UNITED STATES DEPARTMENT OF ENERGY

Office of Fossil Energy Washington, D.C.

FE Docket No. EA-98-G

Arizona Public Service Company

Aquila Power Corporation

Avista Energy, Inc.

British Columbia Power Exchange Corp.

Candela Energy Corporation

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-G

September 27, 2000

WESTERN SYSTEMS POWER POOL

ORDER NO. EA-98-G

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 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 for a period of five years. On July 12, 1996, WSPP, on behalf of its member companies, applied to add ten 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 renewing the Applicants' authorization for a five-year period (the term of Order EA-98-C expires on September 5, 2001) and adding ten companies to the list of authorized exporters. On March 24, 1997, in Docket EA-98-D, DOE amended the authorization to remove six 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 eight new members. On September 11, 1998, as amended September 28, 1998, WSPP, on behalf of the applicants, applied to add five additional member companies to the list of authorized electricity exporters and to request that the names of seven current authorized exporters be changed in the amended order issued in Docket EA-98-F.

In an application dated August 3, 2000, in Docket EA-98-G, WSPP requested DOE to amend the export authorization by adding one new member company to the list of authorized electricity exporters. The new member is Candela Energy Corporation (Candela).

Notice of the application in FE Docket EA-98-G appeared in the *Federal Register* on August 18, 2000, (65 FR 50509) requesting that comments, protests, and petitions to intervene be submitted to DOE by September 5, 2000. None were received.

II. FINDING and DECISION

The circumstances described in the application to add Candela 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 dated 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. 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 individual members to export electricity to BC Hydro, or to other future Canadian members of the WSPP, under the terms and conditions of WSPP's pooling agreement and service schedules approved by FERC:

Arizona Public Service Company

Aquila Power Corporation

Avista Energy, Inc.

British Columbia Power Exchange Corp.

Candela Energy Corporation

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.

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

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.

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

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

Issued in Washington, D.C., on September 27, 2000.

Anthony J. Como Deputy Director, Electric Power Regulation Office of Coal & Power Im/Ex Office of Coal & Power Systems Office of Fossil Energy