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UNITED STATES OF AMERICA  
BEFORE THE  
DEPARTMENT OF ENERGY  
OFFICE OF ELECTRIC DELIVERY AND ENERGY RELIABILITY

Electricity Delivery and  
Energy Reliability

Fisterra Generación, S. de R.L. de C.V.

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Docket. EA- 442

**APPLICATION OF FISTERRA GENERACIÓN, S. DE R.L. DE C.V.  
FOR AUTHORIZATION TO  
TRANSMIT ELECTRIC ENERGY TO MEXICO**

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

**I. DESCRIPTION OF APPLICANT**

The exact legal name of Applicant is Fisterra Generación, S. de R.L. de C.V. Applicant is a *sociedad de responsabilidad limitada de capital variable* (S. de R.L. de C.V.) formed under Mexican law, with its principal place of business in Mexico City, Mexico. Applicant intends to operate as a power marketer in the Mexican Electric Market and in the U.S., and is an indirect subsidiary of Fisterra Energy Holdings LP ("Fisterra Holdings"), an entity that specializes in energy infrastructure investments worldwide, and which, through its subsidiaries, has a growing presence in the Mexican Electric Market. Fisterra Holdings' interest in Fisterra Generación is majority owned by Blackstone Energy Partners II (Cayman) LP ("BEP"), along with Blackstone Capital Partners VII (Cayman) LP ("BCP," and together with

BEP, the “Blackstone Funds”<sup>1</sup>). The controlling entity of the Blackstone Funds is The Blackstone Group L.P. (“Blackstone”), a Delaware limited partnership and a leading global alternative asset manager and provider of financial advisory services. Blackstone’s businesses include the management of corporate private equity funds, real estate opportunity funds, funds of hedge funds, and other investment opportunities. Blackstone has invested over \$12 billion of private equity globally across a broad range of sectors within the energy industry.

Applicant seeks authorization herein to transmit electric energy, including capacity and ancillary services, on all international transmission facilities DOE has identified (or will identify in the future) as open-access lines for transmitting electric energy, including capacity and ancillary services, between the U.S. and Mexico. Applicant will make sales of electric energy, capacity, and ancillary services at wholesale in the U.S. and in Mexico. Applicant intends to commence sales in Mexico and in the Electric Reliability Council of Texas (“ERCOT”) as soon as the authorization requested herein is received. Applicant will also be applying to the Federal Energy Regulatory Commission (“FERC”) for authorization to sell energy, capacity, and certain ancillary services at wholesale at market-based rates in the U.S., so that it can also commence sales in the California Independent System Operator Corporation and the Western Electricity Coordinating Council regions as soon as possible.

Applicant does not own, operate or control any electric generation or transmission facilities. Applicant will be a Purchasing Selling Entity, as defined by the North American Electric Reliability Corporation (“NERC”) and will register as such with NERC. Applicant will comply with applicable reliability standards promulgated by NERC, FERC, and applicable

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<sup>1</sup> Several other Blackstone-affiliated funds individually hold up to approximately 3 percent indirect interest in Applicant, with aggregate holdings by these Blackstone-affiliated funds of approximately 10 percent.

NERC regional entities, as well as any terms and conditions contained in the Export Authorization.

## **II. COMMUNICATIONS**

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## **III. JURISDICTION**

Pursuant to Section 202(e) of the Federal Power Act, DOE has jurisdiction over the action proposed herein. Applicant is not aware of any other Federal, State, or local government agency that has jurisdiction over the action proposed in this application.

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

Applicant seeks authorization to export electric energy, including capacity and ancillary services, to Mexico over any international transmission facility that DOE has authorized to provide non-discriminatory, open-access transmission services between the U.S. and Mexico as part of the interconnected U.S. electrical grid, as well as over any international transmission facilities that may be approved by DOE in the future for this purpose. A list of the currently authorized facilities is provided in Exhibit C.

## **V. TECHNICAL DISCUSSION OF IMPACT OF PROPOSED EXPORTS**

Section 202(e) of the Federal Power Act and DOE's regulations provide that exports should be allowed unless the proposed export (1) would impair the sufficiency of electric power supply within the United States; or (2) would tend to impede the coordinated use of the

United States' power supply network.<sup>2</sup> Applicant's proposed exports comply with these conditions, and therefore should be authorized as proposed.

First, Applicant does not hold a franchised service territory, nor does it have any native load obligations. Applicant does not own or control any generation or transmission facilities. Instead, Applicant will function solely as a marketer of electric power. Applicant expects to purchase electric energy, capacity, and ancillary services from third parties in organized electric markets, or through bilateral arrangements, for export to Mexico. In all cases, purchases will be voluntary, and thus will be surplus to the needs of any selling entities. Accordingly, the proposed exports will not impair or tend to impede the sufficiency of electric supplies in the United States.

In addition, the electric transmission systems over which any electric energy, capacity, or ancillary services purchased by Applicant for sales into Mexico would be transmitted are (and for future systems, will be) subject to the reliability, coordination, and planning oversight of FERC, NERC, the Regional Entities that oversee compliance with NERC standards, and, in the case of exports from Texas, of the Public Utility Commission of Texas. The border-crossing facilities, moreover, are subject to terms and conditions in their respective Presidential Permits. The export activities proposed herein will not modify any reliability, coordination, planning or operational obligations for any facilities, and Applicant will comply with all applicable reliability standards and scheduling procedures, as well as any applicable terms and conditions of DOE's export authorization. Therefore, the proposed exports will not negatively impact the reliability or security of the U.S. electric power supply system, and accordingly will not impede the coordinated use of the U.S. power supply network.

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<sup>2</sup> 16 U.S.C. § 824a(e); 10 CFR § 205.302(g).

Finally, Applicant's proposed export of electric energy (which includes capacity and ancillary services) qualifies for DOE's categorical exclusion under the National Environmental Policy Act<sup>3</sup> as an export over existing transmission systems.<sup>4</sup> Consequently, no further environmental review is necessary.

## **VI. EXHIBITS**

Pursuant to Section 205.303 of DOE's regulations, the following exhibits are attached hereto:

- Exhibit A – Not applicable
- Exhibit B – Legal Opinion of Fistera Generación, S. de R.L. de C.V.'s Counsel
- Exhibit C – Facilities Currently Authorized for Use for Export to Mexico
- Exhibit D – Verified copy of irrevocable, limited power of attorney appointing an agent residing within the United States
- Exhibit E – Not applicable
- Exhibit F – Not applicable

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

## **VII. REQUEST FOR EXPEDITED REVIEW**

Applicant respectfully requests expedited review of this application and issuance of an order granting the application within 60 days. Issuing an order within 60 days is consistent with DOE export authorization precedent.<sup>5</sup> Expedited review is appropriate here in order to support time-sensitive business opportunities that Fistera Generación expects to realize in Mexico and in ERCOT upon receipt of the requested authorization. Applicant has in place all

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<sup>3</sup> 10 C.F.R. § 205.303.

<sup>4</sup> See 10 C.F.R. Part 1021, App. B to Subpart D § B4.2 ("[e]xport of electric energy as provided by Section 202(e) of the Federal Power Act over existing transmission systems or using transmission system changes that are themselves categorically excluded.).

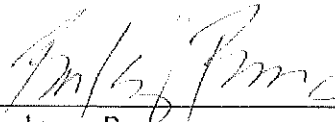
<sup>5</sup> See, e.g., *Bruce Power Inc.*, Order No. EA-349-A (Apr. 17, 2014) (granting renewal of export authorization in 58 days); *NextEra Energy Power Marketing, LLC*, Order No. EA-348-B (Feb. 11, 2014) (granting renewal of export authorization in 53 days); *Dynegy Power Marketing, Inc.*, Order No. EA-121-B (Jun. 10, 2004) (granting renewal of export authorization in 28 days).

necessary permissions and authorizations required to commence the proposed business, with the exception of the export authorization requested herein and the import permit required to import electric energy into Mexico, which the Applicant expects to receive on the same timeline requested here. Applicant has expended and will expend significant resources pursuing the described commercial opportunities, and these opportunities are likely to materially diminish if DOE's review extends beyond 60 days. Expedited action is therefore appropriate for this application.

#### **VIII. CONCLUSION**

For the reasons contained herein, Applicant requests that DOE grant Applicant authorization to export electric energy, including capacity and ancillary services, to Mexico within 60 days, or by January 8, 2018.

Respectfully submitted,



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Dated: November 7, 2017

**EXHIBIT B**

**OPINION OF LEGAL COUNSEL**

### LEGAL OPINION

The following opinion is given in support of the application of Fistera Generación, S. de R.L. de C.V. for authorization to transmit electric energy, including capacity and ancillary services, to Mexico.

1. I am an attorney at law, authorized to practice in the District of Columbia;
2. I am counsel for Fistera Generación, S. de R.L. de C.V.;
3. Fistera Generación, S. de R.L. de C.V. has full corporate power and authority to engage in the export of electric energy, including capacity and ancillary services, as proposed in the Application; and
4. Fistera Generación, S. de R.L. de C.V. will comply with all pertinent Federal and state laws.



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Brooksany Barrowes  
Partner  
Baker Botts L.L.P.

Date: November 7, 2017



**EXHIBIT C**

**FACILITIES TO BE USED  
BY APPLICANT<sup>6</sup>**

<b>Present Owner</b>	<b>Location</b>	<b>Voltage</b>	<b>Presidential Permit No.</b>
AEP Texas Inc.	Laredo, TX	138 kV	PP-423
		230 kV	PP-423
	Brownsville, TX	138 kV	PP-425
		69 kV	PP-425
	Eagle Pass, TX	138 kV	PP-424
Baja California Power, Inc.	Imperial Valley, CA	230 kV	PP-234
Comisión Federal de Electricidad	Falcon Dam, TX	138 kV	NA <sup>7</sup>
	Redford, TX	7.2 kV	PP-51
	Presidio, TX	13.8 kV	PP-03
El Paso Electric Company	Ascarate, TX	115 kV	PP-48
	Diablo, NM	115 kV	PP-92
Generadora del Desierto – WAPA	San Luis, AZ	230 kV	PP-304
San Diego Gas & Electric	Miguel, CA	230 kV	PP-68
	Imperial Valley, CA	230 kV	PP-79
Sharyland Utilities, L.P.	McAllen, TX	138 kV	PP-285

<sup>6</sup> This list includes known, open-access facilities. As stated in the application, Fistera Generación seeks authorization to export through future open-access facilities, as well.

<sup>7</sup> Facilities authorized by the treaty between the United States and Mexico titled, “Utilization of Waters of Colorado and Tijuana Rivers and of the Rio Grande,” signed February 3, 1944, rather than by Presidential Permit.

**EXHIBIT D**

**IRREVOCABLE LIMITED POWER OF ATTORNEY**

## IRREVOCABLE LIMITED POWER OF ATTORNEY

This IRREVOCABLE LIMITED POWER OF ATTORNEY is made on October 31, 2017 by Fistera Generación, S. de R.L. de C.V. (the "Principal"), a *sociedad de responsabilidad limitada de capital variable* organized and existing under Mexican law, with its headquarters at Edificio Terret, Torre Norte Piso 12, Miguel de Cervates Saavedra 301, Col. Granada, Ciudad de México, 11520.

1. Appointment. The Principal hereby appoints Brooksany Barrowes with a principle place of business at 1299 Pennsylvania Ave., N.W., Washington, D.C. 20004, U.S.A 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), Mrs. Barrowes 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 Mexico 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 31 day of October, 2017.

By. 

Juan Manuel Oraa Gil, Director (*Consejero*)

Fistera Generación, S. de R.L. de C.V.

SUBSCRIBED AND SWORN BEFORE ME, this 31 day of October, 2017.

""Yo, EDUARDO MARTÍN ALCALDE, Notario del Ilustre Colegio de Madrid con residencia en Alcobendas, DOY FE Y CERTIFICO, que la firma al dorso corresponde a **DON JUAN MANUEL ORAA GIL**, mayor de edad, casado, de profesión Ingeniero, vecino a estos efectos de Alcobendas (Madrid), avenida de Bruselas número 7 3º izquierda (28.108.- ALCOBENDAS), y con Documento Nacional de Identidad y Número de Identificación Fiscal número 16.048.703-Q, a quien identifico por medio de su documento de identidad español reseñado, y que tiene plena autoridad para la redacción y firma del mismo, en nombre y por cuenta de la sociedad "FISTERRA GENERACIÓN, S. DE R.L. DE C.V.", haciendo yo el notario la advertencia de la necesidad de acreditar la representación de DON JUAN MANUEL ORAA GIL en dicha sociedad en el momento de la utilización del poder, pues no se me ha acreditado la misma en este acto y CUYA FIRMA LEGITIMO a todos los efectos legales por haber sido estampada en mi presencia.

A estos efectos, yo, el notario autorizante manifiesto que conozco en lo preciso el idioma inglés del documento.

En Alcobendas, a treinta y uno de octubre de dos mil diecisiete, y expedido en base al acta del artículo 207 del Reglamento Notarial, acta número **3387/2017** ante mi fe"".

Asensado en el Libro  
Indicador con el Nº 31621



**OFFICER'S VERIFICATION**

## VERIFICATION

I, Juan Manuel Oraa Gil, being duly sworn on my own, do hereby affirm that I am *Consejero* (Director) of Fistera Generación, S. de R.L. de C.V., and have authority to file the foregoing document, and that I have examined the statements contained therein and that all such statements are true and correct to the best of my knowledge, information, and belief.

  
Juan Manuel Oraa Gil

Consejero / Director

Fistera Generación, S. de R.L. de C.V.

Subscribed and sworn to before me this 31 day of October, 2017.

Yo, DON EDUARDO MARTIN ALCALDE, Notario del Ilustre Colegio de Madrid, con residencia en Alcobendas, DOY FE Y TESTIMONIO de que el presente documento, integrado por un folio de papel común redactado en inglés, idioma que entiendo en lo preciso, por una sola cara, que rubrico y número y en los que estampo mi sello, ha sido firmado por Don Juan Manuel Oraa Gil (D.N.I. 16.048.703-Q), cuya firma legitimo por haber sido estampada en mi presencia.

Anotado en mi Libro indicador bajo el número 3.151

En Alcobendas, a treinta y uno de octubre de dos mil diecisiete, DOY FE.-

