

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CASCADE NATURAL GAS CORPORATION

)
) FE DOCKET NO. 12-178-NG
)

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

DOE/FE ORDER NO. 3274

May 1, 2013

I. DESCRIPTION OF REQUEST

On December 11, 2012, Cascade Natural Gas Corporation (Cascade) 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 for long term authorization to import up to a total of 2.672 million MMBtu of natural gas from Canada pursuant to a Purchase and Sales Agreement Confirmation with Shell Energy North America (US), L.P., dated July 13, 2012. DOE will authorize exports of 2.7 billion cubic feet (Bcf) of natural gas.² Cascade requests the authorization begin on November 1, 2012, and extend through September 30, 2015.³ Cascade is a Washington corporation with its principal place of business in Kennewick, Washington.

Cascade is a public utility engaged in the distribution and sale of natural gas to customers located in Washington and Oregon. Cascade will receive the gas at a point on the U.S./Canadian border near Kingsgate, Washington. The requested authorization will not require the construction of new pipelines.

II. FINDING

The application has been evaluated to determine if the proposed import and/or export 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 and export of natural gas, including liquefied natural gas (LNG), from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public

¹ The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA (15 U.S.C. §717b) has been delegated to the Assistant Secretary for FE in Redelegation Order No. 00-002.04E issued on April 29, 2011.

² Cascade requests authorization to import 2.672 million MMBtu. Consistent with DOE regulations (10 CFR part 590), applications are to provide volumes in billion cubic feet (Bcf). DOE/FE notes the requested amount equals approximately 2.7 Bcf of natural gas, the volume it will authorize.

³ The term of the Purchase and Sales agreement began November 1, 2012, and extends through September 30, 2015.

interest and must be granted without modification or delay. The authorization sought by Cascade 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 NGA, it is ordered that:

A. Cascade is authorized to import up to 2.7 Bcf of natural gas from Canada pursuant to the Gas Transaction Confirmation with Shell Energy, dated July 13, 2012. The term of this authorization shall be effective beginning on November 1, 2012, and extending through September 30, 2015.

B. Cascade will receive the natural gas at a point on the U.S./Canadian border near Kingsgate, Washington.

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, Cascade shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month, a report indicating whether imports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas have been made, a report of “no activity” for that month must be filed. If imports of natural gas have occurred, the report must give the following details: (1) country of origin; (2) the point of entry; (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); (7) the estimated or actual duration of the supply agreements(s), and (8) the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

D. The first monthly report required by this Order is due not later than May 30, 2013, and should cover the reporting period from November 1, 2012, through April 30, 2013.

E. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Natural Gas Reports. Alternatively, reports may be e-mailed to ngreports@hq.doe.gov, or may be faxed to Natural Gas Reports at (202) 586-6050.

Issued in Washington, D.C., on May 1, 2013.

A handwritten signature in blue ink, appearing to read "John A. Anderson", is written over a horizontal line.

John A. Anderson
Manager, Natural Gas Regulatory Activities
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy