

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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NEW ENGLAND POWER COMPANY )  
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FE DOCKET NO. 95-114-NG

ORDER GRANTING BLANKET AUTHORIZATION  
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1132

DECEMBER 19, 1995

I. DESCRIPTION OF REQUEST

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On November 21, 1995, New England Power Company (NEP) 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/, and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting blanket authorization to import up to 65,000 Mcf2/ per day of natural gas from Canada over a term of two years beginning on February 1, 1996.3/ NEP also requests that it be authorized to sell its blanket imports on the domestic spot market. NEP, a Massachusetts corporation with its principal place of business in Westborough, Massachusetts, is a wholesale electric generation subsidiary of New England Electric System. It is engaged in the generation, transmission, and sale of electric power in the New England region and is a major source of power to the New England Power Pool. NEP uses the Canadian spot market gas to supplement other long-term firm imported gas supplies to generate electricity at its Brayton Point Unit 4 generating station in Somerset, Massachusetts, and at its Manchester Street generating station in Providence, Rhode Island.

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1. 15 U.S.C. 717b.
  2. This volume is equivalent to 47.5 Bcf of natural gas over the two-year term.
  3. NEP's existing blanket import authorization granted by DOE/FE Opinion and Order No. 585 dated February 28, 1992 (1 FE 70,543) expires January 31, 1996.

## II. FINDING

The application filed by NEP 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 importation 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 NEP 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:

A. New England Power Company (NEP) is authorized to import from Canada up to 47.5 Bcf of natural gas over a two-year term beginning on the date of first delivery after January 31, 1996. The gas may be imported at any U.S./Canada border point.

B. Within two weeks after deliveries begin, NEP shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, NEP shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly 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 have been made, a report of "no activity" for that calendar quarter must be filed. If imports occur, NEP 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; (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.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than April 30, 1996, and should cover the period from February 1, 1996, until the end of the first calendar quarter, March 31, 1996.

Issued in Washington, D.C., on December 19, 1995.

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Anthony J. Como  
Director  
Office of Coal & Electricity  
Office of Fuels Programs  
Office of Fossil Energy