

FEB 10 2015

Electricity Delivery and
Energy ReliabilityUNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGYElectricity Delivery and
Energy Reliability

OFFICE OF ELECTRIC DELIVERY AND ENERGY RELIABILITY

Vitol Inc.

)
)
)Docket No. EA 407APPLICATION OF VITOL INC.
FOR AUTHORIZATION TO
TRANSMIT ELECTRIC ENERGY INTO MEXICO

Pursuant to section 202(e) of the Federal Power Act (the "FPA"), 16 U.S.C. § 824(e), and 10 C.F.R. § 205.300 *et seq.*, Vitol Inc. ("Vitol" or "Applicant") hereby submits this application ("Application") for authorization to transmit electric energy from the United States to Mexico for a five (5) year term. Applicant respectfully requests expedited review of this Application and issuance of an order approving the Application within sixty (60) days. In support of this Application, Applicant states as follows:

I. DESCRIPTION OF APPLICANT

The exact legal name of the Applicant is Vitol Inc. Vitol is a Delaware corporation with its principal place of business at 1100 Louisiana Street, Suite 5500, Houston, Texas 77002-5255. Vitol is authorized to do business in Delaware and throughout the United States. Vitol is a wholly-owned, direct subsidiary of Vitol Holding SARL. Vitol Holding SARL is an intermediate holding company with its principal place of business in Geneva, Switzerland. It holds 100% of the ownership interest in Vitol. Vitol Holding SARL is a direct, wholly-owned subsidiary of Vitol Holding BV.

Vitol Holding BV is a privately held Dutch company. Vitol Holding B.V. ("Vitol Holding") is one of the largest independent oil distributors in the world. The company was established in 1966 and has evolved into a globally diversified commodity merchant and

distributor. Vitol Holding and its subsidiaries are engaged in the physical distribution and trading of crude oil and petroleum products, and other energy and non-energy commodities. They operate from an extensive network of international locations. These include major trading centers in Geneva, Houston, Singapore, and Rotterdam (the parent headquarters), as well as significant offices in London, Bermuda, Bahrain and Beijing, among others.

Vitol is a marketer of a variety of energy products. Vitol is authorized to sell, market, and trade wholesale power, capacity, ancillary services, and related services in the United States. As a seller of wholesale power, Vitol is a public utility subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") under the FPA and was granted market-based rated authority by FERC in Docket Number ER10-2654-000. Vitol also may engage in other non-jurisdictional activities to facilitate efficient trading in the wholesale power markets, such as brokering wholesale energy transactions without taking title to the electricity. Vitol also engages in the wholesale marketing and trading of power and services administered by the Electric Reliability Council of Texas ("ERCOT"), and is registered as a Power Marketer with the Public Utility Commission of Texas ("PUCT") under Project Number 14406-506. All wholesale power sales by Vitol are and will be at rates negotiated between Vitol and its counterparties. Vitol is also authorized by the Department of Energy ("DOE") to export electric energy to Canada in accordance with the terms and conditions set forth in DOE Order No. EA-370.

Neither Vitol nor any of its affiliates owns or controls any electric transmission facilities in North America or has a franchised service area for the sale of electricity to captive customers. Vitol is a Purchasing and Selling Entity, as defined by the North American Electric Reliability Corporation ("NERC") and is registered as such with NERC. Vitol will comply with the

reliability standards promulgated by NERC, the FERC, and ERCOT, as well as any terms and conditions contained in the Export Authorization.

II. COMMUNICATIONS

All service and correspondence concerning this Application should be directed to Vitol's following representatives:

Robert F. Viola
Vitol Inc.
1100 Louisiana, Suite 5500
Houston, TX 77002
Tel: 713-230-1450
Email: rfv@vitol.com

Kolby Kettler
Vitol Inc.
1100 Louisiana, Suite 5500
Houston, TX 77002
Tel. 713-230-2632
Email: kpk@vitol.com

III. JURISDICTION

Pursuant to section 202(e) of the FPA, DOE has jurisdiction over the action to be taken in this Application. Applicant is not aware of any other federal, state, or local government agency that has jurisdiction over the action to be taken in this Application.

IV. DESCRIPTION OF TRANSMISSION FACILITIES

Applicant hereby applies for 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 DOE. Applicant plans to export electric power over authorized transmission interconnections between Mexico and the United States. 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 in the future.

Applicant 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. The electric power that Applicant will export, on either a firm or interruptible basis, will be purchased from others voluntarily and therefore will be surplus to the needs of the selling entities. Accordingly, the proposed exports will not impair or tend to impede the sufficiency of electricity supplies in the United States or the regional coordination of electric utility planning or operations, but instead will conform to system requirements as they may change over time. Additionally, as a power marketer that does not own or operate a transmission system, Applicant does not have the ability to cause a violation of the terms or 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.

In previous orders granting export authorizations to electric power marketers, the DOE has taken into consideration the unique nature of power marketers who do not have franchised service areas and, consequently, do not have native load obligations that could be impaired by exports. 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.

V. CONSISTENCY WITH LAWS

Authorization of the exports proposed by Applicant is consistent with the North American Free Trade Agreement and US energy policy and will foster development of a more efficient and competitive North American energy market. Applicant will conduct all operations pursuant to this Export Authorization in accordance with the provisions of the FPA and pertinent rules, regulations and orders adopted or issued thereunder, and in conformity with the reliability criteria, standards and guidelines of NERC, regional reliability councils, and control 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 assessment nor an environmental impact statement is required.

VI. EXHIBITS

Pursuant to Section 205.303 of DOE regulations, the following Exhibits are attached hereto:

Exhibit A	Agreements – Not Applicable
Exhibit B	Legal Opinion of Vitol’s Counsel
Exhibit C	Maps – Not Applicable
Exhibit D	Designated Agent – Not Applicable
Exhibit E	Corporate Relationship or Existing Contract – Not Applicable
Exhibit F	Operating Procedures – Not Applicable
Exhibit G	Verification

To the extent necessary, Vitol requests waiver of the requirement to provide Exhibits A, C, D, E, and F, as noted.

Pursuant to 10 C.F.R. §205.309, a copy of the Application is being provided to:

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

Public Utilities Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, TX 78711

VII. CONCLUSION

In consideration of the foregoing, Vitol Inc. respectfully requests that the Department of Energy approve this Application for authorization to export electric energy to Mexico for a term of five (5) years.

Respectfully submitted,



Robert F. Viola
Vitol Inc.
1100 Louisiana, Suite 5500
Houston, TX 77002
Attorney for Vitol Inc.

Dated: February 4, 2015

EXHIBIT A
(NOT APPLICABLE)

EXHIBIT B

LEGAL OPINION

I, Robert F. Viola, Director, Legal and Compliance and Assistant Secretary of Vitol Inc. (the "Corporation"), hereby certify on behalf of the Corporation and without personal liability in support of the Application of Vitol Inc. for Authorization to Transmit Electric Energy into Mexico (the "Application") dated January 23, 2015, that:

1. The Corporation is duly incorporated, validly existing, and in good standing under the corporate laws of the State of Delaware;
2. The Corporation has the corporate capacity to act in the manner described in the Application; and
3. To the best of my knowledge and belief, the Corporation and its officers and directors have complied with all pertinent federal and state laws related to the actions to be undertaken pursuant to the Application.



Robert F. Viola
Director, Legal and Compliance
Assistant Secretary

Dated: February 4, 2015

EXHIBIT C
(NOT APPLICABLE)

EXHIBIT D
(NOT APPLICABLE)

EXHIBIT E
(NOT APPLICABLE)

EXHIBIT F
(NOT APPLICABLE)

EXHIBIT G

VERIFICATION

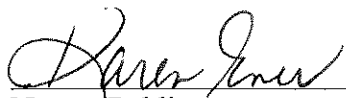
STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

I, Robert F. Viola, Director, Legal and Compliance and Assistant Secretary of Vitol Inc., having knowledge of the matters set forth in the Application of Vitol Inc. for Authorization to Transmit Electric Energy into Mexico and its exhibits and attachment, hereby verify that the contents thereof are true and correct to the best of my knowledge, information, and belief.



Robert F. Viola

Subscribed and sworn to before me
this 4 day of February, 2015


Notary Public



ATTACHMENT 1

TRANSMISSION LINES 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>
AEP Texas Central Company	Laredo, TX	138kV	PP-317
		230kV	PP-317
	Brownsville, TX	230kV	PP-94
		69kV	PP-94
	Eagle Pass, TX	138kV	PP-219
El Paso Electric Company	Diablo, NM	115kV	PP-92
	Ascarate, TX	115kV	PP-48
Commission Federal de Electricidad	Falcon Dam, TX	138kV	Not Applicable
Generadora del Desierto – WAPA	San Luis, AZ	230kV	PP-304
San Diego Gas & Electric	Miguel, CA	230kV	PP-68
	Imperial Valley, CA	230kV	PP-79
Sharyland Utilities, L.P.	McAllen, TX	138kV	PP-285