

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

REC'D DOE/FE

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WISCONSIN PUBLIC SERVICE)
CORPORATION.)
_____)

FE DOCKET NO. 01-82-NG

**ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA**

DOE/FE ORDER NO. 1740

NOVEMBER 29, 2001

DESCRIPTION OF REQUEST

On November 27, 2001, Wisconsin Public Service Corporation (WPSC) applied to the Office of Fossil Energy (FE) 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 a two-year, blanket authorization to import natural gas from Canada, effective on the date of the first delivery after August 31, 2001. The quantity involved would not exceed 6.0 billion cubic feet (Bcf).

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. Its parent is a holding company also based in Green Bay. 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.

In DOE/FE Order No. 1498 (Order 1498) issued June 21, 1999, WPSC received similar authority which extended from September 1, 1999, through August 31, 2001.^{2/} Granting a new authorization will enable WPSC to continue importing natural gas for two more years beginning September 1, 2001, under the same conditions.^{3/} Once again, each sales and purchase transaction

^{1/} 15 U.S.C. § 717b.

^{2/} See Order 1498 (2 FE ¶ 70,354).

^{3/} WPSC inadvertently failed to file for new import authority in a timely manner. However, since WPSC continued reporting to FE the details of each import transaction it entered into after August 31, 2001, we are granting this authorization effective September 1, 2001.

will be structured to provide for a market-based price.^{4/} 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.

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 6.0 Bcf of natural gas from Canada over a two-year term beginning on September 1, 2001, and extending through August 31, 2003.

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

^{4/} Granting WPSC's application would represent the third extension of the import authorization which was originally granted by DOE/FE Opinion and Order No. 321 on June 19, 1989 (1 FE ¶ 70,230).

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 purchase 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; and (8) the geographic market(s) served (by State); (7) whether sales are being made on an interruptible or firm basis; and, if applicable, and (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB NO.: 1901-0294] D. The reporting requirements described in Ordering Paragraph C of this Order will 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, 2002, and should cover the period from October 1, 2001, until the end of the fourth calendar quarter, December 31, 2001.

Issued in Washington, D.C., on November 27, 2001.



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