

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CASCADE NATURAL GAS CORPORATION

)
) FE DOCKET NO. 11-86-NG
)

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

DOE/FE ORDER NO. 2990

JULY 25, 2011

I. DESCRIPTION OF REQUEST

On July 6, 2011, Cascade Natural Gas Corporation (Cascade) filed an application with the Office of Fossil Energy (FE) of the Department of Energy under section 3 of the Natural Gas Act (NGA)¹ for long term authorization to import up to a total of 2.5 billion cubic feet (Bcf) of natural gas from Canada. Cascade requests the authorization begin on February 1, 2012, and extend through October 31, 2014. Cascade is a Washington corporation with its principal place of business in Seattle, Washington.

Cascade is a public utility engaged in the distribution and sale of natural gas to customers located in Washington and Oregon. Cascade will purchase the gas from J. Aron & Company (J. Aron) under the terms of a Gas Transaction Confirmation with J. Aron. Cascade will receive the gas at a point on the U.S./Canadian border near Eastport, Idaho, and will deliver the gas in the United States to its distribution system on the interstate pipeline systems of TransCanada Pipelines and PG&E Gas Transmission. The requested authorization will not require the construction of new pipelines.

II. FINDING

The application has been evaluated to determine if the proposed import and export 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 and export of natural gas, including liquefied natural gas (LNG), from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by

¹ / The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA (15 U.S.C. §717b) has been delegated to the Assistant Secretary for FE in Redelelegation Order No. 00-002.04E issued on April 29, 2011.

Cascade 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 NGA, it is ordered that:

A. Cascade is authorized to import up to 2.5 Bcf of natural gas from Canada in accordance with the Gas Transaction Confirmation with J. Aron, dated June 17, 2011. The term of this authorization shall be effective beginning on February 1, 2012, and extending through October 31, 2014.

B. Cascade will receive the gas at a point on the U.S./Canadian border near Eastport, Idaho, and will deliver the gas in the United States to its distribution system on the interstate pipeline systems of TransCanada Pipelines and PG&E Gas Transmission.

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, Cascade shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month, a report indicating whether imports of natural gas have been made. Monthly 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 month must be filed. If imports of natural gas have occurred, the report must give the following details: (1) country of origin; (2) the point of entry; (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); (7) the estimated or actual duration of the supply agreements(s), and (8) the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

D. The first monthly report required by this Order is due not later than December 30, 2011, and should cover the reporting period from November 1, 2011, through November 30, 2011.

E. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Ms. Yvonne Caudillo. Alternatively, reports may be e-mailed to Ms. Caudillo at Yvonne.caudillo@hq.doe.gov or ngreports@hq.doe.gov, or may be faxed to Ms. Caudillo at (202) 586-6050.

Issued in Washington, D.C., on July 25, 2011.



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