSC is a regulated electric and gas utility serving northeast and central Wisconsin and an adjacent portion of upper Michigan. WPSC will use the broad-based authority it seeks to buy and sell natural gas for delivery between the United States and Canada under short-term and spot-market arrangements. WPSC plans to conduct business either on its own behalf or as an agent for others. The proposed imports involve no new construction or expansion of pipeline facilities.

II. FINDING

The application filed by WPSC 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 WPSC 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.

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

^{2/} / WPSC's authorization to import natural gas, 2 FE ¶ 70,689, expired on August 31, 2003.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Wisconsin Public Service Corporation (WPSC) is authorized to import up to a combined total of 36.5 billion cubic feet (Bcf) of natural gas from Canada over a two-year term beginning on October 1, 2003, and extending through September 30, 2005.

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

C. With respect to the natural gas imports authorized by this Order, WPSC 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. 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, WPSC must report the following information: (1) total monthly volumes in Mcf; (2) the average monthly price of gas per 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 U.S. transporter(s); (7) the point(s) of entry or exit; and (8) the geographic market(s) served (by State). For import transactions only, the reports also shall include: (1) whether sales are being made on an interruptible or firm basis; and, if applicable,

(2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

[OMB No.: 1901-0294]

D. The quarterly reports 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.

E. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 2004, and should cover the period from October 1, 2003, until the end of the fourth calendar quarter, December 31, 2003.

Issued in Washington, D.C., on October 23, 2003.

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