

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

Bruce Power Inc.

)

Docket No. EA-349-A

**APPLICATION OF BRUCE POWER INC. 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) (2012), and the Department of Energy's (DOE) regulations contained in 10 C.F.R. § 205.300, *et seq.* (2013), Bruce Power Inc. (Applicant) hereby files its Application for Renewal (Renewal Application) of its authorization to export electricity from the United States to Canada for a term of ten years, effective April 22, 2014, the date of expiration of Applicant's current authorization.

I. COMMUNICATIONS

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II. BACKGROUND

On February 3, 2009, Applicant applied for authorization to export electricity from the United States to Canada as a power marketer. On April 22, 2009, the DOE issued an order authorizing Applicant to export electricity into Canada for a period of five years from the date of issuance of that order.¹ Applicant's current authorization expires on April 22, 2014.

III. APPLICATION FOR RENEWAL

A. Request for Expedited Treatment and Effective Date

Applicant respectfully requests expedited review of this Renewal Application and issuance of an order granting the application in 60 days. Applicant further requests that renewal of its export authorization be effective on April 22, 2014, in order to avoid any lapse in Applicant's authority to export electricity to Canada. As noted above, Applicant seeks to extend its authorization to export electricity to Canada for a ten-year period.

B. Description of Applicant

The legal name of Applicant is Bruce Power Inc. Applicant is an Ontario, Canada corporation with its principal place of business in Tiverton, Ontario. Applicant operates as a power marketer in Canada and is authorized by the Federal Energy Regulatory Commission (FERC) to sell energy and capacity in the United States.² Further, Applicant is the licensed operator of the Bruce A and Bruce B nuclear generating stations, located on Lake Huron, approximately 250 kilometers northwest of Toronto. Applicant does not

¹ *Order Authorizing Electricity Exports to Canada*, Order No. EA-349 (Apr. 22, 2009) (Export Authorization Order).

² *Bruce Power Inc.*, Letter Order, Docket No. ER07-907-000 (June 29, 2007) (granting market-based rate authority); *Meadow Lake Wind Farm III LLC*, Letter Order, Docket Nos. ER10-2411-000, *et al.* (accepting for filing eTariff baseline compliance filing).

own or control any electric generation, transmission, or distribution facilities in the United States. The shares of Applicant are currently held equally by each of Cameco Corporation (Cameco), BPC Generation Infrastructure Trust (BPC), and TransCanada Energy Management Inc. (TEMI). On February 7, 2014, Applicant filed FERC in Docket No. EC14-57-000 an application pursuant to section 203 of the FPA seeking authorization for the disposition of jurisdictional facilities resulting from Cameco's transfer of all of its equity interests in Bruce Power to BPC. Upon completion of the proposed transaction, BPC's equity interest in Bruce Power will increase to approximately 66%, but BPC will hold only approximately 30% of the voting shares of Bruce Power and TEMI will hold all the remaining voting shares in Bruce Power.

Cameco is a producer of uranium as well as a supplier of conversion services, and has its principal office in Saskatoon, Saskatchewan. Cameco's uranium products are used to generate electricity in nuclear power plants around the world, including Ontario. Cameco also explores for uranium in North America and Australia.

BPC is an investment entity of OMERS Administration Corporation (OMERS). OMERS administers one of Canada's largest pension funds. It is a statutory corporation without share capital established to administer the Ontario Municipal Employees Retirement System primary pension plan (OMERS Plan). OMERS manages a diversified global portfolio of stocks and bonds as well as real estate, infrastructure, and private equity investments on behalf of the OMERS Plan.

TEMI is a wholly owned subsidiary of TransCanada PipeLines Ltd. (TCPL), a leading North American energy infrastructure company, which focuses on natural gas

transmission and power generation throughout Canada and the United States. TCPL is a wholly owned subsidiary of TransCanada Corporation (TransCanada).

TransCanada is a diversified energy company doing business in Canada and the United States. Common shares of TransCanada are traded on the Toronto and New York stock exchanges. Through its principal subsidiaries (TCPL, Nova Gas Transmission Ltd., and TransCanada PipeLine USA Ltd.), TransCanada transports natural gas through interstate pipelines in Canada and parts of the United States.

C. State of Incorporation

Applicant is an Ontario, Canada corporation with its principal place of business in Tiverton, Ontario. In the United States, Applicant operates in the following markets: New York Independent System Operator, Inc.; PJM Interconnection, L.L.C.; Midcontinent Independent System Operator, Inc.

D. Jurisdiction

Pursuant to section 202(e) of the FPA,³ DOE has jurisdiction over the action to be taken in this Renewal Application. Applicant does not know any other federal, state, or local government that has jurisdiction over the action to be taken in this Renewal Application.

E. Description of Transmission Facilities

Applicant 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. Exhibit C to this Renewal Application provides a description of these transmission facilities and their Presidential Permits

³ 16 U.S.C. 824a(e).

numbers. Applicant will use all existing and future DOE-approved transmission facilities available over the United States-Canada border. Applicant has and will continue to comply with the terms and conditions contained in the export authorizations issued for those cross-border facilities as well as other export limitations that the DOE may deem appropriate for those facilities.

F. Technical Discussion

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

Applicant 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 power exports. All of the electricity exported by Applicant has and will continue to be

⁴ Export Authorization Order at p. 2.

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. Applicant has and will continue to comply with the terms and conditions contained in the authorizations issued for these cross-border facilities as well as any other export limitations that DOE may deem appropriate, consistent with DOE's orders authorizing exports of electric energy by power marketers.⁵

Applicant 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. Applicant has and will continue to obtain all necessary transmission access for its exports over the existing facilities in Exhibit C,⁶ 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 the transmission facilities in Exhibit C, and any additional future facilities that are appropriate for third-party use, are sufficient to ensure that exports by Applicant has and

⁵ See e.g. *Shell Energy N. Am. (U.S.), L.P.*, Order No. EA-339-A (May 9, 2013); *RBC Energy Servs. LP*, Order No. EA-328-A (Sept. 28, 2012); *TransCanada Power Mktg. Ltd.*, Order No. EA-262-C (Apr. 8, 2011); *H.Q. Energy Servs. (U.S.) Inc.*, Order No. EA-182-C (July 19, 2010); *Powerex Corp.*, Order No. EA-171-B (Nov. 18, 2005); *Duke Energy Trading & Mktg., L.L.C.*, Order No. EA-163-A (Feb. 16, 2000) (granting power marketers authorization to export to Canada).

⁶ The location, voltage, owner, and the Presidential Permits under which the relevant border transmission facilities were constructed and are maintained are also set forth in Exhibit C.

will continue to not impede the coordinated use of transmission facilities within the meaning of section 202(e) of the FPA.

As noted in Order No. EA-102,⁷ DOE may utilize the reliability analyses performed in other export authorization proceedings for existing transmission facilities listed in Exhibit C in order to make the findings required for a renewal of export authority to Applicant. Because the exports have and will continue to take place over existing international transmission lines, Applicants submits that the requested renewal of 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 Renewal 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. Applicant 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 Applicant agrees to abide by the general conditions set forth in such orders.⁸

IV. EXHIBITS

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

Exhibit A Agreements

⁷ *TransCanada Power Mktg. Ltd.*, Application for Renewal of TransCanada Power Marketing Ltd's Authorization to Transmit Electric Energy to Canada at p. 3 (Dec. 7, 2010) (citing *Enron Power Mktg., Inc.*, Order No. EA-102 (Feb. 6, 1996)).

⁸ See, e.g., *Coral Power, LLC*, FE Docket No. EA-212-B (Aug. 26, 2002).

Not Applicable.

Exhibit B Legal Opinion

Please see Exhibit B of the Application of Bruce Power Inc. for Authorization to Export Electric Energy to Canada filed in Docket No. EA-349 (February 2, 2009).

Exhibit C Transmission Facilities

Applicant will use all existing and future DOE-approved transmission facilities available over the United States-Canada border. Existing transmission facilities are identified in Exhibit C.

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

Please see Exhibit D of the Application of Bruce Power Inc. for Authorization to Export Electric Energy to Canada filed in Docket No. EA-349 (February 2, 2009).

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

V. CONCLUSION

In consideration of the foregoing, Applicant requests that this Renewal Application be expeditiously considered in 60 days and approved for a term of ten years, effective from April 22, 2014.

Respectfully submitted,

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

Vincenzo Franco

Attorney for Bruce Power, Inc.

Dated: February 18, 2014

EXHIBIT C

November 4, 2010

**Transmission Lines
at the U.S. – Canada Border
Authorized for Third-Party Use**

<u>Present Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No.</u> ¹
Bangor Hydro-Electric Company	Baileyville, ME	345-kV	PP-89
Basin Electric Power Cooperative	Tioga, ND	230-kV	PP-64
Bonneville Power Administration	Blaine, WA	2-500-kV	PP-10
	Nelway, WA	230-kV	PP-36
	Nelway, WA	230-kV	PP-46
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
International Transmission Company	Detroit, MI	230-kV	PP-230
	Marysville, MI	230-kV	PP-230
	St. Claire, MI	230-kV	PP-230
	St. Claire, MI	345-kV	PP-230
Joint Owners of the Highgate Project	Highgate, VT	120-kV	PP-82
Long Sault, Inc.	Massena, NY	2-115-kV	PP-24
Maine Electric Power Company	Houlton, ME	345-kV	PP-43
Maine Public Service Company	Limestone, ME	69-kV	PP-12
	Fort Fairfield, ME	69-kV	PP-12
	Madawaska, ME	138-kV	PP-29
	Aroostook, ME	2-69-kV	PP-29
Minnesota Power, Inc.	International Falls, MN	115-kV	PP-78
Minnkota Power Cooperative	Roseau County, MN	230-kV	PP-61
Montana Alberta Tie Ltd.	Cut Bank, MT	230-kV	PP-305 ²

¹ These Presidential permit numbers refer to the generic DOE permit number and are intended to include any subsequent amendments to the permit authorizing the facility.

² These transmission facilities have been authorized but not yet constructed or placed in operation.

Exhibit C

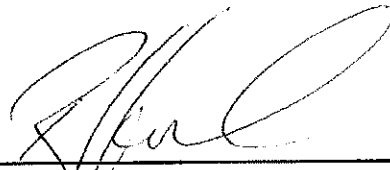
New York Power Authority	Massena, NY	765-kV	PP-56
	Massena, NY	2-230-kV	PP-25
	Niagara Falls, NY	2-345-kV	PP-74
	Devils Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devils Hole, NY	230-kV	PP-190
Northern States Power Company	Red River, ND	230-kV	PP-45
	Roseau County, MN	500-kV	PP-63
	Rugby, ND	230-kV	PP-231
Sea Breeze Olympic Converter LP	Port Angeles, WA	±450-kV DC	PP-299 ³
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76

³ These transmission facilities have been authorized but not yet constructed or placed in operation.

VERIFICATION

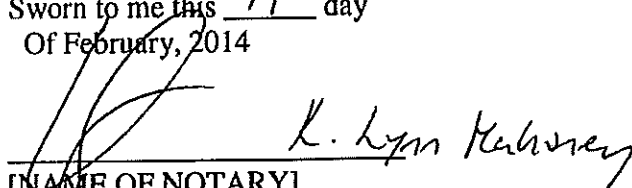
PROVINCE OF ONTARIO)
)
MUNICIPALITY OF KINCARDINE) **SS:**

Richard Horrobin, being duly sworn, states that he is the Vice President, Commercial Services of Bruce Power Inc., that he is authorized to execute this Verification, that he has read the above and foregoing document and is familiar with the contents thereof, and that all allegations of fact therein contained are true and correct to the best of his knowledge and belief.



Richard Horrobin
Vice President, Commercial Services
Bruce Power Inc.

Sworn to me this 14th day
Of February, 2014



[NAME OF NOTARY]
Notary Public



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US Department of Energy

FEB 18 2014

**Electricity Delivery and
Energy Reliability**

February 18, 2014

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

**Re: Application of Bruce Power Inc. for Renewal of Authorization to
Export Electricity to Canada, Docket No. EA-349-A**

Dear Mr. Lawrence:

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

In accordance with 10 C.F.R. § 205.309 (2013), please find enclosed a check payable to the Treasurer of the United States for the amount of \$500. A copy of the Renewal Application has been served upon the Secretary of the Federal Energy Regulatory Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Vincenzo Franco".

Vincenzo Franco
Attorney for Bruce Power Inc.

Enclosures