

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY

JUL 24 2009

OFFICE OF ELECTRIC DELIVERY AND ENERGY RELIABILITY
Electricity Delivery and Energy Reliability

Iberdrola Renewables, Inc)

Docket No. EA-360

APPLICATION OF
IBERDROLA RENEWABLES, INC.
FOR AUTHORIZATION TO
TRANSMIT ELECTRIC ENERGY TO CANADA

Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. § 205.300, et seq. (2008), Iberdrola Renewables, Inc. ("IRI") hereby requests authorization to transmit electric energy from the United States to Canada for a period of five years, effective from the date of the order granting this Application.

I. DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Iberdrola Renewables, Inc. IRI is an Oregon corporation, with its principal place of business in Portland, Oregon. On Feb. 1, 1999, the Federal Energy Regulatory Commission ("FERC") granted IRI authorization to engage in wholesale sales of electric power in interstate commerce at negotiated (market-based) rates, under IRI's Rate Schedule FERC No. 1¹. IRI is an indirect wholly owned subsidiary of Iberdrola Renovables SA. IRI operates as a power marketer, purchasing electricity and reselling it to wholesale customers. IRI is authorized to sell electric energy and capacity at market based rates.²

¹ Docket No. ER08-912-000

² *PacifiCorp Power Mktg., Inc.*, 74 FERC ¶ 61,139 (1996). See Notices of Succession submitted in Docket Nos. ER03-478-000 (Jan. 31, 2003) and ER08-912-000 (May 2, 2008) reflecting subsequent name changes.

II. COMMUNICATIONS

Communications regarding this application should be addressed to the following:

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III. ORGANIZATION OF THE APPLICANT, AUTHORITY TO DO BUSINESS

IRI is a corporation registered in Oregon, with its principal place of business in Portland, Oregon. IRI is registered to operate in the following states: Alabama, Arizona, California, Colorado, Connecticut, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Dakota, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin and Wyoming. IRI is extra-provincially registered into the provinces of British Columbia, Alberta and Ontario.

IV. JURISDICTION

IRI does not know of any other federal, state or local government agency that has any jurisdiction over the action to be taken in this application.

V. FACILITIES

IRI intends to export wholesale power over existing transmission interconnections between the United States and Canada. Specifically, IRI requests authority to export

wholesale power over any facility determined by Department of Energy (“DOE”) to be appropriate for third-party use.

VI. TECHNICAL DISCUSSION OF PROPOSAL

IRI does not have an obligation to serve native load and therefore the exports proposed by IRI will not impair its ability to meet current and prospective power supply obligations. Further, the proposed exports will not impair or tend to impede the sufficiency of electric supplies in the United States or the regional coordination of electric utility planning or operations. IRI shall comply with all federal and regional reliability requirements.

All of the electricity exported by IRI will 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. IRI will comply with the terms and conditions contained in the authorizations issued for these cross-border facilities as well as any other export limitation that DOE may deem appropriate, consistent with DOE’s orders authorizing exports of electric energy by power marketers. IRI will schedule each transaction with the appropriate balancing authority in compliance with applicable reliability standards and requirements of the North American Electric Reliability Corporation, as approved by FERC.

VII. PROCEDURAL MATTERS

IRI's application is consistent with the North American Free Trade Agreement of 1993 and United States energy policy and will foster more efficient and competitive North American energy markets. IRI is seeking authorization, as a power marketer, to export electricity through existing border facilities although specific transactions have not yet been finalized. DOE has granted export authority to similarly-situated electric power marketers. If required by DOE, IRI is willing to accept general conditions consistent with DOE's previous power marketer export authorizations.

VIII. EXHIBITS

The following exhibits identified in DOE's regulations are attached hereto as follows:

- Exhibit A – Not Applicable
- Exhibit B – Legal Opinion of IRI's counsel
- Exhibit C – Not Applicable
- Exhibit D – Not Applicable
- Exhibit E – Corporate Relationship
- Exhibit F – Not Applicable
- Exhibit G - Verification

To the extent necessary, IRI requests a waiver of the requirement to provide the exhibits that are not applicable to its application, as noted.

IX. CONCLUSION

IRI respectfully requests that DOE review and grant this application in an expeditious manner.

Respectfully submitted,



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Counsel for Iberdrola Renewables, Inc.

Date

EXHIBIT B

Opinion of Legal Counsel

LEGAL OPINION

The following opinion is given in support of the Application of Iberdrola Renewables, Inc. for Authorization to Transmit Electric Energy to Canada, dated 22 July 2009

I am Senior Counsel for IBERDROLA RENEWABLES, Inc. ("IRI"), an Oregon corporation, and, as such, represent IRI in connection with its application for further authorization to transmit electric energy to Canada (the "Application") which is filed with the Department of Energy, Office of Electric Delivery and Energy Reliability contemporaneously with this opinion letter.

In so acting, I have examined, among other things, originals or certified copies of the following:

- A. the Certificate of Incorporation and any amendments thereto, and the By-laws and any amendments thereto, of IRI and resolutions of the Board of Directors of IRI, where appropriate authorizing and approving the transactions contemplated by the Application;
- B. such other documents and records as I have deemed necessary to render this opinion.

Based upon my examination as aforesaid, I am of the opinion that:

1. IRI is a corporation duly organized and validly existing under the laws of the State of Oregon.
2. IRI has the requisite power and authority to execute and deliver the Application and to perform its obligations thereunder in accordance with the conditions and provisions thereof.
3. The execution and delivery by IRI of the Application and the performance by it of its obligations thereunder have been duly authorized by all necessary corporate action and proceedings on the part of IRI and do not (i) violate IRI's Certificate of Incorporation or By-Laws, (ii) violate any order, writ, judgment, injunction, decree or award binding on IRI, or (iii) violate any indenture, instrument or agreement known to me which is binding on IRI.
4. The Application has been duly executed and delivered by IRI.

The above opinions are subject to the limitation that I am qualified to practice law in the States of California, Oregon and Washington only and express no opinion as to the laws of any jurisdiction other than the States of California, Oregon and Washington. I have made no investigation as to, and express no opinion as to (i) any state or federal securities or tax laws, (ii) the creation of any security interest, the perfection or priority of any security interest created by the Application, (iii) laws relating to employee rights or benefits, occupational safety or health, utilities, energy or power generation, antitrust, or (v) the availability of specific performance or injunctive relief or other

equitable or provisional remedies in relation to enforcement of the Application. For purposes of this opinion letter, the “law” means the relevant jurisdiction’s statutes, the judicial and administrative decisions of such jurisdiction and the rules and regulations of the governmental agencies of such jurisdiction, but excludes the statutes and ordinances, administrative decisions and rules and regulations of counties, towns, municipalities and special political subdivisions (whether created or enabled through legislative action at the federal, state or regional level) and judicial decisions to the extent that they deal with any of the foregoing excluded items. In making my examination of any documents, I have assumed that all parties to such documents other than IRI had the requisite power and authority to enter into and to perform all obligations thereunder, and as to such parties (other than IRI), I have also assumed the due authorization by all requisite action and the due execution and delivery of such documents and the validity and binding effect thereof. I have relied as to matters of fact upon statements of officers of IRI and others without any independent investigation or verification thereof.

This opinion is solely for the benefit of the addressees hereof for use in connection with their issuance of the authorization as requested in the Application, and their respective successors, assigns and legal counsel, and may not be relied upon by any other person or for any other purpose without my express written consent. I assume no obligation to supplement this opinion, for any reason, after the date hereof.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Toan-Hao B. Nguyen", with a stylized, cursive script.

Toan-Hao B. Nguyen

Senior Counsel

EXHIBIT E

Corporate Relationship

CORPORATE RELATIONSHIP

IRI is an indirect, wholly owned subsidiary of Iberdrola Renovables, S.A. (“IBR”). Iberdrola S.A. (“Iberdrola”), a Spanish public utility holding company whose shares are publicly traded on the Madrid Stock Exchange, holds 80% interest in IBR. Iberdrola is also the parent of Energy East Corporation which operates as a public utility in the eastern United States.

EXHIBIT G

Verification

VERIFICATION

STATE OF OREGON)
)
COUNTY OF MULTNOMAH)

I, Toan-Hao Nguyen, an Assistant Secretary of Iberdrola Renewables, Inc., am authorized to provide this verification on behalf of Iberdrola Renewables, Inc., have knowledge of the matters set forth in the foregoing Application of Iberdrola Renewables, Inc. for Authorization to Transmit Electric Energy to Canada, and hereby verify that the contents are true and correct to the best of my knowledge, information and belief.

Toan Nguyen
Toan-Hao Nguyen
Assistant Secretary

SIGNED AND SWORN TO before me this 22nd day of July 2009

Jane L. Harding
Notary Public



My commission expires: 6/12/2010