

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

In the Matter of:

Coral Power, L.L.C.

)

Docket No. EA-212- C

**APPLICATION OF CORAL POWER, L.L.C.
TO RENEW AUTHORIZATION TO
TRANSMIT ELECTRIC ENERGY TO MEXICO
AND REQUEST FOR EXPEDITED TREATMENT**

Coral Power, L.L.C. ("Coral" or "Applicant"), 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 to renew its authorization to transmit electric energy from the United States to Mexico. Coral also requests that its authorization be renewed for a five-year period and Coral seeks expedited treatment of its Application. In support of this Application, Coral respectfully states as follows:

**I.
DESCRIPTION OF APPLICANT**

The full, legal name of the Applicant is Coral Power, L.L.C. The Applicant is a limited liability company organized in the State of Delaware with its executive offices and principal place of business in Houston, Texas. Coral Power is a wholly-owned subsidiary of Coral Energy Holding, L.P. ("Coral Holding") which is a wholly-owned indirect subsidiary of Shell Oil Company ("Shell"). Shell is a wholly-owned indirect subsidiary of Royal Dutch Shell plc, which is a public limited company incorporated in England and Wales with its principal place of business in The Hague, The Netherlands. Coral is in the business of buying and selling electricity pursuant to a rate schedule on

file with the Federal Energy Regulation Commission. The Applicant does not own or control any electric generating or transmission facilities, nor does the Applicant have a franchised service area.

Coral previously was granted authorization to export electric energy to Mexico using existing transmission facilities located at the United States border with Mexico, in FE Docket No. EA-212-B. This authorization will expire August 26, 2007 and Coral seeks expedited treatment of this Application so that its authorization will not lapse.

II. **COMMUNICATIONS**

Communications regarding this application should be addressed to the following:

Robert Reilley
Vice President, Regulatory Affairs
Coral Power, L.L.C.
909 Fannin, Plaza Level One
Houston, TX 77010
(713) 767-5632 (voice)
(713) 230-2901 (fax)
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Jane Barnett
Regulatory Analyst
Coral Power, L.L.C.
909 Fannin, Plaza Level One
Houston, TX 77010
(713) 767-5412 (voice)
(713) 265-5412 (fax)
jane.barnett@shell.com

III. **JURISDICTION**

No other known federal, state or local government has jurisdiction over the actions to be taken under the authority sought in this application.

IV. **TECHNICAL DISCUSSION OF PROPOSAL**

Applicant herein seeks to renew its existing authorization to transmit electric power to Mexico as a power marketer.¹ Coral has no "system" of its own on which its exports of power could

¹As used herein, "power marketer" means an entity that buys and sells electric power for its own account.

have a reliability or stability impact. The electric power that Coral will export, on either a firm or interruptible basis, will be surplus to the system. Coral will purchase the power to be exported from electric utilities, qualifying facilities, and federal power marketing agencies as those terms are defined in sections 3 (22), (17), (18), and (19) of the FPA.

Coral proposes to export electric power through the transmission facilities at the Mexican border with the United States, as set forth on Exhibit C. The Presidential Permits under which the relevant border facilities were constructed and are maintained, and details related thereto, are also set forth on Exhibit C hereto.

V. PROCEDURES

The instant application is consistent with the North America Free Trade Agreement (1993) and the energy policy with the United States to foster a more efficient and competitive North American energy market.

In the instant request, Coral seeks authority for export transactions through specified border facilities. Coral anticipates that it will begin to use the authorization upon its effective date to continue to make periodic, low volume sales, to serve the auxiliary load of a generation facility in Mexico. These sales of electric energy are made over transmission facilities controlled by the plant operator, and owned by Baja California Power, Inc. (Presidential Permit PP-234). In the future, Coral may make exports over other transmission facilities listed on Exhibit C. Coral will comply with all applicable NERC guidelines in all transactions pursuant to this export authorization.

Coral proposes that it file quarterly reports stating for each border point utilized the quantities of power exported and the gross revenues received.

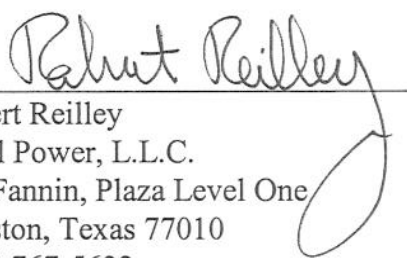
VI.
EXHIBITS

The following Exhibits are attached hereto:

- | | | |
|------------------|---|---|
| <u>Exhibit A</u> | - | (Not applicable). |
| <u>Exhibit B</u> | - | Legal Opinion of Coral's counsel. |
| <u>Exhibit C</u> | - | Identification and description of transmission facilities to be used. |
| <u>Exhibit D</u> | - | (Not applicable.) |
| <u>Exhibit E</u> | - | (Not applicable.) |
| <u>Exhibit F</u> | - | (Not applicable.) |

Respectfully submitted,

Coral Power, L.L.C.

By 
Robert Reilley
Coral Power, L.L.C.
909 Fannin, Plaza Level One
Houston, Texas 77010
(713) 767-5632

May 30, 2007
#160838

EXHIBIT A
(NOT APPLICABLE)

EXHIBIT B
OPINION OF COUNSEL

May 30, 2007

Mr. Anthony J. Como
Director, Permitting and Siting
Office of Electricity Delivery and Energy Reliability
Mail Code: OE-20
U.S. Department of Energy
1000 Independence Avenue SW
Washington, D.C. 20585-0350

Re: Application of Coral Power, L.L.C. to Renew Authorization to Transmit Electric
Energy to Mexico, Docket No. EA-212-_____

Dear Mr. Como:

Coral Power, L.L.C. (the "Company") is the Applicant in the above-referenced proceeding. As special counsel to the Company for the purpose of providing this letter, we have reviewed the Certificate of Formation of the Company dated as of October 31, 1995 (as amended by that certain Amendment to the Certificate of Formation dated as of May 20, 1997), the Limited Liability Company Agreement (the "Agreement") of the Company dated as of October 30, 1995 (as amended by that certain First Amendment to the Agreement dated as of January 1, 1997, as further amended by that certain Second Amendment to the Agreement dated as of January 1, 1998 and as further amended by that certain Third Amendment to the Agreement dated as of September 30, 2002), the Certificate of Officer attached hereto as Annex I and such other documents as we have deemed necessary in order to advise you that, as of the date hereof:

- (1) The proposed export of electric energy by the Company to Mexico is within the limited liability company powers of the Company; and
- (2) The Company has complied with or will comply with, in each case to the best of our knowledge based solely on the Certificate of Officer attached hereto as Annex I, all pertinent federal and state laws regarding the matters contemplated in the referenced application.

Very truly yours,



Bracewell & Giuliani LLP

CERTIFICATE OF OFFICER

This Certificate of Officer dated as of May 30, 2007 (this "Certificate"), is made by the undersigned officer of Coral Power, L.L.C., a Delaware limited liability company (the "Company"), to Bracewell & Giuliani LLP who are relying on the truth and accuracy of the statements contained herein for the purposes of the opinion to be provided by Bracewell & Giuliani LLP (the "Opinion") in connection with the Application of the Company to Renew Authorization to Transmit Electric Energy to Mexico (Docket No. EA-212-_____) dated as of May 30, 2007 (the "Application").

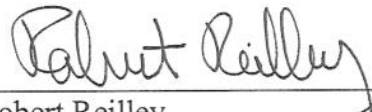
The undersigned hereby certifies that he is familiar with the facts herein certified and is duly authorized to certify the same. The undersigned hereby certifies to Bracewell & Giuliani LLP the following:

1. I am the Vice President, Regulatory Affairs of Coral Power, L.L.C., and I have reviewed the Application of the Company, including the Opinion of Bracewell & Giuliani LLP.
2. I have knowledge of the matters set forth in the Application.
3. The Company has complied or will comply with all pertinent federal and state laws regarding the matters contemplated in the referenced Application.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the date first above written.

CORAL POWER, L.L.C.

By: _____


Robert Reilley
Vice President, Regulatory Affairs

**UNITED STATES INTERCONNECTIONS
WITH MEXICO**

| Owner | Location | Voltage | Presidential Permit No. |
|----------------------------------|---------------------|------------------|------------------------------------|
| AEP Texas Central Company | Laredo, TX | 138 kV 230 kV | PP-317 PP-317 |
| Baja California Power, Inc. | Imperial Valley, CA | 230 KV | PP-234 |
| Central Power & Light Company | Brownsville, TX | 138 kV 69 kV | PP-94 |
| | Eagle Pass, TX | 138 kV | PP219 |
| Comision Federal de Electricidad | Falcon Dam, TX | 138 kV | None |
| El Paso Electric Company | Diablo, NM | 115 kV | PP092 |
| | Azcarate, TX | 115 kV | PP-48 |
| San Diego Gas & Electric | Miguel, CA | 230 kV | PP-68 |
| | Imperial Valley, CA | 230 kV | PP-79 |
| Sharyland Utilities, Inc. | McAllen, TX | 138 kV | PP-285 |

EXHIBIT D
(NOT APPLICABLE)

EXHIBIT E
(NOT APPLICABLE)

EXHIBIT F
(NOT APPLICABLE)