

SEP 11 2012

Electricity Delivery and
Energy ReliabilityUNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

Energia Renovable S.C., LLC

)

Docket No. EA- 387APPLICATION OF ENERGIA RENOVABLE S.C., LLC
FOR AUTHORIZATION TO EXPORT ELECTRICITY
FROM THE UNITED STATES TO MEXICO

This Application for Authorization to Export Electricity from the United States to Mexico is filed by Energia Renovable S.C., LLC (Energia Renovable) pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. § 824a(e), and Part 205, Subpart W of the Department of Energy's (Department) regulations, 10 C.F.R. §§ 205.300 through 205.309 (2012). Energia Renovable requests that it be granted blanket authorization to transmit electric energy from the United States into Mexico over the international electric transmission facilities identified in Exhibit C. Energia Renovable requests that such blanket authorization be granted for a period of five (5) years, or such other period as the Department deems appropriate, effective from the date of the order granting the application. Good cause exists to grant these requests for the reasons set forth below.

II. DESCRIPTION OF APPLICANT

The exact name of the applicant is Energia Renovable S.C., LLC. Energia Renovable is a limited liability company organized and existing under the laws of the State of Texas with address for purposes hereof at Reforma 905, Lomas de Chapultepec, Delegacion Miguel Hidalgo, 11000, México, D.F., Mexico. Energia Renovable is a stand-alone Texas limited liability company that was formed for the purpose of operating as a power marketer within the Electric Reliability Council of Texas, Inc. (ERCOT).

As relevant here, Energia Renovable plans to purchase electricity at wholesale within the United States – specifically, within ERCOT – for export to Mexico. Neither Energia Renovable nor any of its affiliates owns, controls, or operates any electric generation, electric distribution or transmission facilities, natural gas distribution or transmission facilities, construction/engineering firms that could engage in the construction of generation or transmission facilities, or generation sites in the United States. Moreover, neither Energia Renovable nor any of its affiliates has a franchise or service territory for the sale, distribution, or transmission of electricity or natural gas in the United States.

II. INFORMATION PROVIDED PURSUANT TO 10 C.F.R. § 205.302 (2012)

- (a) The exact legal name of the applicant is Energia Renovable S.C., LLC.
- (b) Energia Renovable does not have any partners to this application.
- (c) All service and correspondence concerning this application should be directed to the

following:

Jorge Gutierrez
Reforma 905
Lomas de Chapultepec
Delegación Miguel Hidalgo
11000, México, D.F.
Mexico
Phone: (5255) 1100-2131
Email: jorge.gutierrez@prodigy.net.mx

With copy to:
Federico Santacruz Gonzalez
Ritch Mueller, S.C.
Blvd. M. Avila Camacho No. 24, piso 20
Lomas de Chapultepec
11000 Mexico, D.F.
Mexico
Phone: (5255) 9178-7052
Email: fsantacruz@ritch.com.mx

- (d) As noted, Energia Renovable is organized under the laws of the State of Texas and it is also authorized to operate in the State of Texas. Energia Renovable is not herein requesting authority to export power from any state other than Texas, although it may seek to do so in the

future, in which case Energia Renovable would register to do business in such other state(s) and seek the appropriate authorizations from the Department and the Federal Energy Regulatory Commission.

(e) Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. § 824a, the Department is the sole agency with jurisdiction over the proposed export of electricity to Mexico. No other known federal, state, or local government has jurisdiction over the export transactions proposed herein. Energia Renovable will make all other necessary arrangements to export power to Mexico, including (i) scheduling each transaction with the appropriate balancing area in compliance with all applicable reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation (NERC), and (ii) obtaining all necessary transmission access over the existing facilities listed in Exhibit C.

(f) The cross-border transmission facilities through which Energia Renovable seeks authority to deliver electric energy to Mexico pursuant to this application are listed in Exhibit C. Energia Renovable will comply with the terms and conditions contained in the Presidential Permits and export authorizations applicable to those cross-border facilities, as well as any export limitations that the Department has deemed or may deem appropriate for those facilities.

(g) Energia Renovable herein seeks authorization to transmit electric power to Mexico for a period of five (5) years, or for such other period as the Department deems appropriate, effective from the date of the order granting this application. In previous orders, the Department has endorsed a flexible approach for evaluating reliability issues associated with proposed export transactions.¹

¹ *NorAm Energy Services, Inc.*, No. EA-105-CN (Aug. 16, 1996); *MidCon Power Services Corp.*, No. EA-114 (Jul. 15, 1996); *USGen Power Services*, No. EA-112 (Jun. 27, 1996); *CNG Power Services Corp.*, No. EA-110 (Jun. 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); and *Enron Power Marketing, Inc.*, No. EA-102 (Feb. 6, 1996).

The Department has relied, for example, on the technical analyses available for existing international transmission facilities when considering applications from power marketers and other similar entities seeking to use those facilities.

Energia Renovable requests that the Department apply this standard to the instant application.

Energia Renovable has not previously exported electric power from the United States. The electric power that Energia Renovable plans to export, on either a firm or interruptible basis, will be surplus energy purchased in wholesale markets within Texas. Specifically, prior to engaging in any export transactions, Energia Renovable anticipates registering as a power marketer with the Public Utility Commission of Texas in order to purchase power at wholesale within ERCOT for export into Mexico.² Any such export transactions will be completed through ERCOT, using ERCOT's transmission scheduling procedures and market structure, and will be coordinated with the Comision Federal de Electricidad (CFE), the national electric utility responsible for generation, transmission, and distribution of electricity in Mexico. As such, Energia Renovable's export activities will take place within, and be fully consistent with, market and transmission structures that are already in place.

Moreover, as noted above, Energia Renovable does not own, operate, or control any electric power generation, transmission, or distribution facilities in the United States, nor is it affiliated with any owner of power generation, transmission, or distribution facilities in the United States. As such, Energia Renovable's export transactions will not adversely impact native load customers or other market participants. Under these circumstances, the exports proposed herein will not impair the

² The Federal Energy Regulatory Commission has determined that an entity need not register as a power marketer under the Federal Power Act if the entity's power marketing activities are conducted solely within ERCOT. See *Destec Power Services, Inc.*, 72 FERC ¶ 61,277 at p. 62,204 (1995).

sufficiency of power in the United States, nor will the transactions impede or tend to impede the coordinated use of transmission facilities.

(h) This application has been verified under oath by an officer of Energia Renovable who has knowledge of the matters set forth herein. The verification is provided in Exhibit G.

III. REQUIRED EXHIBITS PURSUANT TO 10 C.F.R. § 205.303 (2012)

In compliance with 10 C.F.R. § 205.303 (2012), the following Exhibits and Attachments are included with this application:

Exhibit A Agreements

Not applicable.

Exhibit B Legal Opinion of Counsel.

Attached hereto.

Exhibit C Identification of the proposed border crossing point(s) or power transfer point(s) by Presidential Permit number.

Attached hereto.

Exhibit D Applicant's Power of Attorney

Attached hereto.

Exhibit E Statement of any Corporate Relationship or Existing Contract Which in Any Way Relates to the Control or Fixing of Electric Power

Not applicable.

Exhibit F Operating Procedures Regarding Available Capacity and Energy

Not applicable.

Exhibit G Verification by Officer of Energia Renovable

IV. REQUEST FOR EXPEDITED ACTION

Energia Renovable is currently negotiating a commercial transaction under which exports from the United States into Mexico are expected to commence on or about December 1, 2012. In order to meet this schedule, Energia Renovable respectfully requests that the Department act on this application on an expedited basis and issue an order granting the application by November 15, 2012 or as soon as practicable thereafter.

V. CONCLUSION

For the reasons set forth above, Energia Renovable respectfully requests that the Department review and grant this application on an expedited basis and on substantially the same terms and conditions as applied to similarly-situated electric power marketers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jorge Gutierrez', is written over a horizontal line.

Jorge Gutierrez
President
Energia Renovable S.C., LLC

Dated: September 6, 2012

Exhibit B

Legal Opinion of Counsel

TELEPHONE: 713.658.2323
FACSIMILE: 713.658.1921
DIRECT LINE: 713.752.8613

CHARLES D. MAYNARD, JR.
SHAREHOLDER

CRAIN
CATON
— & —
JAMES
A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS
SINCE 1912

17TH FLOOR
FIVE HOUSTON CENTER
1401 MCKINNEY STREET
HOUSTON, TEXAS 77010-4036

EMAIL: CMAYNARD@CRAINCATON.COM

September 10, 2012

Mr. Christopher Lawrence
U. S. Department of Energy
Office of Electricity Delivery and Energy Reliability
1000 Independence Ave., SW
Washington, DC 20585

Dear Mr. Lawrence:

The opinions set forth in this letter are given in support of the application of Energia Renovable SC, LLC ("Applicant") for authorization to export electricity from the United States to Mexico prepared and submitted by Douglas F. John, Esq. of John & Hengerer on behalf of Applicant. Crain, Caton & James, P.C. has acted as counsel to Energia Renovable SC, LLC, a Texas limited liability company. The undersigned is a licensed attorney authorized to practice law in the State of Texas. Having reviewed the Certificate of Formation, the correspondence from the Secretary of State of Texas evidencing the filing of the same and such other documentation as we deemed necessary to support the opinions set forth below, including the application, it is our opinion that:

1. Applicant is a Texas limited liability company duly organized and validly existing and in good standing under the laws of the State of Texas.
2. To the best of our knowledge and belief, Applicant 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.
3. To the best of our knowledge and belief, Applicant has complied to the degree necessary to justify this application with Section 202(e) of the Federal Power Act and has or will comply with all other pertinent federal and state laws.

It is our understanding that both the Applicant and its legal counsel, Doug John, will rely upon the opinions stated herein in connection with the Applicant's application described above. The opinions stated herein are limited to the laws of the State of Texas and the quoted portion of the Federal Power Act. The undersigned is licensed to practice law only in the State of Texas and not in any other jurisdictions.

CRAIN, CATON & JAMES, P.C.

By: 

Charles D. Maynard, Jr.

September 10, 2012
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CDM:jr

cc: Mr. Douglas F. John
John & Hengerer
1730 Rhode Island Avenue, NW, Suite 600
Washington, D.C. 20036

Exhibit C

Transmission System Information

Exhibit C

Transmission System Information

Energia Renovable S.C., LLC requests authorization to export electric energy to Mexico over the following existing international transmission facilities, as identified by Presidential Permit number:

<u>Present Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No³</u>
AEP Texas Central Company	Brownsville, TX	138 kV 69 kV	PP-94
	Laredo, TX	138 kV 230 kV	PP-317
	Eagle Pass, TX	138 kV	PP-50 PP-219
Comision Federal de Electricidad	Falcon Dam, TX	138 kV	None
Sharyland Utilities, L.P.	McAllen, TX	138 kV	PP-285

³ These Presidential Permit numbers refer to the generic Department permit number and are intended to include any subsequent amendments to the permit authorizing the facility.

Exhibit D

Applicant's Power of Attorney

IRREVOCABLE LIMITED POWER OF ATTORNEY

This IRREVOCABLE LIMITED POWER OF ATTORNEY is made September 6, 2012, by Energia Renovable S.C., LLC (the "Principal"), a limited liability company organized and existing under the laws of the State of Texas, with its address for purposes hereof at address at Reforma 905, Lomas de Chapultepec, Delegacion Miguel Hidalgo, 11000, México, D.F., Mexico.

1. Appointment. The Principal does hereby appoint Joe Sweet, 1403 Old Ridge Road, Pharr, TX 78577 as the Principal's true and lawful agent and attorney-in-fact ("Attorney-in-Fact") for the limited purpose hereinafter set out.
2. Scope of Authority. 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 Electric Energy to Mexico.
3. Irrevocability. This Power of Attorney is irrevocable by the Principal.

IN WITNESS WHEREOF, the Principal has caused this Power of Attorney to be duly executed on the 6th day of September, 2012.

Energia Renovable S.C., LLC

By: _____

Name: Jorge Gutierrez
Title: President

This instrument was acknowledged before me this 10th day of September, 2012, by Jorge Gutierrez at Houston, TX.

By: Therese Bellnoski
Name: Therese Bellnoski

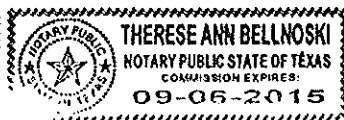


Exhibit G

Verification

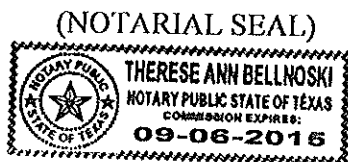
VERIFICATION

Jorge Gutierrez, being duly sworn, deposes and says that he is an officer of Energia Renovable S.C., LLC, that he has read the foregoing Application of Energia Renovable S.C., LLC for Authorization to Export Electricity from the United States to Mexico and is familiar with its contents, and that the statements contained therein are true and correct to the best of his knowledge, information, and belief.



Jorge Gutierrez
President
Energia Renovable S.C., LLC

Sworn to and subscribed before me, a Notary Public, in and for the State of Texas
this 10th day of September, 2012.



Therese Bellnoski
Notary Public

My Commission Expires:

September 6, 2015