US Bepartment of Energy

JUN 4 2012 UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY EMONY FROM THE CTRICITY DELIVERY AND ENERGY RELIABILITY

Dynasty Power Inc.

Docket No. EA- <u>38</u>5

APPLICATION OF DYNASTY POWER, INC. FOR AUTHORIZATION TO TRANSMIT ELECRIC ENERGY TO CANADA

Pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824a(e), and 10 C.F.R. §§ 205.300 *et seq.*, Dynasty Power Inc. ("Dynasty Power") hereby files with the Department of Energy ("DOE" or the "Department") an original and five (5) copies of the instant application ("Application") for blanket authority to transmit electric energy from the United States to Canada. Dynasty Power respectfully requests authorization to transmit electricity from the United States to Canada for a term of five years.

I. DESCRIPTION OF THE APPLICANT

Dynasty Power is incorporated in the Canadian province of Alberta, with its principal place of business in Calgary, Alberta. Dynasty's sole business is to act as a power marketer in the purchase and sale of wholesale electricity, capacity, and ancillary services at market-based rates in Western bilateral markets, as well as in the following Independent System Operators and/or Regional Transmission Organizations: PJM Interconnection, LLC, New York Independent System Operator, Inc., and the Midwest Independent Transmission System Operator, Inc. Dynasty Power has been granted authority by the Federal Energy Regulatory Commission ("FERC") to sell electricity at wholesale market-based rates.¹ Dynasty Power does not currently export power from the United States into Canada.

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¹ FERC has granted Dynasty Power authority to sell energy, capacity, and ancillary services at market-based rates. *See Dynasty Power, Inc.*, Docket No. ER11-3342-000, Letter Order issued May 11, 2011.

Dynasty Power is owned by nine individuals. Mr. Allan Cho is the majority owner, owning 55-60 percent of shares in the company. Mr. Cho does not have any interest in any electric generation, transmission, or distribution facilities, nor does he hold any interest in other companies that participate in, or provide services to, the power industry.

II. COMMUNICATIONS.

Communications regarding this Application should be addressed to the following

persons:

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Dynasty Power, Inc.

Allan Cho President Dynasty Power Inc. 500 715 5th Ave SW Calgary AB T2P2X6 Canada Telephone: (403) 629-8336 Email: <u>acho@dynastypower.ca</u>

Todd McRae Risk Manager Dynasty Power Inc. 500 715 5th Ave SW Calgary AB T2P2X6 Canada Telephone: (403) 617-5207 Email: <u>tmcrae@dynastypower.ca</u>

Troutman Sanders LLP

Bonnie A. Suchman Troutman Sanders LLP 401 9th Street, N.W. Suite 1000 Washington, D.C. 20004 (202) 274-2908 (202) 654-5628 (facsimile) bonnie.suchman@troutmansanders.com

III. JURISDICTION.

Under Section 202(e) of the FPA, 16 U.S.C. § 824a(e), and DOE's regulations, 10 C.F.R.

§ 205.300 et seq., any person seeking to transmit electric energy from the United States to a

foreign country must first secure an order from DOE authorizing the export. No other known

federal, state or local government has jurisdiction over the actions to be taken under the authority set out in this application.

IV. TECHNICAL DISCUSSION OF PROPOSAL.

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Dynasty Power seeks authority to transmit electric energy to Canada. Dynasty Power intends to export power over existing transmission interconnections between the United States and Canada. Exhibit C to this Application provides the location and description of the transmission facilities through which the electric energy may be delivered into Canada, and includes the name of the facility owners as well as the Presidential Permit numbers.

Dynasty Power will purchase surplus electric energy from electric utilities and other suppliers within the United States and will export this energy to Canada over the international electric transmission facilities. The present owners of the transmission facilities are listed in Exhibit C. Because this electric energy will be purchased from others voluntarily, it will be surplus to the needs of the selling entities. Dynasty Power's export of power will not impair the sufficiency of electric power supply in the U.S.

Dynasty Power will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effect any power exports. This will include: (1) scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation ("NERC") and applicable Regional Entities in effect at the time of export; (2) obtaining all necessary transmission access over the existing facilities listed in Exhibit C; and (3) providing evidence of the agreements with transmission owners to DOE.

Consistent with past DOE precedent, Dynasty Power requests that DOE use the reliability analyses performed in the most recent export authorization proceedings that rely upon the border transmission facilities referenced in Exhibit C. Dynasty Power agrees to abide by the export

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limits of these transmission facilities. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by DOE on the referenced transmission facilities are sufficient to ensure that exports by Dynasty Power will not impede or tend to impede the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

V. PROCEDURES

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Dynasty Power is willing to accept all conditions imposed by the Department of Energy on its authorization to export power. In particular, if required by DOE, exports made by Dynasty Power will not exceed the export limits for the transmission facilities utilized by Dynasty Power, or otherwise cause a violation of the terms and conditions set forth in the export authorization. When scheduling the delivery of power, Dynasty Power will comply with the applicable NERC reliability criteria, standards, and guidelines. Dynasty Power will provide DOE with all required reports indicating the gross amount of electricity delivered to Canada, consideration received during each month, and the maximum hourly rate of transmission, as well as any additional annual reports required.

VI. SERVICE AND FEE.

In accordance with the requirements of 10 C.F.R. § 205.309, copies of this application will be provided to the following:

Ms. Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, N.W. Washington, D.C. 20426

A check in the amount of \$500.00 made payable to the Treasurer of the United States is enclosed in payment of the fee specified in 10 C.F.R. § 205.309.

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VI. VERIFICATION.

Verification executed by Applicant's authorized representative, Todd McRae, in accordance with 10 C.F.R. § 205.302(h), is enclosed with this Application.

VII. EXHIBITS.

In accordance with the requirements of 10 C.F.R. § 205.303, the following exhibits are attached hereto:

Exhibit A	Transmission Agreements
Exhibit B	Opinion of Counsel
Exhibit C	International Transmission Facilities (Submitted in lieu of Maps)
Exhibit D	Power of Attorney
Exhibit E	Statement of Any Corporate Relationship or Existing Contract
Exhibit F	Operating Procedures

VIII. CONCLUSION.

WHEREFORE, Dynasty Power respectfully requests that this Application for Authorization to Transmit Electric Energy to Canada be considered and approved for a term of five years, effective from the date of the order granting this Application.

Respectfully Submitted,

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Bonnie A. Suchman, Esq. Troutman Sanders LLP 401 9th Street, N.W., Suite 1000 Washington, D.C. 20004 (202) 274-2908 (202) 654-5628 (facsimile)

Attorney for Dynasty Power, Inc.

Dated: June 14, 2012

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VERIFICATION

I, Todd McRae, Risk Manager of Dynasty Power, having knowledge of the matters set forth in the above Application for Authorization to Transmit Energy to Canada, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

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Todd McRae

SUBSCRIBED AND SWORN before me, a notary public this / ² day of June, 2012.

Notary Public MEGHAN LINDSAY STUDENT-AT-LAW NA. My Commission Expires:

EXHIBIT A -- TRANSMISSION AGREEMENTS

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Currently, Dynasty Power has no transmission reservations or transmission agreements within the United Sates.

EXHIBIT B

Statement of Opinion of Counsel

This opinion is rendered in connection with the Application of Dynasty Power, Inc. for Authorization to Transmit Electric Energy to Canada, dated June 14, 2012, and pursuant to 10 C.F.R. Section 205.303(b).

Based on my understanding and review of Dynasty Power, my knowledge of the corporate powers of Dynasty Power, and my examination of such documents, records and matters of laws as I have considered to be relevant, it is my opinion that:

- 1. The proposed exports of electrical power described in the Application are within the corporate powers of Dynasty Power; and
- Dynasty Power has complied and will comply with all pertinent Federal and State laws.

I am opining herein only as to federal laws of the United States and laws of relevant States within the United States, and I express no opinion as to the laws of any other jurisdiction. I am not assuming any obligation to review or update this opinion should the law or existing facts or circumstances change. This opinion is provided by me as counsel for Dynasty Power solely to you for your exclusive use and is not to be made available to or relied upon by any other person or entity without my prior written consent.

Respectfully Submitted,

Bonnie A. Suchman

Dated: June 14, 2012

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EXHIBIT C

International Transmission Facilities At the U.S.-Canada Authorized for Use by Third-Party Transmitters

Present Owner	Location	Voltage	Presidential
			Permit No
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	230kV	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
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
· · · · · · · · · · · · · · · · · · ·	Devil's Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devil's 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
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76
	Millbury, MA	345-kV	
	Medway, MA	345-kV	

EXHIBIT D

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Power of Attorney with Agent Residing within the United States

IRREVOCABLE LIMITED POWER OF ATTORNEY

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This IRREVOCABLE LIMITED POWER OF ATTORNEY is made this $\underline{12}$ day of June, 2012 by Dynasty Power, Inc. ("the Principal"), a corporation incorporated under the laws of the Province of Alberta, with its principle place of business in Calgary, Alberta.

1. <u>Appointment.</u> The Principal does hereby appoint Bonnie A. Suchman, whose principal place of business is at Troutman Sanders LLP, 401 9th Street, N.W., Suite 1000, Washington, D.C. 20004, as the Principal's true and lawful agent and attorney-in-fact ("Attorney-in-fact") for the limited purpose hereinafter set out.

2. <u>Scope of Authority</u>. The Attorney-in-fact shall have the limited power and authority to receive service of process for any and all matters relating to Principal's reporting requirements to the Department of Energy pursuant to Principal's Authority to Transmit Energy to Canada.

3. <u>Irrevocability</u>. This Power of Attorney is irrevocable by the Principal for the term of the authorization to export electricity to Canada.

IN WITNESS WHEREOF, the Principal has caused this Power of Attorney to be duly executed on the 12 day of June, 2012.

Dynasty Power Inc.

By: allalh

Name: Allan Cho Title: President

This instrument was acknowledged before me on the 12 day of June, 2012 by Allan Cho at Calgary, Alberta.

Notary Public MEGHAN LINDSAY STUDENT-AT-LAW

EXHIBIT E

Statement of Any Corporate Relationship or Existing Contract

Not Applicable.

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EXHIBIT F -- OPERATING PROCEDURES

Not Applicable