

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TENASKA WASHINGTON PARTNERS II, L.P.

FE DOCKET NO. 93-131-NG

ORDER VACATING NATURAL GAS

IMPORT AUTHORIZATION

DOE/FE ORDER NO. 912-B

DOE/FE Order No. 912 (Order 912) (1 FE ¶ 70,925), issued January 24, 1994, in FE Docket No. 93-131-NG, as amended by DOE/FE Order No. 912-A (Order 912-A) (1 FE ¶ 70,935), issued February 25, 1994, granted Tenaska Washington Partners II, L.P. (Tenaska Partners) authorization to import from Canada up to 21,433 MMBtu of natural gas per day purchased from Shell Canada Limited (Shell), plus such additional quantities as might be required to reimburse Northwest Pipeline Company (Northwest) for fuel used in rendering transportation services. The term of such authorization was for a period of 20 years following the date that the electric power generation facilities proposed to be built by Tenaska Partners in Pierce County, Washington was placed into commercial operation.

The natural gas purchased from Shell was to be used as generating fuel in the gas-fired independent power production facility to be developed by Tenaska Partners. The electric output of the project was to be sold to Bonneville Power Administration (BPA) pursuant to the terms of a long-term power purchase contract.

On March 26, 1998, Tenaska Partners requested that the authorization granted in Order 912, as amended by Order 912-A, be vacated. In citing a reason for the requested vacation, Tenaska Partners states that BPA repudiated its power purchase contract in 1995 and caused it to suspend construction of the electric generation power facilities in Pierce County, Washington. The action taken by BPA is the subject of litigation between Tenaska Partners and others against BPA. As a result of such stated repudiation the gas purchase agreement with Shell was canceled.

Accordingly, pursuant to section 3 of the Natural Gas Act, the authorization to import natural gas granted by Orders 912 and 912-A is hereby vacated.

Issued in Washington, D.C., on April 3, 1998.

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John W. Glynn

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Office of Natural Gas & Petroleum

Import and Export Activities

Office of Fossil Energy