UNITED STATES DEPARTMENT OF ENERGY

Office of Fossil Energy Washington, D.C.

FE Docket No. EA-98-F

Arizona Public Service Company Aquila Power Corporation Avista Energy, Inc. British Columbia Power Exchange Corp. Central Louisiana Electric Company **Citizens Power Sales CNG** Power Service Corporation **Destec Power Services**, Inc El Paso Electric Company Electric Clearinghouse, Inc. Engage Energy US, L.P. Englehard Power Marketing, Inc. **Enron Power Marketing** Entergy Power, Inc. Equitable Power Services Company Heartland Energy Services Idaho Power Company Illinova Energy Partners, Inc. Intercoast Power Marketing Company Kansas City Power & Light K N Marketing Inc. Koch Energy Trading, Inc. LG&E Power Marketing Inc. Louis Dreyfus Electric Power, Inc.

MIECO, Inc. Montana Power Company PP&L, Inc. Pacific Gas & Electric Company Pacific Northwest Generating Cooperative PacifiCorp PanCanadian Energy Services, Inc. PECO Energy Company Philbro Inc. Public Service Company of New Mexico Puget Sound Energy, Inc. Sierra Pacific Power Company Southern California Edison Company Southern Energy Marketing, Inc. TransAlta Energy Marketing (U.S.), Inc. 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

Amendment to Order Authorizing Electricity Export to Canada

Order No. EA-98-F

November 13, 1998

WESTERN SYSTEMS POWER POOL

ORDER NO. EA-98-F

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 its member companies, applied to add 10 more 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 authorization to remove 6 companies that no longer wished to participate as an exporter. On May 5, 1997, in Docket EA-98-E, DOE again amended the authorization to add 8 new members.

In an application dated September 11, 1998, as amended September 28, 1998, WSPP, on behalf of the applicants, applied to add 5 additional member companies to the list of authorized electricity exporters and to request that the changed names of 7 current authorized exporters be reflected in the amended order issued in this docket, Docket EA-98-F.

Notice of the application in FE Docket EA-98-F appeared in the <u>Federal Register</u> on October 6, 1998 (63 FR 53649), requesting that comments, protests, and petitions to intervene be submitted to DOE by November 5, 1998. None were received.

II. FINDING and DECISION

The circumstances described in the application to add Avista Energy, Inc. (Avista), El Paso Electric Company (El Paso), MIECO, Inc. (MIECO), Pacific Northwest Generating Cooperative (PNGC), and PP&L, Inc. 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.

DOE also finds that reflecting the following changed names of existing authorized member companies is administrative in nature and requires no further review:

Former Name	<u>New Name</u>
Citizens Lehman Power Sales	Citizens Power Sales
Coastal Electric Service Company	Engage Energy US, L.P.
Illinova Power Marketing, Inc.	Illinova Energy Partners, Inc.
Koch Power Services, Inc.	Koch Energy Trading, Inc.
National Gas & Electric L.P.	PanCanadian Energy Services Inc.
Puget Sound Power & Light Company	Puget Sound Energy, Inc.
TransAlta Enterprises Corporation	TransAlta Energy Marketing (U.S.), Inc.

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. ORDER

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 48 individual members to export electricity to BC Hydro, or other 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.

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

Issued in Washington, D.C., on November 13, 1998.

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