WESTERN SYSTEMS POWER POOL

ORDER NO. EA-98-E

I. BACKGROUND

Exports of electricity from the United States to a foreign country are regulated and require authorization under section 202(e) of the Federal Power Act (FPA) (16 U.S.C. §824a(e)).

On September 2, 1994, in Order EA-98, the Office of Fossil Energy (FE) of the Department of Energy (DOE) authorized 22 members of the Western Systems Power Pool (WSPP) (the "Applicants") to individually enter into transactions which involve exporting electricity from the United States to British Columbia Hydro and Power Authority (BC Hydro), or other future Canadian members of the WSPP, under the terms and conditions of the WSPP's pooling agreement and service schedules approved by the Federal Energy Regulatory Commission (FERC). On March 4, 1996, in Order EA-98-A, FE amended the previous order by adding 10 additional Applicants authorized to export electric energy to Canada. The term of the two-year order expired on September 2, 1996.

On July 8, 1996, in Docket EA-98-B, WSPP, on behalf of the Applicants, submitted an application to renew the export authorization issued in Order EA-98. WSPP also requested that the term of the new authorization be for 5 years. On July 12, 1996, WSPP, on behalf of additional member companies, applied to add 10 companies to the list of authorized electricity exporters (Docket No. EA-98-C). On September 5, 1996, DOE combined the two dockets and issued Order EA-98-C. That Order renewed the WSPP authorization for a 5-year period (the term of Order EA-98-C expires on September 5, 2001) and added 10 companies to the list of authorized to export electric energy to Canada to 42. On March 24, 1997, in Docket EA-98-D, DOE amended the authorization to remove several companies that no longer wished to participate.

In an application dated March 12, 1997, as amended March 25, 1997, WSPP, on behalf of the applicants, applied to add 8 additional member companies to the list of authorized electricity exporters (Docket EA-98-E).

Notice of the application in FE Docket EA-98-E appeared in the <u>Federal Register</u> on March 28, 1997 (62 FR 14893), requesting that comments, protests, and petitions to intervene be submitted to DOE by April 28, 1997. None were received.

II. FINDING and DECISION

The circumstances described in the application to add British Columbia Power Exchange Corporation, Intercoast Power Marketing Company, National Gas & Electric L.P., TransAlta Enterprises Corporation, TransCanada Energy Ltd., Tucson Electric Power Company, Western Power Services, Inc., and Williams Energy Services Company to the list of authorized exporters are virtually identical to those for which export authority has previously been granted. Consequently, DOE finds that the electric reliability review prepared on July 29, 1994, in FE Docket EA-98, is satisfactory to fulfill the statutory requirements of the FPA. Specifically, that reliability review determined that the export of electric energy to Canada as requested by the Applicants would not impair the sufficiency of electric supply within the United States and would not impede or tend to impede the coordination in the public interest of facilities in accordance with section 202(e) of the FPA. The determination was based on all authorized exports being performed within the confines of the WSPP agreement. The agreement provides that any transaction, including exports, be limited to no more than one year in length, that no new transmission facilities to support these transactions will be built, and that members' native loads will not be put in jeopardy, as each service schedule provides for the interruption or curtailment of service to another WSPP member so as not to jeopardize service to the seller's retail customers or to another member's transmission system.

Similarly, DOE finds that it has adequately satisfied its responsibility under the National Environmental Policy Act of 1969 through the documentation of a categorical exclusion in FE Docket EA-98.

III. <u>ORDER</u>

Based on the above findings, the electricity export authorization issued to members of WSPP on September 5, 1996, in Order EA-98-C, is hereby amended to permit the following individual members to export electricity to BC Hydro, or other future Canadian members of the WSPP, under the terms and conditions of WSPP's pooling agreement and service schedules approved by FERC. Each authorized electricity exporter remains, individually, subject to all terms and conditions of Order EA-98-C, which will expire on September 5, 2001.

- Arizona Public Service Company Aquila Power Corporation British Columbia Power Exchange Corp. Central Louisiana Electric Company Citizens Lehman Power Sales CNG Power Service Corporation Coastal Electric Services Company Destec Power Services, Inc Electric Clearinghouse, Inc.
- Englehard Power Marketing, Inc. Enron Power Marketing Entergy Power, Inc. Equitable Power Services Company Heartland Energy Services Idaho Power Company Illinova Power Marketing, Inc. Intercoast Power Marketing Company Kansas City Power & Light

K N Marketing Inc. Koch Power Services, Inc. LG&E Power Marketing Inc. Louis Dreyfus Electric Power, Inc. Montana Power Company National Gas & Electric L.P. Pacific Gas & Electric Company PacifiCorp PECO Energy Company Philbro Inc. Public Service Company of New Mexico Puget Sound Power & Light Company Sierra Pacific Power Company Southern California Edison Company Southern Energy Marketing, Inc. TransAlta Enterprises Corporation TransCanada Energy Ltd. Tenneco Energy Marketing Company Tucson Electric Power Company UtiliCorp United, Inc. Valero Power Services Company Washington Water Power Company Western Power Services, Inc. Western Resources, Inc. Williams Energy Services Company

All other terms and conditions of Order EA-98-C remain unchanged.

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