

US Department of Energy

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UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

Electricity, Delivery and Energy Reliability

In the Matter of:

Cargill Power Markets, LLC

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)

Docket No. EA-209-B

APPLICATION OF
CARGILL POWER MARKETS, LLC
FOR AUTHORIZATION TO TRANSMIT
ELECTRIC ENERGY TO CANADA

Cargill Power Markets, LLC, pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824a(e), and 10 C.F.R. 205.300 *et seq.*, hereby files this application (the "Application") for blanket authority to transmit electric energy from the United States to Canada.

I.

DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Cargill Power Markets, LLC ("CPM"). CPM was organized on July 7, 1997, under the laws of the State of Wisconsin and is currently authorized to do and does business in the states of Wisconsin, Maryland, Iowa, Texas and Minnesota. CPM's principal and executive offices are located at 9350 Excelsior Boulevard MS 150, Hopkins, MN 55343. CPM is 100% owned by Cargill, Incorporated. CPM is presently authorized to export electric energy to Canada pursuant to Electricity Export Authorization EA-209-B, which is scheduled to expire on May 30, 2011.

II.

JURISDICTION

The United States Department of Energy ("DOE"), office of Fossil Energy, is the sole agency with jurisdiction over the proposed export of energy to Canada. See Federal Power Act Section 202(e), 16 U.S.C. § 824a, Department of Energy Delegation Order No. 0204-127 (54 FR 11436-05). No other known

Federal, State or local government has jurisdiction over the proposed actions described in the Application.¹

III. COMMUNICATIONS

All service and correspondence concerning this application should be sent to:

Eugene J. Becker
Vice President
Cargill Power Markets, LLC
9350 Excelsior Blvd MS 150.
Hopkins, Minnesota 55343
Phone (952) 984-3158
Fax (952) 984-3836

IV. DESCRIPTION OF TRANSMISSION FACILITIES

CPM seeks authority to transmit electric power as a power marketer over existing cross-border facilities between the United States and Canada. Exhibit "C" of this Application provides the locations of those facilities, their Presidential Permit numbers, and other identifying information. CPM will comply with the terms and conditions contained in the export authorizations issued for those cross-border facilities as well as other export limitations that the Department may deem appropriate for those facilities, consistent with other Department orders authorizing electricity exports by power marketers.²

¹CPM has been authorized by the Federal Energy Regulatory Commission to make wholesale sales of electric power in interstate commerce at market-based rates. See Notice of Issuance of Order, 62 FR 59856 (1997). The power export(s) contemplated by the Application are foreign as opposed to interstate commerce.

²See, e.g., *Enron Power Marketing, Inc.*, FE Docket No. EA-102 (Feb. 6, 1996) (authorization to export to Mexico); *Destec Power Services, Inc.*, FE Docket No. EA-113 (May 31, 1996) (authorization to export to Mexico); *ProMark Energy, Inc.*, FE Docket No. EA-155 (January 23, 1998) (authorization to export to Canada).

V.

TECHNICAL DISCUSSION OF PROPOSAL

CPM is engaged in the marketing of wholesale electric power as a power marketer, and seeks authority to export electric power into Canada over the existing cross-border facilities described in Exhibit "C." CPM has no electric power supply system of its own on which its exports of power could have a reliability or stability impact. CPM's only supply obligations are those for which it has contracted. The electric power that will be exported pursuant to the requested export authorization, whether on a firm or interruptible basis, will be surplus to the system of the generator of such power. In addition, since CPM does not own transmission facilities, CPM does not have the native load obligations of those entities holding franchised service territories. Thus, the exports proposed herein by CPM will not impair the sufficiency of power in the United States, nor will the transactions impede or tend to impede the regional coordination of electric utility planning or operation.

In its previous orders granting export authorizations to electric power marketers, the Department has indicated its reluctance to follow a rigid application of the information filing requirement contained in its regulations in the context of applications by power marketers.³ The Department has taken a flexible approach in determining the information necessary to evaluate the reliability for a specific market and has held that existing technical analysis support the present authorizations to export power through designated international border transmission. CPM respectfully requests that the Department continue to apply this standard during its review of the instant application and grant CPM the same benefits accorded to other electric power marketers.

Additionally, CPM agrees to comply with all reliability criteria, standards, and guidelines of the North American Electric Reliability Council and Regional

³See, e.g., *Enron Power Marketing, Inc.*, FE Docket No. EA-102 at p.5 (Feb. 6, 1996) ("DOE has never applied the information filing requirements contained in its regulations in a rigid manner"); *Destec Power Services, Inc.*, FE Docket No. EA-113 at p.3 (May 31, 1996) (same); *ProMark Energy, Inc.*, FE Docket No. EA-155 at p.2 (January 23, 1998) (same).

Councils, on such terms as expressed therein, and as such criteria, standards, and guides may be amended from time to time.

**VI.
VERIFICATION**

The signed Verification of Eugene J. Becker, Vice President of CPM, is attached to this Application.

**VII.
PROCEDURES**

This Application is consistent with the North America Free Trade Agreement (1993) and United States energy policy which would foster a more efficient and competitive North American energy market.

CPM requests authority for export transactions through specified border facilities. The Department has granted export authority to similarly situated power marketers, and CPM agrees to abide by the general conditions set forth in the Department's previous orders authorizing power marketers to export power. See, e.g., *Enron Power Marketing, Inc.*, FE Docket No. EA-102 (Feb. 6, 1996).

**VIII.
EXHIBITS AND ATTACHMENTS**

In compliance with 10 C.F.R. § 205.303, the following Exhibits are attached and made part of the Application:

Exhibit A - Not applicable. Quarterly reporting compliance requirements fulfill this.

Exhibit B - Legal opinion of CPM's Counsel.

Exhibit C - Identification of the proposed border crossing point(s) or power transfer point(s) by Presidential Permit number.

Exhibit D - Not applicable.

Exhibit E – Cargill Power Markets, LLC ("CPM") is 100% owned by Cargill, Incorporated .

Exhibit F - Not applicable.

The following attachment sets forth additional information as described in the Application.

Attachment 1 - Verification of Corporate Officer


2 - Certificate of Name Change dated September 9, 2002

**IX.
CONCLUSION**

Wherefore, in consideration of the foregoing, Cargill Power Markets, LLC respectfully requests expeditious approval of this Application for blanket authority to transmit electric energy to Canada.

Respectfully submitted,

CARGILL POWER MARKETS, LLC


By: _____

Its: Vice President (Eugene J. Becker)

9350 Excelsior Blvd. MS 150

Hopkins, MN 55343

Tel: (952) 984-3158

Fax: (952) 984-3836

Dated: _____

2/11/11

Exhibit B

LEGAL OPINION

The following opinion is given in support of the Application of Cargill Power Markets, LLC for authorization to transmit electric energy to Canada, dated February 11, 2011.

1. I am an attorney at law, authorized to practice law in the state of Minnesota;
2. I am employed as an attorney;
3. Cargill Power Markets, LLC is duly organized, validly existing and in good standing under the laws of the State of Wisconsin;
4. Cargill Power Markets, LLC has full corporate power and authority to export electric energy to Canada as requested in the Application; and
5. Cargill Power Markets, LLC has complied or will comply with all pertinent Federal and state laws.



Michael Skoglund, Senior Lawyer
Counsel of Cargill Power Markets, LLC

Exhibit C

UNITED STATES INTERCONNECTIONS WITH CANADA

| Owner | Location | Voltage | Presidential Permit |
|------------------------------------|--------------------|----------------|---------------------|
| Basin Electric | Tioga, ND | 230 kV | PP-64 |
| Bonneville Power Authority | Blaine, WA | 2-500 kV | PP-10 |
| | Nelway, WA | 230 kV | PP-36 |
| | Nelway, WA | 230 kV | PP-46 |
| | Derby Line, VT | 120 kV | PP-66 |
| Citizens Utilities | St. Clair, MI | 345 kV | PP-38 |
| International Transmission Company | Maryville, MI | 230 kV | PP-21 |
| | Detroit, MI | 230 kV | PP-21 |
| | St. Clair | 345 kV | PP-58 |
| | Calais, ME | 69 kV | PP-32 |
| Eastern Maine Electric Co-op | Highgate, ME | 345 kV | PP-82 |
| Joint Owners of Highgate Project | Massena, NY | 2-115-kV | PP-24 |
| Long Sault, Inc. | Houlton, ME | 345 kV | PP-43 |
| Maine Electric Power Co. | Limestone, ME | 69 kV | PP-12 |
| Maine Public Service Co. | Fort Fairfield, ME | 69 kV | PP-12 |
| | Arookstok Co., ME | 138 kV | PP-29 |
| | Madawaska, ME | 2-69 kV | PP-29 |
| | International | | |
| Minnesota Power | Falls, MN | 115 kV | PP-78 |
| and Light Co. | Roseau, MN | 230 kV | PP-61 |
| Minnkota Power | Massena, NY | 765 kV | PP-56 |
| New York Power Authority | Massena, NY | 2-230 kV | PP-25 |
| | Niagara Falls, NY | 2-345 kV | PP-74 |
| | Devils Hole, NY | 230 kV | PP-30 |
| | Devils Hole, NY | 230 kV | PP-190 |
| Niagara Mohawk Power Corp. | Red River, ND | 230 kV | PP-45 |
| Northern States Power | Roseau County, MN | 500 kV | PP-63 |
| | | | |
| Vermont Electric | | | |
| Transmission Co. | Norton, VT | 450 kV (DC) | PP-76 |

VERIFICATION

STATE OF MINNESOTA)
)SS:
COUNTY OF HENNEPIN)

Eugene J. Becker, being duly sworn, states that he is Vice President of Cargill Power Markets, LLC; that he is authorized to execute this Verification; that he has read the above and foregoing document and is familiar with the contents thereof; and that all allegations of fact therein contained are true and correct to the best of his knowledge and belief.

Eugene Becker

Sworn to me this 11 day
of February, 2011.

Teresa L. Kassera
Notary Public

