

JUN - 8 2016

UNITED STATES OF AMERICA

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Electricity Delivery and  
Energy ReliabilityBEFORE THE  
DEPARTMENT OF ENERGYElectricity Delivery and  
Energy Reliability

OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

Tidal Energy Marketing Inc.

Docket No. EA 452-000

**APPLICATION OF TIDAL ENERGY MARKETING INC.  
FOR AUTHORITY TO TRANSMIT ELECTRIC ENERGY TO CANADA**

Pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824 a(e) and the regulations contained in 10 C.F.R. §§ 205.300, *et seq.*, Tidal Energy Marketing Inc. ("Tidal" or "Applicant") hereby submits this application to the Department of Energy, Office of Electricity Delivery and Energy Reliability ("Department") for, and respectfully requests, blanket authorization to transmit and export electricity from the United States to Canada ("Application") for a period of five years. Tidal further respectfully requests that this Application be made effective by August 1, 2016.

**I. DESCRIPTION OF APPLICANT**

Tidal Energy Marketing Inc. is a Canadian Corporation with its principle place of business in Calgary, Alberta, Canada. Applicant is a wholly-owned direct subsidiary of Enbridge Inc. ("Enbridge"), a publicly-traded corporation based in Calgary, Alberta, Canada. Enbridge provides, through various subsidiaries and affiliates, a wide spectrum of electric, natural gas, crude oil, and energy-related products and services to a diverse range of customers.<sup>1</sup>

Tidal is an energy marketing company that markets petroleum products in Canada and the United States. Tidal anticipates engaging in the purchase of electric energy in the United States wholesale energy markets for export into Canada. Applicant does not own or control electric generation or transmission facilities and does not have a franchised electric power area within the United States or

<sup>1</sup> Enbridge Inc. indirectly owns power generation facilities located in Canada and the United States totaling approximately 2,100 MW. Enbridge's US-based generation facilities hold market based rate authority from FERC. Enbridge Inc. also indirectly owns St. Lawrence Gas Company, a franchised public utility with transmission assets that has a tariff on file with the New York Public Service Commission.

Canada. Applicant is contemporaneously applying for market-based rate authorization from the Federal Energy Regulatory Commission ("FERC") in FERC Docket No. ER16-1888-000.

Tidal is an affiliate of MATL LLP, which holds Presidential Permit PP-305. MATL LLP is an indirect, wholly owned subsidiary of Enbridge (U.S.) Inc., which is an indirect, wholly owned subsidiary of Enbridge Inc. MATL LLP, along with its affiliate Montana Alberta Tie Ltd., owns and operates a transmission system between Alberta and Montana pursuant to a FERC approved Open Access Transmission Tariff.<sup>2</sup>

## **II. COMMUNICATIONS**

Communications and correspondence concerning this filing should be addressed to:

Stacy Myers  
Sr. Legal Counsel  
Enbridge Energy Company, Inc.  
1100 Louisiana, Suite 3300  
Houston, Texas 77002  
(713) 821-2293  
[stacy.myers@enbridge.com](mailto:stacy.myers@enbridge.com)

Kari Olesen  
Legal Counsel  
Tidal Energy Marketing Inc.  
425 – 1<sup>st</sup> Street S.W.  
Calgary, Alberta T2P 3L8  
(403) 266-7968  
[kari.olesen@enbridge.com](mailto:kari.olesen@enbridge.com)

## **III. JURISDICTION**

Under Section 202(e) of the FPA and the Department's regulations, 10 C.F.R. §§ 205.300, *et seq.*, the Department has jurisdiction over the action proposed in this Application. Applicant believes that no other known federal, state or local government has jurisdiction over the actions to be taken under the authority described in this Application.

## **IV. DESCRIPTION OF TRANSMISSION FACILITIES**

Applicant requests authority to export electricity over any international transmission facility authorized by Presidential Permit that is appropriate for open access by third parties in accordance with export limits assessed and authorized by the Department. In particular, Applicant intends to export electric energy over the existing international transmission facilities between Canada and the United States, as identified in Exhibit C. Exhibit C provides a description of these transmission facilities (e.g., owner name, location, voltage description) and their Presidential Permit numbers.

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<sup>2</sup> See *MATL LLP*, Federal Energy Regulatory Commission Docket No. ER13-817.

## **V. TECHNICAL DISCUSSION OF PROPOSAL**

Section 202(e) of the FPA and the Department's regulations promulgated thereunder provide that exports of electric energy should be authorized unless the proposed export would impair the sufficiency of electric power supply within the United States or would impede or tend to impede the coordinated use (from an operational reliability and security perspective) of the United States electric transmission system.<sup>3</sup>

Applicant is a power marketer that does not own or control electric generation facilities or transmission facilities. Applicant does not have a power supply system on which its exports of power could have reliability, fuel use or system stability impact, nor does it have an obligation to serve native load within a franchised service area.

Applicant will purchase the power it plans to export voluntarily from electric utilities, wholesale generators, power marketers and other parties and thus such power will be surplus to the needs of the selling parties. Applicant's export of power 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 operation.

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 will include: (i) scheduling each transaction with the appropriate balancing authority area in compliance with all reliability criteria, standards and guidelines of the North American Reliability Corporation ("NERC") and applicable Regional Entities in effect at the time of the export, and (ii) obtaining all necessary transmission access over the existing transmission facilities listed in Exhibit C. Applicant agrees to comply with the export limits contained in the relevant export authorization and Presidential Permit associated with the transmission facilities over which Applicant exports electric power to Canada.

In prior Department orders granting export authorization 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

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<sup>3</sup> 16 U.S.C. § 824a(e).

requirements of FERC Order No. 888 and previously authorized export limits of cross-border facilities.<sup>4</sup> These same considerations demonstrate that the exports proposed by Applicant will not impair or tend to impede the sufficiency of electric supplies in the U.S. or the regional coordination of electric utility planning or operations.

## **VI. COMPLIANCE WITH LAWS AND CONDITIONS**

Applicant will conduct its operations in compliance with any authorization conditions imposed by the Department consistent with its prior orders authorizing power marketers blanket authority to export power and in accordance with the provisions of the FPA and applicable rules, regulations and orders adopted or issued thereunder. When scheduling the delivery of power, Applicant also will comply with the applicable reliability criteria, standards and guidelines of NERC, reliability coordinators and balancing authority area operators, including any applicable regional transmission organizations or independent system operators. For each calendar year, Applicant will provide the Department with reports indicating the gross amount of electricity delivered to Canada, consideration received during each month, the maximum hourly rate of transmission, as well as any additional annual reports.

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 because the exports of power proposed by Applicant will occur over existing transmission lines.

## **VII. VERIFICATION, REQUIRED COPIES AND FEE**

The verification executed by Applicant's authorized representative in accordance with 10 C.F.R. § 205.302(h) is enclosed with this Application. In accordance with the requirements of 10 C.F.R. § 205.307 and the Department's directives, five copies of the Application are being provided. Pursuant to 10 C.F.R. § 205.309, a copy of this Application will be provided to the Secretary of the Federal Energy Regulatory Commission.

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<sup>4</sup> See *Morgan Stanley Capital Power Grp. Inc.* Order No. EA-185-A-CN (Aug. 14, 2000); *Saracen Energy Partners, LP*, Order No. EA-340 (June 18, 2008).

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

### **VIII. EXHIBITS**

In accordance with the requirements of the Department's regulations (10 C.F.R. § 205.303), the foregoing applicable exhibits are attached to this Application:

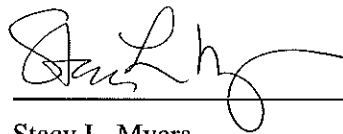
Exhibit A	Transmission Agreements	Not applicable
Exhibit B	Opinion of Counsel	Attached
Exhibit C	Transmission Facilities	List of international facilities submitted in lieu of map
Exhibit D	Designation of Agent	Attached
Exhibit E	Statement of Corporate Relationship or Contract	Not applicable
Exhibit F	Operating Procedures	Not applicable

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

### **IX. CONCLUSION**

In consideration of the foregoing, Tidal requests that this Application be expeditiously considered and approved for a term of five years, effective from the date of its issuance.

Respectfully submitted,



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Stacy L. Myers  
Sr. Legal Counsel

Dated: June 1, 2016

## VERIFICATION

I, Patrick Crampton, being authorized to execute this verification and having knowledge of the matters set forth in the Application of Tidal Energy Marketing Inc. hereby verify that the contents are true and correct to the best of my knowledge, information and belief.

By: \_\_\_\_\_

Patrick Crampton

Vice President, Natural Gas & Power

Tidal Energy Marketing Inc.

425 - 1st Street S.W., Suite 200

Calgary, Alberta, Canada

T2P 3L8

SUBSCRIBED AND SWORN BEFORE ME, this 1<sup>st</sup> day of June, 2016.

Name of Notary Public: \_\_\_\_\_

Signature: \_\_\_\_\_

Commission Expires: \_\_\_\_\_

**KARI OLESEN**

NOTARY PUBLIC, MY COMMISSION  
EXPIRES AT THE PLEASURE OF  
THE LIEUTENANT GOVERNOR IN COUNCIL



## **Exhibit A**

### **Transmission Agreements**

Tidal has no transmission reservations or transmission agreements within the United States.

**Exhibit B**  
**Opinion of Counsel**  
**(Attached)**





Tidal Energy Marketing Inc.  
1100 Louisiana, Suite 3300  
Houston, Texas 77002  
Phone: (713) 821-2293  
Fax: (713) 821-2229

June 7, 2016

United States Department of Energy  
Office of Electricity Delivery and Energy Reliability  
1000 Independence Avenue S.W.  
Washington, DC 20585

**RE: Application of Tidal Energy Marketing Inc. for Authority to Transmit Electric Energy to Canada (the "Application")**

Ladies and Gentlemen:

Pursuant to 10 C.F.R. § 205.303(b), I hereby provide a legal opinion regarding the corporate powers of Tidal Energy Marketing Inc. ("Tidal") to export electricity to Canada. I have examined the Articles of Incorporation of Tidal and based on my review of those documents, it is my opinion that:

- 1) Tidal is duly incorporated, validly existing and in good standing under the laws of Canada;
- 2) The export of electricity contemplated by the application of Tidal Energy Marketing Inc. for authority to transmit electric energy to Canada (the "Application") is within the corporate powers of Tidal; and
- 3) To the best of my knowledge and belief, Tidal has directed its officers and agents to take all necessary steps to comply with all applicable state and federal laws in connection with the actions to be taken under the Application.

This opinion is limited to the federal laws of the United States and the laws of the relevant states within the United States. 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 solely for your benefit in connection with the Application and may not be relied upon for any other purpose without my prior written authorization.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Stacy L. Myers'.

Stacy L. Myers  
Attorney for Tidal Energy Marketing Inc.

**Exhibit C**

**Transmission Lines  
at the U.S.- Canada Border  
Authorized for Third-Party Use**

<u>Present Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No.</u>
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	2x500-kV	PP-10
	Nelway, WA	230-kV	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	2x115-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	2x69-kV	PP-29
Minnesota Power, Inc.	International Falls, MN	115-kV	PP-78
Minnkota Power Cooperative	Roseau County, MN	230-kV	PP-61
Montana Alberta Tie Ltd.	Cut Bank, MT	230-kV	PP-305
New York Power Authority	Massena, NY	765-kV	PP-56

	Massena, NY	2x230-kV	PP-25
	Niagara Falls, NY	2x345-kV	PP-74
	Devils Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devils 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
Sea Breeze Olympic Converter LP	Port Angeles, WA	±450-kV DC	PP-299 <sup>5</sup>
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76

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<sup>5</sup> Transmission facilities have been authorized but not yet constructed or placed into service.

**Exhibit D**

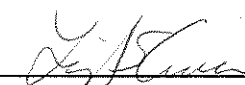
**IRREVOCABLE LIMITED POWER OF ATTORNEY**

**IRREVOCABLE LIMITED  
POWER OF ATTORNEY**

This IRREVOCABLE LIMITED POWER OF ATTORNEY is made on May 30<sup>th</sup>, 2016 by Tidal Energy Marketing Inc. (the "Principal"), a corporation organized and existing under the Canadian Business Corporations Act, with its principal place of business at 425 - 1st Street S.W., Suite 200, Calgary, Alberta, Canada T2P 3L8.

1. Appointment. The Principal hereby appoints Stacy Myers, Esq. with principle place of business at 1100 Louisiana, Suite 3300, Houston, Texas 77002, as the Principal's true and lawful agent for the limited purpose set forth below.
2. Scope of Authority. Pursuant to 10 C.F.R. § 205.303(d), Attorney Myers shall have the limited power and authority to serve as the agent for the Principal regarding all matters related to the Principal's authorization to export electricity to Canada as issued by the U.S. Department of Energy ("DOE"). This appointment will remain in effect for the duration of the authorization, a five-year period, and will terminate simultaneously with the expiration of the authorization granted by DOE.
3. Irrevocability. This Power of Attorney is irrevocable by the Principal.

IN WITNESS HEREOF, the Principal has caused this Power of Attorney to be duly executed on this 30<sup>th</sup> day of May, 2016.


By:   
Leigh S. Cruess  
President  
Tidal Energy Marketing Inc.  
425 - 1st Street S.W., Suite 200  
Calgary, Alberta, Canada  
T2P 3L8

SUBSCRIBED AND SWORN BEFORE ME, this 30<sup>th</sup> day of May, 2016.

Name of Notary Public: \_\_\_\_\_

Signature: 

Commission Expires: \_\_\_\_\_

  
**KARI OLESEN**  
NOTARY PUBLIC, MY COMMISSION  
EXPIRES AT THE PLEASURE OF  
THE LIEUTENANT GOVERNOR IN COUNCIL