UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

THE MONTANA POWER GAS COMPANY
FE DOCKET NO. 93-96-NG

ORDER VACATING LONG-TERM AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 865-B

The Montana Power Gas Company (Montana Gas) is authorized by the Department of Energy (DOE) in DOE/FE Order No. 865-A (Order 865-A)⁽¹⁾, to import up to 1,060 Mcf per day and up to 364,000 Mcf per year of Canadian natural gas through December 31,2004. The authorization is predicated upon a long-term contract dated May 1, 1979, as amended, between Canadian-Montana Pipe Line Company Limited and The Montana Power Company. Effective November 1, 1997, Montana Gas became the purchaser under the long-term contract and the holder of the import authorization. (2)

The long-term contract was terminated by the parties effective June 1, 1998. Given the termination of the underlying contract, Montana Gas requests DOE to rescind the import authorization in DOE/FE Order 865-A and thus remove the quarterly reporting obligation for authorization that is no longer necessary. In order to avoid filing unnecessary reports, Montana Gas requests that the import authorization be rescinded, effective July 1, 1998, the beginning of the next reporting period.

Accordingly, pursuant to section 3 of the Natural Gas Act, the authorization to import natural gas granted to The Montana Power Gas Company in DOE/FE Order 865-A is hereby vacated effective July 1, 1998.

Issued in Washington, D.C., on August 20, 1998.

John W. Glynn

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Office of Natural Gas & Petroleum

Import and Export Activities

Office of Fossil Energy

1. 1 FE ¶ 71,510 (January 8, 1998).

2. <u>Id.</u>