# US Department of Energy

JUL 2 4 2015

### UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY Electricity Delivery and OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIAENCY Reliability

EDF Trading North America, LLC ) Docket No. EA-367-A

#### APPLICATION OF EDF TRADING NORTH AMERICA, LLC FOR RENEWAL OF AUTHORIZATION TO EXPORT ELECTRICITY FROM THE UNITED STATES TO CANADA

Pursuant to Section 202(e) of the Federal Power Act ("FPA") (16 U.S.C. § 824a(e)) and the regulations promulgated under 10 C.F.R. §§ 205.300, *et seq.* (2014), EDF Trading North America, LLC ("Applicant") hereby submits and requests this Application for Renewal of Authorization to Transmit Electricity from the United States to Canada ("Application") for a period of five years (or such longer period as may be permitted by the Department). In support of this Application, Applicant respectfully states as follows:

#### I. INTRODUCTION

On June 17, 2010 in Order No. EA-367, the United States Department of Energy, Office of Electricity Delivery and Energy Reliability (the "Department") authorized Applicant to export electric energy from the United States to Canada as a power marketer for a period of five years ending on June 17, 2015.<sup>1</sup> Due to an administrative oversight, Applicant inadvertently overlooked the need to submit an application to renew this authorization. Applicant respectfully requests that the Department renew Applicant's authorization on an expedited basis to export electricity from the United States to Canada for a five-year period, or such longer period as the Department may authorize for similarly situated power marketers.

<sup>&</sup>lt;sup>1</sup> See EDF Trading N. America, LLC, "Order Authorizing Electricity Exports to Canada," Order No. EA-367 (June 17, 2010).

Applicant has not engaged in any electricity export transactions to Canada since its authorization expired on June 17, 2015, and will not engage in any export transactions to Canada until the Department renews its authorization to do so. As noted above, Applicant's failure to submit its renewal application within the required time period was inadvertent. Applicant has taken steps to address its internal procedures to ensure that future reauthorization requests are submitted to the Department in a timely manner.

#### II. DESCRIPTION OF APPLICANT

The exact legal name of the Applicant is EDF Trading North America, LLC. Applicant is a Texas limited liability company with its principal place of business in Houston, Texas. Applicant is a wholly-owned direct subsidiary of EDF Trading Holdings, LLC (f/k/a EDF Trading North America, Inc.), which itself is a wholly-owned indirect subsidiary of Électricité de France, SA. Applicant is engaged in the marketing of electric power at wholesale. Applicant also engages in the physical and financial trading of other energy-related products. Applicant is not seeking authorization to export power on behalf of, or in conjunction with, any partners or partnerships.

Applicant is a power marketer subject to the Federal Energy Regulatory Commission's ("FERC") jurisdiction and was granted authority to sell energy and capacity at wholesale at market-based rates.<sup>2</sup> Subsidiaries and affiliates of Applicant engaged primarily in retail sales of electric energy have also received authorization from FERC to make sales of electric energy and capacity at wholesale. None of Applicant or its subsidiaries owns or controls any electric generation or transmission facilities, or holds a franchise service territory for the transmission, distribution or sale of electric power. Through common upstream ownership, Applicant is

<sup>&</sup>lt;sup>2</sup> See Eagle Energy Partners, Inc., Docket No. ER03-774-000 (June 11, 2003) (unpublished letter order).

affiliated with entities that own or control electric generating facilities and associated interconnection facilities or transmission facilities for which an open access tariff has been filed with FERC. None of Applicant's affiliates holds a franchise or service territory for the transmission, distribution or sale of electric power.

#### **III.** COMMUNICATIONS

Communications regarding this Application should be addressed to the following:

Eric Dennison General Counsel EDF Trading North America, LLC 4700 West Sam Houston Parkway North Suite 250 Houston, TX 77041 Tel:' (281) 653-5811 Fax: (281) 653-1141 eric.dennison@edftrading.com

Kenneth W. Irvin Terence T. Healey Sidley Austin LLP 1501 K Street, N.W. Washington, DC 20005 Tel: (202) 736-8256 Fax: (202) 736-8711 kirvin@sidley.com thealey@sidley.com

#### 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 Applicant 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

Applicant hereby applies to renew its authorization to transmit electric power to Canada 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. EDF plans to export electric power over authorized transmission interconnections between Canada and the United States. Such sales would be made in foreign commerce at the U.S. - Canada border. Transmission to the point of delivery will be arranged by Applicant over any of the existing international electric transmission facilities set out in Attachment 1, and over any international transmission facilities that may be approved by the Department in the future.

Applicant does not 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. Applicant will purchase the electric power to be exported, on a firm or interruptible basis, from electric utilities, federal power marketing agencies, qualifying cogeneration, small power production facilities and exempt wholesale generators (as those terms are defined in the FPA), and other public utilities. Any power purchased by Applicant for export would be surplus to the needs of those entities selling power to Applicant.<sup>3</sup> Accordingly, as required by FPA Section 202(e), the proposed exports will not impair or tend to impede the sufficiency of electric power supplies in the United States or the regional coordination of electric utility planning or operations.<sup>4</sup> Additionally, as a power marketer that does not own or operate a transmission system, Applicant does not have the

<sup>&</sup>lt;sup>3</sup> See Order No. EA-342 (September 4, 2008) (The Royal Bank of Canada) at p. 2.

<sup>&</sup>lt;sup>4</sup> Id. at p. 2.

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, Applicant does not have the ability to cause total exports on Presidential Permit facilities to exceed the authorized instantaneous transmission rate.

Applicant 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. Applicant agrees to abide by the export limits contained in the relevant export authorization of any transmission facilities over which Applicant exports electric power to Canada. 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 Applicant 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 and previously authorized export limits of cross-border facilities.<sup>5</sup>

<sup>&</sup>lt;sup>5</sup> 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); Enron Power

These same considerations demonstrate that Applicant's 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.

#### VI. CONSISTENCY WITH LAWS

Authorization of the exports proposed by Applicant 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 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 the applicable reliability criteria, standards and guidelines of NERC, reliability coordinators, 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, Applicant 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, Applicant 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.

Marketing, Inc., No. EA-102 (Feb. 6, 1996); EDF Trading N. America, No. EA-185-A-CN (Aug. 14, 2000); Saracen Energy Partners, LP, No. EA-340 (June 18, 2008).

#### VII. EXHIBITS AND ATTACHMENTS

Applicant includes the following Exhibits and Attachments with this Application:

Exhibit A	(Not Applicable) – Agreements
Exhibit B	Legal Opinion of Applicant's Counsel
Exhibit C	(Not Applicable) – Map
Exhibit D	(Not Applicable) – Designated Agent
Exhibit E	(Not Applicable) – Corporate Relationship or Existing Contract
Exhibit F	(Not Applicable) – Operating Procedures
Exhibit G	Declaration

To the extent necessary, Applicant requests a waiver of the requirement to provide the exhibits that are not applicable to this Application, as noted.

Finally, the existing international electric transmission facilities authorized for thirdparty use (including Applicant's use pursuant to the authorization sought herein) are set out in Attachment 1 hereto.

#### VIII. CONCLUSION

For the foregoing reasons, Applicant respectfully requests that the Department of Energy grant this Application as requested herein.

Respectfully submitted,

Kenneth W. Irvin

Terence T. Healey Sidley Austin LLP 1501 K Street, N.W. Washington, DC 20005 Tel: (202) 736-8256 Fax: (202) 736-8711 <u>kirvin@sidely.com</u> thealey@sidley.com

Counsel for EDF Trading North America, LLC

Date: July 23, 2015

## Exhibit A

### Agreements

Exhibit B

Legal Opinion

#### **LEGAL OPINION**

United States Department of Energy Office of Electricity Delivery and Energy Reliability Washington, DC

> Re: Application of EDF Trading North America, LLC for Renewal of Authorization to Transmit Electric Energy from the United States to Canada (Docket No. EA-367)

The following is given in support of the Application of EDF Trading North America, LLC for Renewal of Authorization to Transmit Electric Energy from the United States to Canada, dated July 23, 2015.

- (1) I am an attorney at law, authorized to practice law in the State of Texas.
- (2) I am employed as General Counsel of EDF Trading North America, LLC. In this capacity, I provide legal counsel to EDF Trading North America, LLC, which is in good standing under the laws of the State of Texas.
- (3) To the best of my knowledge and belief, EDF Trading North America, LLC, pursuant to a Federal Energy Regulatory Commission authorization granted in Docket No. ER03-774-000, has full power and authority to buy, sell or act as a marketer/broker in the sale and exportation of electric energy as requested in the Application.
- (4) To the best of my knowledge and belief, EDF Trading North America, LLC has complied or will comply with Section 202(e) of the Federal Power Act and all pertinent Federal and state laws relevant to the Application.

Very truly yours, ine: Eric Dennison

Title: General Counsel

### Exhibit C

### Map

### Exhibit D

### **Designated Agent**

### Exhibit E

# Corporate Relationship or Existing Contract

# (Not Applicable)

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# Exhibit F

# **Operating Conditions**

### Exhibit G

### Declaration

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#### DECLARATION

I, Eric Dennison, General Counsel, declare under penalty of perjury that I am duly authorized to verify the foregoing Application on behalf of EDF Trading North America, LLC, and that to the best of my knowledge, information and belief, all of the statements contained in said Application are true and correct.

Eric Dennison

General Counsel EDF Trading North America, LLC

Executed on July  $\frac{23}{2}$ , 2015

#### Attachment 1

### List of Existing International Electric Transmission Facilities

Present Owner	Location Voltage	Voltage	Presidential Permit No. <sup>6</sup>
Bangor Hydro-	Baileyville, ME	345-kV	PP-89
Electric Company			
Basin Electric Power	Tioga, ND	230-kV	PP-64
Cooperative	Distance WA	2 500 1-17	PP-10
Bonneville Power	Blaine, WA	2-500-kV	
Administration	Nelway, WA	230-kV	PP-36
	Nelway, WA	230-kV	PP-46
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
International	Detroit, MI	230-kV	PP-230
Transmission	Marysville,MI	230-kV	PP-230
Company	St. Claire, MI	230-kV	PP-230
	St. Claire, MI	345-kV	PP-230 · · · · · · · ·
Joint Owners of the	Highgate, VT	120-kV	PP-82
Highgate Project			
Long Sault, Inc.	Massena, NY	2-115-kV	PP-24
Maine Electric Power	Houlton; ME	345-kV	PP-43
Company			•
Maine Public Service	Limestone, ME	69-kV	PP-12
Company	Fort Fairfield, ME	69-kV	PP-12
1 4	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	Roseau County, MN	230-kV	PP-61
Cooperative	,,		
Montana Alberta Tie	Cut Bank, MT	230-kV	PP-305
Ltd.			
New York Power	Massena, NY	765-kV	PP-56
Authority	Massena, NY	2-230-kV	PP-25
	Niagara Falls, NY	2-345-kV	PP-74
	Devils Hole, NY	230-kV	PP-30
Niagara Mohawk	Devils Hole, NY	230-kV	PP-190
Power Corp.			
Northern States Power	Red River, ND	230-kV	PP-45
Company	Roseau County, MN	500-kV	PP-63
	Rugby,ND	230-kV	PP-231

<sup>&</sup>lt;sup>6</sup> 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.

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Present Owner	Location Voltage	Voltage	Presidential Permit No. <sup>6</sup>
Sea Breeze Olympic Converter LP	Pott Angeles, W A	±450-kVDC	PP-299
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT Imperial Valley, CA	±450-kV DC 230-kV	PP-76 PP-79

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