

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
GRANITE STATE GAS TRANSMISSION, INC.) FE DOCKET NO. 93-106-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 870

OCTOBER 28, 1993

I. DESCRIPTION OF REQUEST _____

On October 1, 1993, Granite State Gas Transmission, Inc. (Granite State), 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 25 billion cubic feet of natural gas from Canada over a two-year term beginning on the date of first import delivery after November 1, 1993.^{2/} Granite State, a New Hampshire corporation, is an interstate natural gas pipeline company with its principal place of business in Westborough, Massachusetts.^{3/} The volumes will be imported by Granite State under spot and short-term sales arrangements, either on its own behalf or as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Granite State has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by

1/ 15 U.S.C. § 717b. _____

2/ This is the expiration date of Granite State's existing blanket authorization granted by DOE/FE Opinion and Order No. 414, dated July 31, 1990 (1 FE § 70,340). _____

3/ Granite State is affiliated with Northern Utilities, Inc. (Northern Utilities), also a New Hampshire corporation, which operates separate natural gas distribution divisions in the States of Maine and New Hampshire. Both Granite State and Northern Utilities are wholly-owned subsidiaries of Bay State Gas _____

Company, a Massachusetts corporation which operates natural gas distribution divisions in Massachusetts.

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 Granite State 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. Granite State Gas Transmission, Inc. (Granite State) is authorized to import up to 25 billion cubic feet of natural gas from Canada, at any point on the United States/Canada border, over a two-year term beginning on the date of the first import delivery after November 1, 1993.

B. Within two weeks after deliveries begin, Granite State 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, Granite State 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 have occurred, Granite State 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 point(s) of entry; (5) the name of the United States transporter(s); (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 ordering Paragraph C is due not later than January 30, 1994, and should cover the period from November 2, 1993, until the end of the fourth calendar quarter, December 31, 1993.

Issued in Washington, D.C., on October 28, 1993.

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