

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

SARANAC POWER PARTNERS, L. P.

)
)
)

FE DOCKET NO. 92-98-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 726

NOVEMBER 20, 1992

I. DESCRIPTION OF REQUEST _____

On July 23, 1992, Saranac Power Partners, L. P. (Saranac) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA), requesting blanket authorization to import up to 40,000,000 MMBtu of natural gas from Canada over a two-year term beginning on the date of first delivery.

Saranac is a Delaware limited partnership with its headquarters in Houston, Texas. Saranac's sole general partner is Saranac Energy Co., Inc. (Saranac Energy). The ultimate parent corporation of Saranac Energy is Falcon Seaboard Resources, Inc., a Texas corporation.

II. FINDING _____

The application filed by Saranac has been evaluated to determine if the proposed import arrangement meets the public interest requirements 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), an 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 to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Saranac to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and is therefore consistent with the public interest.

ORDER

For reasons set forth above, under section 3 of the Natural Gas Act, it is ordered that:

A. Saranac Power Partners, L. P. (Saranac) is authorized to import from Canada up to 40,000,000 MMBtu of natural gas over a two-year term beginning on the date of first delivery.

B. Within two weeks after deliveries begin, Saranac shall notify the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, in writing 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, Saranac 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. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Saranac must report monthly total volumes of the imports 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 the 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 Paragraph C of this Order is due not later than January 30, 1993, and should cover the period from the date of this order until the end of the calendar quarter, December 31, 1992.

Issued in Washington, D.C., on November 20, 1992.

Charles F. Vacek
Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy