

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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MCV GAS ACQUISITION GENERAL PARTNERSHIP	)	FE DOCKET NO. 92-75-NG
	)	

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA AND
GRANTING INTERVENTION

DOE/FE ORDER NO. 748

DECEMBER 4, 1992

I. BACKGROUND

On June 19, 1992, MCV Gas Acquisition General Partnership (MCV Gas) 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 20 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery.

MCV Gas is a general partnership organized under the laws of the State of Michigan and a marketer of natural gas with its principal place of business in Midland, Michigan. MCV Gas' general partners are Midland Cogeneration Venture Limited Partnership (Midland) and PVC0 Corp. Midland operates a combined cycle, natural gas-fired cogeneration facility in Midland.

A notice of MCV Gas' application was published in the Federal Register on July 31, 1992, inviting protests, motions to intervene, notices of intervention, and comments to be filed by August 31, 1992.^{1/} Great Lakes Gas Transmission Limited Partnership filed a motion to intervene without comment. This Order grants intervention to Great Lakes.

II. FINDING

The application filed by MCV Gas 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 (P.L. 102-486). Under section 3(c), the importation of natural gas from a nation

1/ 57 FR 33954.

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

A. MCV Gas Acquisition General Partnership (MCV Gas) is authorized to import from Canada, at any point on the U.S./Canadian border, up to 20 Bcf of natural gas over a two-year term beginning on the date of first delivery.

B. Within two weeks after deliveries begin, MCV Gas 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 delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, MCV Gas 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 occur, MCV Gas 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 purchasers; (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 sales are being made on an interruptible or firm basis; and if applicable, (8) the contract pricing provisions, including the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering 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 current calendar quarter December 31, 1992.

E. The motion to intervene filed by Great Lakes Gas Transmission Limited Partnership (Great Lakes) is hereby granted provided that Great Lakes' participation is limited to matters specifically set forth in its motion to intervene and not herein specifically denied, and shall not be construed as recognition that Great Lakes may be aggrieved because of any order issued in these proceedings.

Issued in Washington, D.C., on December 4, 1992.

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Charles F. Vacek
Deputy Assistant Secretary

for Fuels Programs
Office of Fossil Energy