

FEB 18 2015

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

Noble Americas Gas & Power Corporation) Docket No. EA-363- A

APPLICATION OF
NOBLE AMERICAS GAS & POWER CORPORATION
FOR REAUTHORIZATION TO
TRANSMIT ELECTRIC ENERGY TO MEXICO

Pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. §824a(e), and the Department's Rules and Regulations, 10 C.F.R. §§ 205.300, *et seq.* (2014), Noble Americas Gas & Power Corporation ("NAG&P") hereby submits this Application for Renewal of Authorization to Transmit Electricity from the United States to Mexico for a period of five (5) years (or such longer period as may be permitted by the Department). In support of this Application, NAG&P respectfully states as follows:

I. INTRODUCTION

On April 26, 2010, in Order No. EA-363, the United States Department of Energy, Office of Electricity Delivery and Energy Reliability ("Department") authorized NAG&P to export electric energy from the United States to Mexico as a power marketer¹ for a period of five years ending on April 26, 2015. NAG&P requests that it be authorized to export electricity from the United States to Mexico for an additional five-year period, or such longer period as the Department may authorize for similarly situated power marketers.

II. DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Noble Americas Gas & Power Corporation. NAG&P is a Delaware corporation with its principal place of business in Stamford, Connecticut.

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

Currently, NAG&P is authorized to do business in the State of Connecticut. NAG&P is authorized by the Federal Energy Regulatory Commission ("FERC") to make sales of electric power at wholesale in interstate commerce at negotiated (market-based) rates.²

NAG&P is an affiliate of Noble Americas Corp. ("NAC"), which is headquartered in Connecticut, and has offices (directly or through subsidiaries) in Stamford, Connecticut and Calgary, Canada. NAG&P wholly owns Noble Americas Energy Solution LLC ("Noble Solutions"), which is authorized by FERC to engage in the wholesale sale of electricity at market-based rates³ and by the Department to export electricity to Mexico.⁴ NAG&P is not directly affiliated with any other entity that has authority from FERC to engage in the wholesale sale of electricity at market-based rates or from the Department to export electricity. NAG&P is not seeking authorization to export power on behalf of, or in conjunction with, any partners or partnerships.

NAG&P is in the business of participating in the wholesale market for purchases and sales of electric energy, as well as participating in the market for other energy commodities and related financial products. NAG&P does not own or control any electric generation or transmission facilities, nor does it hold a franchise or service territory for the transmission,

² See *Noble Energy Marketing and Trade Corp.*, Docket No. ER10-621-000, Letter Order (Mar. 11, 2010) (granting market-based rate authorization to NAG&P's predecessor in interest); *Noble Americas Gas & Power Corp.*, Docket No. ER10-924-000, Letter Order (Apr. 28, 2010) (accepting a revised market-based rate tariff to reflect the name change of Noble Energy Marketing and Trade Corp. to Noble Americas Gas & Power Corp.).

³ See *Enova Energy, Inc.*, 76 FERC ¶ 61,242 (1996) (granting market-based rate authorization to Noble Solutions' predecessor in interest); *Noble Americas Energy Solution LLC and Noble Americas Gas and Power Corp.*, Docket Nos. ER11-2200-000, *et al.*, Letter Order (Jan. 14, 2011) (accepting a revised market-based rate tariff to reflect the name change of Semptra Energy Solutions LLC to Noble Americas Energy Solutions LLC).

⁴ See *Noble Americas Energy Solution LLC*, "Order Authorizing Electricity Exports to Mexico," Order No. EA-284-D (January 27, 2015).

distribution or sale of electric power. In addition, none of NAG&P's affiliates owns or controls any electric generation or transmission facilities, and none of them holds a franchise or service territory for the transmission, distribution or sale of electric power. NAG&P operates as a power marketer and sells and buys electric power at wholesale and arranges services in related areas such as fuel supplies and transmission services. NAG&P will purchase the power to be exported from wholesale generators, electric utilities, and federal power marketing agencies. NAG&P will have title to any electricity transmitted to Mexico under the authorization sought in this Application. This Application relates to NAG&P as a marketer of electric power only.

III. COMMUNICATIONS

Communications regarding this application should be addressed to the following:

Joseph P. Limone
General Counsel - North America
Noble Americas Corp.
107 Elm Street
Four Stamford Plaza
Stamford, CT 06902
Phone: (203) 363-7536
Facsimile: (203) 316-5177
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IV. JURISDICTION

Pursuant to FPA Section 202(e), the Department has jurisdiction over the action proposed in this Application. No other known federal, state or local government has jurisdiction over the actions to be taken under the authority sought in this Application, except to the extent that NAG&P must comply with applicable FERC requirements in making sales at wholesale. FERC's address is:

Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

V. RENEWAL AUTHORIZATION AND TECHNICAL DISCUSSION

NAG&P hereby applies to continue its authorization to transmit electric power to Mexico as a power marketer over any authorized international transmission facility that is appropriate for open access transmission by third parties in accordance with the export limits authorized by the Department. NAG&P plans to export electric power over authorized transmission interconnections between Mexico and the United States. These sales would be made in foreign commerce at the U.S.-Mexico border. Transmission to the point of delivery will be arranged by NAG&P over any of the existing international electric transmission facilities set out in Attachment 1 (which is a list of the currently authorized electricity export points), and any other international transmission facilities that may be approved by the Department in the future.

NAG&P does not currently own or control electric generation or transmission facilities, and does not have a power supply of its own in the United States on which its exports of power could have a reliability, fuel use or system stability impact. NAG&P will purchase the power to be exported from wholesale generators, electric utilities, and federal power marketing agencies. By definition, such power is surplus to the system of the selling generator. Accordingly, the proposed exports will not impair or tend to impede the sufficiency of the electric power supply within the United States or the regional coordination of electric utility planning or operations. Additionally, as a power marketer that does not own or operate a transmission system, NAG&P does not have the ability to cause a violation of the terms and conditions in the existing authorizations associated with the international transmission facilities identified in Attachment 1. Specifically, NAG&P does not have the ability to cause total exports on Presidential Permit facilities to exceed the authorized instantaneous transmission rate.

NAG&P will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to carry out any power exports. This would include: (1) scheduling each transaction with the appropriate balancing authority area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation and the relevant Regional Entities (collectively, "NERC") in effect at the time of export, and (2) obtaining all necessary transmission access over approved export facilities. NAG&P agrees to abide by the export limits contained in the relevant export authorization of any transmission facilities over which NAG&P exports electric power to Mexico. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by the Department on the international transmission facilities are sufficient to ensure that exports by NAG&P would not impede or tend to impede the coordinated use of transmission facilities within the meaning of FPA Section 202(e).

In previous orders granting export authorizations to electric power marketers, the Department declined to rigidly apply the information filing requirements contained in its regulations and instead used a flexible approach which takes into consideration the unique nature of power marketers, the requirements of FERC Order No. 888 and previously authorized export limits of cross-border facilities.⁵ These same considerations demonstrate that NAG&P's proposed exports will not impair or tend to impede the sufficiency of electric supplies in the

⁵ See, e.g., *NorAm Energy Services, Inc.*, No. EA-105-CN (Aug. 16, 1996); *MidCon Power Services Corp.*, No. EA-114 (July 15, 1996); *USGen Power Services*, No. EA-112 (June 27, 1996); *CNG Power Services Corp.*, No. EA-110 (June 20, 1996); *Destec Power Services, Inc.*, No. EA-113 (May 31, 1996); *North American Energy Conservation, Inc.*, No. EA-103 (May 30, 1996); *NorAm Energy Services, Inc.*, No. EA-105-MX (May 30, 1996); *Morgan Stanley Capital Group Inc.*, No. EA-185-A-CN (Aug. 14, 2000); *Saracen Energy Partners, LP*, No. EA-340 (June 18, 2008).

United States or the regional coordination of electric utility planning or operations. Finally, as noted above, NAG&P previously has been authorized to export electricity to Mexico as a power marketer. This Application simply seeks to renew and continue that authorization.

VI. CONSISTENCY WITH LEGAL REQUIREMENTS

Authorization of the exports proposed by NAG&P 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. NAG&P will conduct all operations pursuant to this Authorization in accordance with the provisions of the FPA and pertinent rules, regulations and orders adopted or issued thereunder, and in conformity with applicable reliability criteria, standards and guidelines of NERC and balancing authority area operator(s), including any applicable regional transmission organizations or independent system operators.

Because the proposed exports will occur over existing transmission facilities, NAG&P respectfully submits that the Application qualifies for a categorical exclusion under the National Environmental Policy Act of 1969, such that neither an Environmental Agreement nor an Environmental Impact Statement is required.

Finally, NAG&P will continue to comply with such requirements as may be imposed by the Department on other power marketers with blanket electricity export authorization, including making periodic reports to the Department regarding exports, as may be applicable or required.

VII. EFFECTIVE DATE

NAG&P respectfully requests that the Department expedite review of the Application and issue the requested authorization by no later than and effective April 26, 2015, which is the date upon which NAG&P's current authorization to export electricity to Mexico expires. The

Department should find that good cause has been shown to grant NAG&P authorization to export power to Mexico effective on such date. Allowing NAG&P to engage in such transactions as of such date will promote economic growth and liquidity of the wholesale electricity markets by permitting NAG&P to continue uninterrupted as a duly authorized market participant. To the extent necessary, NAG&P respectfully requests waiver of the requirement to file this Application six months in advance of the authorization requested herein.

VIII. EXHIBITS

The following exhibits identified in the Department's Regulations are attached hereto as follows:

- Exhibit A – (Not applicable)
- Exhibit B – Legal Opinion of NAG&P's Counsel
- Exhibit C – (Not applicable)
- Exhibit D – (Not applicable)
- Exhibit E – (Not applicable)
- Exhibit F – (Not applicable)
- Exhibit G – Verification

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

IX. CONCLUSION

For the foregoing reasons, NAG&P respectfully requests that the Department review and grant this application in an expeditious manner.

Respectfully submitted,



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Counsel for Noble Americas Gas & Power Corporation

Filed: February 18, 2015

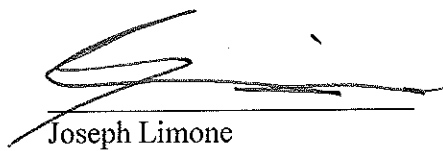
EXHIBIT B

Opinion of Legal Counsel

LEGAL OPINION

The following opinion is given in support of the Application of *Noble Americas Gas & Power Corporation* for Reauthorization to Transmit Electric Energy to Mexico, dated February 18, 2015.

1. I am an attorney at law, authorized to practice law in Connecticut;
2. I am employed as General Counsel - North America to Noble Americas Corp.;
3. Noble Americas Gas & Power Corporation is duly established, validly existing and in good standing under the laws of the State of Connecticut and is authorized to do business in the State of Connecticut;
4. Noble Americas Gas & Power Corporation has full corporate power and authority to buy, sell or act as a marketer/broker in the sale and exportation of electric energy as required in the Application; and
5. Noble Americas Gas & Power Corporation will comply with all pertinent federal and state laws.



Joseph Limone
General Counsel - North America

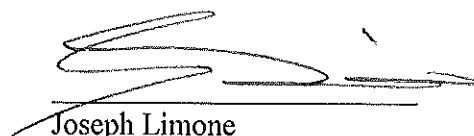
EXHIBIT G

Verification

VERIFICATION

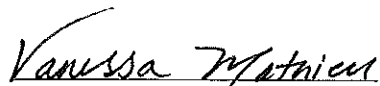
STATE OF CONNECTICUT)
)
COUNTY OF FAIRFIELD)

I, Joseph Limone, General Counsel - North America of Noble Americas Corp., am authorized to provide this verification on behalf of Noble Americas Gas & Power Corporation, have knowledge of the matters set forth in the foregoing Application of Noble Americas Gas & Power Corporation for Reauthorization to Transmit Electric Energy to Mexico, and hereby verify that the contents thereof are true and correct to the best of my knowledge, information and belief.



Joseph Limone
General Counsel - North America

SIGNED AND SWORN TO before me this 13th day of February, 2015.



Notary Public

My commission expires: April 30, 2015



ATTACHMENT 1

Transmission Facilities Located At the U.S. – Mexico Border Authorized for Third-Party Use

<u>Present Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No.</u>
Comision Federal de Electricidad	Falcon Dam, TX	138 kV	N/A
	Redford, TX	7.2 kV	PP-51
	Presidio, TX	13.8 kV	PP-03
Baja California Power, Inc.	Imperial Valley, CA	230 kV	PP-234
Generadora del Desierto -- WAPA	San Luis, AZ	230 kV	PP-304 ⁶
AEP Texas Central Company	Brownsville, TX	138 kV	PP-94
	Brownsville, TX	69 kV	PP-94
	Laredo, TX	138 kV	PP-317
	Laredo, TX	230 kV	PP-317
	Eagle Pass, TX	138 kV	PP-219
El Paso Electric Company	Diablo, NM	115 kV	PP-92
	Ascarate, TX	115 kV	PP-48
San Diego Gas & Electric	Miguel, CA	230 kV	PP-68
	Imperial Valley, CA	230 kV	PP-79
Sharyland Utilities	McAllen, TX	138 kV	PP-285

⁶ These transmission facilities have been authorized but not yet constructed or placed in operation.