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APR 03 2012

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April 3, 2012

Mr. Christopher Lawrence
Office of Electricity Delivery and Energy Reliability
OE-20, Room 8G-024
1000 Independence Avenue, S.W.
Washington, DC 20585

**Re: Application of Citigroup Energy Canada ULC for Renewal of
Authorization to Transmit Electricity to Canada, FE Docket No. EA-
326-A**

Dear Mr. Lawrence:

Enclosed for filing are an original and two conformed copies of the Application of Citigroup Energy Canada ULC for Renewal of Authorization to Transmit Electricity to Canada (Application). Please date stamp and return the two additional copies of the Application with the enclosed postage-prepaid envelope.

In accordance with 10 C.F.R. § 205.309 (2012), please find enclosed a check payable to the Treasurer of the United States for the amount of \$500. A copy of the Application has been served upon the Secretary of the Federal Energy Regulatory Commission.

Sincerely,



Vincenzo Franco
Counsel for Citigroup Energy Canada ULC

Enclosures

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

Citigroup Energy Canada ULC (Applicant) FE Docket No. EA-362-A

**APPLICATION OF CITIGROUP ENERGY CANADA ULC FOR RENEWAL OF
AUTHORIZATION TO EXPORT ELECTRICITY TO CANADA**

Pursuant to section 202(e) of the Federal Power Act (FPA), 16 U.S.C. § 824a(e) (2006), and the Department of Energy's (DOE) regulations contained in 10 C.F.R. § 205.300, *et seq.* (2012), Citigroup Energy Canada ULC (CECU or Applicant) hereby files its Application for Renewal (Application) of its current blanket authorization to export electricity from the United States to Canada for a term of ten years, effective from the date of the order granting this Application.

I. BACKGROUND

On March 28, 2007, CECU applied for authorization to export electricity from the United States to Canada as a power marketer. On May 17, 2007, DOE issued an order authorizing CECU to export electricity to Canada for a period of five years from the date of issuance of that order.¹

II. APPLICATION FOR RENEWAL

CECU respectfully requests expedited review of this Application and further requests that renewal of CECU's export authorization be effective no later than the expiration date of the current authorization in order to avoid any lapse in authority to

¹ Order Authorizing Electricity Exports to Canada, FE Docket No. EA-326 (May 17, 2007) (Export Authorization Order).

export electricity to Canada. As noted above, CECU seeks to extend its authorization to export electricity to Canada for a ten-year period.

A. Description of CECU

The legal name of Applicant is Citigroup Energy Canada ULC. CECU is an Alberta, Canada corporation that operates as a gas marketer in Canada, and is authorized by the Federal Energy Regulatory Commission (FERC) to make wholesale sales of energy, capacity, and ancillary services in the United States at market-based rates.² CECU does not own or operate any electric facilities. CECU is an indirect, wholly-owned subsidiary of Citigroup Inc. (Citigroup). Citigroup is a global financial services company that provides a broad range of financial products and services.

CECU is affiliated with a power marketer, Citigroup Energy Inc. (CEI). CEI is a Delaware corporation with its principal place of business in Houston, Texas. CEI is a power and gas marketer and is authorized by the Commission to make wholesale sales of energy, capacity, and ancillary services at market-based rates.³ CEI does not own or operate any electric facilities. CEI is a direct, wholly-owned subsidiary of Citigroup.

Neither Citigroup nor any of its affiliates owns or controls interests in transmission or distribution facilities in the United States, except for the limited equipment necessary to interconnect a generating facility to the transmission grid.

² Citigroup Energy Canada ULC, Letter Order, FERC Docket No. ER07-589-000 (Mar. 30, 2007).

³ Citigroup Energy Inc., Letter Order, FERC Docket Nos. ER04-208-000, et al. (Jan. 7, 2004).

B. Communications

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C. State of Incorporation

CECU is an Alberta, Canada unlimited liability corporation with its principal place of business in Calgary, Alberta. CECU is registered to do business in Canada in the province of Alberta.

D. Jurisdiction

Pursuant to section 202(e) of the FPA, DOE has jurisdiction over the action to be taken in this Application. CECU does not know of any other federal, state, or local government that has jurisdiction over the action to be taken in this Application.

E. Description of Transmission Facilities

CECU seeks to renew its existing authority to transmit electricity to Canada as a power marketer over existing cross-border facilities, as well as any additional future facilities that are appropriate for third-party use. CECU has and will continue to comply with the terms and conditions contained in the Presidential Permits and export authorizations issued for those cross-border facilities as well as other export limitations that DOE may deem appropriate for those facilities.

F. Technical Discussion

CECU seeks to renew its existing authority to transmit electricity as a power marketer over existing cross-border facilities, as well as any additional future facilities that are appropriate for third-party use. As noted above, CECU does not currently own or control electric generation or transmission facilities in any wholesale market in interstate commerce or have a power supply system of its own on which its exports of electricity could have a reliability, fuel use, or system stability impact. CECU has and will continue to purchase the electricity to be exported from electric utilities and federal power marketing agencies pursuant to voluntary agreements. By definition, such electricity is surplus to the system of the generator; thus, the electricity that CECU has and will continue to export on either a firm or interruptible basis has and will not impair the sufficiency of the electricity supply within the United States.⁴ Moreover, CECU's exports of electricity to Canada has and will not impede or tend to impede the regional coordination of electric utility planning or operations.

CECU has and will continue to make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effect any electricity exports. All of the electricity exported by CECU has and will continue to be transmitted pursuant to arrangements with utilities that own or operate existing transmission facilities and will be consistent with the export limitations and other terms and conditions contained in the existing Presidential Permits and electricity export authorizations associated with those facilities. CECU has and will continue to comply with the terms and conditions contained in the authorizations issued for these cross-

⁴ Export Authorization Order at p. 2.

border facilities as well as any other export limitations that DOE may deem appropriate, consistent with DOE's orders authorizing exports of electricity power marketers.⁵

CECU has and will continue to schedule each transaction with the appropriate balancing authority in compliance with the reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation (NERC) and its Regional Entities. CECU has and will continue to obtain all necessary transmission access for its exports over existing transmission facilities, as well as any additional future facilities that are appropriate for third-party use, and has and will continue to comply with all applicable statutes and implementing rules, regulations, and orders of DOE and FERC. The controls inherent in any transaction that complies with NERC requirements and DOE export limits on existing transmission facilities, and any additional future facilities that are appropriate for third-party use, are sufficient to ensure that exports by CECU do not, and will continue not to, impede the coordinated use of transmission facilities within the meaning of section 202(e) of the FPA.

As noted in the order issued in FE Docket No. EA-102,⁶ DOE may utilize the reliability analyses performed in other export authorization proceedings for existing transmission facilities in order to make the findings required for a renewal of export authority to CECU. Because the exports have and will continue to take place over existing international transmission lines, CECU submits that the requested renewal of

⁵ See e.g. Enron Power Marketing, Inc., FE Docket No. EA-102 (Feb. 6, 1996) (authorization to export to Mexico); Destec Power Services, Inc., FE Docket No. EA-113 (May 31, 1996) (same); ProMark Energy, Inc., FE Docket No. EA-155 (Jan. 23, 1998) (authorization to export to Canada).

⁶ Enron Power Marketing Inc., FE Docket No. EA-102 (Feb. 6, 1996).

authorization does not require the preparation of an environmental impact statement or an environmental assessment pursuant to the National Environmental Policy Act of 1969.

G. Procedures

This Application is consistent with the North American Free Trade Agreement and United States energy policy, and will foster development of a more efficient and competitive North American energy market. CECU requests the renewal of authority for export transactions through specified border facilities even though specific transactions may or may not yet have been negotiated. DOE has granted export authority to similarly situated power marketers, and CECU agrees to abide by the general conditions set forth in such orders.⁷

III. EXHIBITS

In accordance with 10 C.F.R. § 205.303, the following exhibits are attached hereto and made part hereof:

Exhibit A Agreements

Not Applicable.

Exhibit B Legal Opinion

Please see Exhibit B of the Application of Citigroup Energy Canada ULC for Authorization to Transmit Electric Energy to Canada filed in FE Docket No. EA-326 (March 28, 2007).

Exhibit C Transmission Facilities

CECU will use existing and future DOE-approved transmission facilities available for transmission by third parties over the United States-Canada border.

⁷ See, e.g., Coral Power, LLC, FE Docket No. EA-212 (Aug. 26, 2002).

Exhibit D Non-U.S. Applicant's Power of Attorney

Please see Exhibit D of the Application of Citigroup Energy Canada ULC for Authorization to Transmit Electric Energy to Canada filed in FE Docket No. EA-326 (March 28, 2007).

Exhibit E Statement of Any Corporate Relationship or Existing Contract Which in Any Way Relates to the Control or Fixing of Electric Power Rates

Not Applicable.

Exhibit F Operating Procedures

Not Applicable.

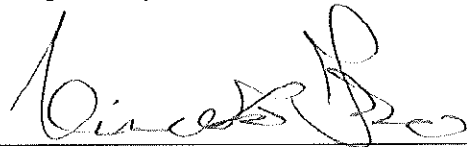
Pursuant to 10 C.F.R. § 205.309, a copy of this Application is being provided to:

Federal Energy Regulatory Commission
Office of the Secretary
888 First Street, N.E.
Washington, DC 20426

IV. CONCLUSION

In consideration of the foregoing, CECU requests that this Application for renewal of its for blanket authorization to export electricity from the United States to Canada be expeditiously considered and approved for a term of ten years, effective from the date of the order granting this Application.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Vincenzo Franco", written over a horizontal line.

Vincenzo Franco

Counsel for Citigroup Energy Canada ULC

Dated: April 3, 2012