UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

 $POWER\ CITY\ PARTNERS,\ L.P.$

FE DOCKET NO. 96-85-NG

ORDER AMENDING BLANKET AUTHORITY TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1223-A

On June 23, 1998, Power City Partners, L.P. (Power City) filed an application with 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 204-127, to amend its blanket import authorization to increase its volumes. Power City is currently authorized to import up to 500,000 Mcf of natural gas from Canada over a two-year term beginning on the date of first delivery after December 2, 1996. The imported natural gas is to be used to fuel its Messena, New York, cogeneration facility. On occasion, Power City will resell any surplus gas. Power City requests to increase its imported volumes to 16,060,000 Mcf over the two-year term to ensure it ability to meet demand for electric energy output from its facility. Deliveries of imported natural gas are expected to begin shortly after June 30, 1998.

Under section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub L. 102-486), 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 related applications must be granted without modification or delay. Power City's application to amend its current authority to import natural gas produced in Canada meets the section 3(c) criterion and, therefore, is consistent with the public interest.

<u>ORDER</u>

Pursuant to section 3 of the Natural Gas Act, it is Ordered that:

A. DOE/FE Order No. 1223 issued on November 29, 1996, is amended to authorize Power City Partners, L.P. to import up to 16,060,000 Mcf of natural gas over a two-year beginning on the date of first delivery.

B. All other terms and conditions contained in Order 1223 shall remain in full force and effect.

Issued in Washington, D.C., June 25, 1998.

John W. Glynn

Manager, Natural Gas Regulation

Office of Natural Gas & Petroleum

Import and Export Activities

Office of Fossil Energy

1. ½ 15 U.S.C. § 717b.