

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

ANDROSCOGGIN ENERGY LLC) FE DOCKET NO. 97-94-NG
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ORDER AMENDING LONG-TERM AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1352-A

On September 27, 1999, Androscoggin Energy LLC (Androscoggin) 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), 15 U.S.C. § 717b, and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting two amendments to its long-term import authorization issued on January 14, 1998. DOE/FE Order No. 1352 (Order 1352), 1 FE ¶ 71,515, authorized Androscoggin to import up to 16.01 billion cubic feet of natural gas per year from Canada over a 10 year period commencing November 1, 1998, through October 31, 2008, or for 10 years after the commencement of deliveries if deliveries begin after November 1, 1998. Androscoggin is authorized to import the gas at the proposed interconnection of the TransQuebec and Maritimes Pipeline and the Portland Natural Gas Transmission System near Pittsburg, New Hampshire, pursuant to the terms and conditions of five gas purchase agreements with the following suppliers:

AltaGas Services Inc. (executed April 22, 1997); Beau Canada Exploration Ltd. (executed January 27, 1997, as amended June 30, 1997); Producers Marketing Ltd. (executed February 12, 1997); Renaissance Energy Ltd. (executed March 11, 1997); Rio Alto Exploration Ltd. (Rio Alto)(executed May 24, 1997).

Androscoggin requests authority to import the gas pursuant to the terms of a new gas purchase agreement with Duke Energy Marketing Limited Partnership dated August 31, 1999. The sale agreement replaces the canceled gas purchase agreement between Androscoggin and Rio Alto. Androscoggin also requests additional import point flexibility.

The application for amendment filed by Androscoggin 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 or export 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 Androscoggin to amend its current authority 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.

ORDER

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

A. DOE/FE Order No. 1352 (Order 1352) issued on January 14, 1998, is amended to authorize Androscoffin to import natural gas from Canada pursuant the terms and conditions of its new gas purchase agreement with Duke Energy Marketing Limited Partnership in lieu of its canceled gas purchase agreement with Rio Alto Exploration Ltd.

B. The gas authorized pursuant to Androscoffin's five gas purchase contracts may be imported at any United States/Canada border point.

C. All other terms and conditions contained in Order 1352 shall remain in full force and effect.

Issued in Washington, D.C., October 14, 1999.

Clifford P. Tomaszewski
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import and Export Activities
Office of Fossil Energy