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April 14, 2014

Mr. Christopher Lawrence U.S. Department of Energy Office of Electricity Delivery and Energy Reliability OE-20 1000 Independence Avenue, SW Washington, DC 20585

**US** Department of Energy

APR 1 4 2014

Electricity Delivery and

Application of Hunt Electric Power Marketing, L.L.C. for Renewal of Attition 2010 to Export Electricity from the United States to Mexico, Docket No. EA-357-A

#### Dear Mr. Lawrence:

Re:

I have enclosed an original and two (2) copies of the "Application of Hunt Electric Power Marketing, L.L.C. for Renewal of Authorization to Export Electricity from the United States to Mexico" and, as required by 10 C.F.R. § 205.309, a check in the amount of \$500 for the filing fee. A copy of the Application is being served contemporaneously upon the Federal Energy Regulatory Commission and the Public Utility Commission of Texas.

I have also enclosed an additional copy of the Application to be date-stamped and returned to the undersigned in the envelope provided for that purpose.

Thank you for your assistance in this matter. Please do not hesitate to contact me with any questions regarding this filing.

...Very truly yours.

James M. Bushee

Attorney for Hunt Electric Power Marketing, L.L.C.

Enclosures

# UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

In the Matter of	)	
Hunt Electric Power Marketing, L.L.C.	)	Docket No. EA-357-A

### APPLICATION OF HUNT ELECTRIC POWER MARKETING, L.L.C. FOR RENEWAL OF AUTHORIZATION TO EXPORT ELECTRICITY FROM THE UNITED STATES TO MEXICO

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., Hunt Electric Power Marketing, L.L.C. ("HEPM" or "Applicant"), hereby submits this Application for Renewal of Authorization to export electricity from the United States to Mexico for a period of five years. In support of this Application, HEPM respectfully states as follows:

#### I. INTRODUCTION

On August 31, 2009, the United States Department of Energy, Office of Electricity Delivery and Energy Reliability ("DOE") issued Order No. EA-357 authorizing HEPM to export electric energy from the United States to Mexico as a power marketer for a period of five years ending on August 31, 2014. HEPM requests that it be authorized to export electricity from the United States to Mexico for an additional five-year period.

#### II. DESCRIPTION OF APPLICANT

The exact legal name of the Applicant is Hunt Electric Power Marketing, L.L.C. The Applicant is a Delaware limited liability company with its principal place of business in Dallas, Texas. Applicant is authorized to do business in Delaware and Texas. HEPM is wholly owned by Hunt Power, L.P., a Delaware limited partnership.

Applicant is in the business of buying and selling electricity, and is registered as a Power Marketer with the Public Utility Commission of Texas. Applicant does not own or control any electric generating or transmission facilities, nor does the Applicant have a franchised service area. Members of the Hunt family also have ownership interests in Sharyland Utilities, L.P., a transmission and distribution utility operating in the Electric Reliability Council of Texas.

#### III. COMMUNICATIONS

Communications regarding this application should be addressed to the following:

Geoffrey Street Hunt Electric Power Marketing, L.L.C. 1900 North Akard Street Dallas, TX 75201 (214) 978-8171 GStreet@huntoil.com James M. Bushee
Jeffrey B. Stuart
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600 Congress Avenue, Suite 2000
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#### IV. JURISDICTION

Pursuant to Section 202(e) of the Federal Power Act, DOE has jurisdiction over the action proposed in this Application. No other known federal, state or local government has jurisdiction over the actions to be taken under the authority sought in this Application.

#### V. RENEWAL AUTHORIZATION AND TECHNICAL DISCUSSION

HEPM hereby applies to continue its authorization to transmit electric power to Mexico as a power marketer<sup>2</sup> over any authorized international transmission facility that is appropriate for open access transmission by third parties in accordance with the export limits authorized by DOE. HEPM plans to export electric power over authorized transmission interconnections

<sup>&</sup>lt;sup>1</sup> HEPM operates in the United States as a power marketer solely within ERCOT. Therefore, HEPM is not a FERC-regulated "public utility" and does not have, and is not required to have, power marketer authorization from FERC.

<sup>&</sup>lt;sup>2</sup> As used herein, "power marketer" means an entity that buys and sells electric power for its own account.

between Mexico and the United States. Such sales would be made in foreign commerce at the US – Mexico border. Transmission to the point of delivery will be arranged by HEPM over any of the existing international electric transmission facilities set out in Attachment 1, and over any international transmission facilities that may be approved in the future.

Applicant does not currently own or control electric generation or transmission facilities, and does not have a power supply of its own in the United States on which its exports of power could have a reliability, fuel use or system stability impact. The electric power that HEPM will export, on either a firm or an interruptible basis, will be purchased from others voluntarily and therefore will be surplus to the needs of the selling entities. Accordingly, the proposed exports will not impair or tend to impede the sufficiency of electricity supplies in the United States or the regional coordination of electric utility planning or operations. Additionally, as a power marketer that does not own or operate a transmission system, HEPM does not have the ability to cause a violation of the terms and conditions in the existing authorizations associated with the international transmission facilities identified in Attachment 1. Specifically, HEPM does not have the ability to cause total exports on Presidential Permit facilities to exceed the authorized instantaneous transmission rate.

In previous orders granting export authorizations to electric power marketers, the DOE declined to rigidly apply the information filing requirements contained in its regulations and instead used a flexible approach which takes into consideration the unique nature of power marketers, the requirements of FERC Order No. 888 and previously authorized export limits of cross-border facilities.<sup>3</sup> These same considerations demonstrate that HEPM's proposed exports

<sup>&</sup>lt;sup>3</sup> See, e.g., NorAm Energy Services, Inc., No. EA-105-CN (Aug. 16, 1996); MidCon Power Services Corp., No. EA-114 (July 15, 1996); USGen Power Services, No. EA-112 (June 27, 1996); CNG Power Services Corp., No. EA-110

will not impair or tend to impede the sufficiency of electric supplies in the United States or the regional coordination of electric utility planning or operations.

#### VI. CONSISTENCY WITH LAWS

Authorization of the exports proposed by HEPM is consistent with the North American Free Trade Agreement and US energy policy and will foster development of a more efficient and competitive North American energy market. HEPM will conduct all operations pursuant to this Authorization in accordance with the provisions of the FPA and pertinent rules, regulations and orders adopted or issued thereunder, and in conformity with the reliability criteria, standards and guidelines of the North American Electric Reliability Corporation, regional reliability councils, and control area operator(s), including any applicable regional transmission organizations or independent system operators.

Because the proposed exports will occur over existing transmission facilities, Applicant respectfully submits that the Application qualifies for a categorical exclusion under the National Environmental Policy Act of 1969, such that neither an Environmental Agreement nor an Environmental Impact Statement is required.

#### VII. EXHIBITS

The following Exhibits are attached hereto:

Exhibit A (Not applicable) - Agreements.

Exhibit B Legal Opinion of HEPM's counsel.

Exhibit C (Not applicable) - Map.

Exhibit D (Not applicable) - Designated Agent.

<sup>(</sup>June 20, 1996); Destec Power Services, Inc., No. EA-113 (May 31, 1996); North American Energy Conservation, Inc., No. EA-103 (May 30, 1996); NorAm Energy Services, Inc., No. EA-105-MX (May 30, 1996); Enron Power Marketing, Inc., No. EA-102 (Feb. 6, 1996); Morgan Stanley Capital Group Inc., No. EA-185-A-CN (Aug. 14, 2000).

Exhibit E

(Not applicable) - Corporate Relationship or Existing

Contract.

Exhibit F

(Not applicable) - Operating Procedures.

Exhibit G

Verification.

#### VIII. CONCLUSION

Hunt Electric Power Marketing, L.L.C. respectfully requests that the Department of Energy grant this Application as requested herein.

Respectfully submitted,

James M. Bushee

Attorney for Hunt Electric Power Marketing, L.L.C.

Date: April 14, 2014

#### EXHIBIT A

#### **EXHIBIT B**

#### OPINION OF COUNSEL

#### April 8, 2014

I am providing this opinion in connection with the application ("Application") of Hunt Electric Power Marketing, L.L.C. ("HEPM") for renewal of authority to export electricity from the United States to Mexico.

- 1. I am an attorney licensed to practice law in the State of Texas.
- 2. I am employed as Assistant General Counsel of Hunt Consolidated, Inc.
- 3. HEPM is duly established, validly existing and in good standing under the laws of the State of Delaware, and is authorized to do business in the States of Delaware and Texas.
- 4. The sale, purchase or acting as a marketer/broker in the sale and exportation of electric energy, as contemplated by the Application, are within the corporate powers of HEPM.
- 5. HEPM has filed a registration as a power marketer with the Public Utility Commission of Texas.

No further approvals are, to my knowledge, required by the federal laws of the United States or the laws of the State of Texas in connection with the activities contemplated by the Application.

Christopher McBay
Assistant General Counsel

## EXHIBIT C (NOT APPLICABLE)

#### EXHIBIT D

#### EXHIBIT E

#### **EXHIBIT F**

#### **EXHIBIT G**

#### **VERIFICATION**

#### VERIFICATION

STATE OF TEXAS	)
	) ss
COUNTY OF DALLAS	)

I, Dan G. Ray, Senior Vice President of Hunt Electric Power Marketing, L.L.C., having knowledge of the matters set forth in the Application of Hunt Electric Power Marketing, L.L.C. for Renewal of Authorization to Export Electricity from the United States to Mexico, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

Dan G. Ray

Subscribed and sworn to before me this 9 day of April , 2014

2 alth Canada 8 Notary Public



## Transmission Lines at the U.S. – Mexico Border Authorized for Third-Party Use

Present Owner	Location	<b>Voltage</b>	<u>Presidential</u> Permit No.
AEP Texas Central Company	Laredo, TX	138 kV	PP-317
		230 kV	PP-317
	Brownsville, TX	138 kV	PP-94
		69 kV	
	Eagle Pass, TX	138 kV	PP-219
El Paso Electric Company	Diablo, NM	115 kV	PP-92
	Ascarate, TX	115 kV	PP-48
Generadora del Desierto - WAPA	San Luis, AZ	230 kV	PP-304
San Diego Gas & Electric	Miguel, CA	230 kV	PP-68
	Imperial Valley, CA	230 kV	PP-79
Sharyland Utilities, L.P.	McAllen, TX	138 kV	PP-285