

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

_____)
INDECK OSWEGO LIMITED PARTNERSHIP) FE DOCKET NO. 96-89-NG
and)
INDECK YERKES LIMITED PARTNERSHIP)
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS
FROM CANADA

DOE/FE ORDER NO. 1235

JANUARY 17, 1996

I. DESCRIPTION OF REQUEST _____

On December 5, 1996, Indeck Oswego Limited Partnership (Indeck Oswego) and Indeck Yerkes Limited Partnership (Indeck Yerkes) 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, for blanket authorization to import up to 9 billion cubic feet (Bcf) of natural gas from Canada over a two-year term beginning on the date of the first import delivery after March 31, 1997.² Indeck Oswego and Indeck Yerkes are limited partnerships and wholly-owned subsidiaries of Indeck Energy Services, Inc. The Applicants will import the natural gas, under spot and short-term purchase arrangements, to use as fuel for their cogeneration facilities in New York, and may also, on occasion, resell surplus gas.

II. FINDING _____

The application filed by Indeck Oswego and Indeck Yerkes 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

1 15 U.S.C. 717b.

2 This is the date Applicants' current blanket authorization to import natural gas from Canada expires. See

DOE/FE Order No. 1012 issued December 15, 1994 (1 FE 71,064).

to be consistent with the public interest and must be granted without modification or delay. The authorization sought by the Applicants 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. Indeck Oswego Limited Partnership and Indeck Yerkes Limited Partnership together (Indeck) are authorized to import up to 9 Bcf of natural gas from Canada over a two-year term beginning on the date of the first import delivery after March 31, 1997. This natural gas may be imported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, Indeck shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3F-056, FE-50, 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, Indeck shall file with the Office of Natural Gas &

Petroleum Import and Export Activities, 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 of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Indeck 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 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 July 30, 1997, and should cover the period from April 1, 1997, until the end of the second calendar quarter, June 30, 1997.

Issued in Washington, D.C., on January 17, 1997.

Wayne E. Peters
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import and Export Activities
Office of Fossil Energy