

MAR - 6 2019

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITYElectricity Delivery and
Energy Reliability

TransCanada Energy Sales Ltd.

)

OE Docket No. EA- 468APPLICATION OF TRANSCANADA ENERGY SALES LTD.
FOR AUTHORIZATION TO EXPORT ELECTRIC ENERGY TO CANADA

In accordance with Section 202(e) of the Federal Power Act, 16 U.S.C. § 824a(e), and the applicable regulations, 10 C.F.R. § 205.300, *et seq.*, TransCanada Energy Sales Ltd. ("TCES" or "Applicant") submits this application for authorization to export electricity from the United States to Canada for a period of five, or the maximum period allowed by the DOE, years. The Department of Energy (the "Department" or "DOE") most recently granted export authorization to TCES on May 6, 2014 for a five year term, in Order No. EA-98-M, *Members of WSPP Inc.*, which granted authorization to certain Members of WSPP Inc., including TCES.¹ TCES further requests that the authorization be made effective by May 6, 2019, to prevent any lapse in authorization when its current authorization expires. TCES requests any waivers and expedited treatment necessary to allow for this effective date in order to ensure that there is no lapse in its authorization.

¹

The order approved the February 24, 2012, WSPP Inc. ("WSPP"), as amended, filing on behalf of certain members of WSPP Inc. ("WSPP"), including TCES, which previously was authorized to make exports under similar WSPP export permit for the benefit of certain specific members. WSPP first filed an application for certain of its members to export electric energy to Canadian WSPP Members under the terms of the WSPP Agreement, on December 3, 1993, as amended on March 17, 1994, in Docket No. EA-98. By order issued September 2, 1994, the DOE granted that authorization for a two-year term. Since then, the DOE has granted amendments to add certain other WSPP members and renewals of the authorization, including the renewal granted in Order No. EA-98-M. The instant application is filed by TCES and not WSPP.

I. IDENTITY OF APPLICANT

The legal name of the Applicant is TransCanada Energy Sales Ltd. Applicant is organized and incorporated under the laws of Alberta, Canada, and has its principal place of business in Calgary, Alberta, Canada. TCES is an indirect, wholly-owned subsidiary of TransCanada Corporation ("TransCanada"). TCES has market-based rate authorization from the Federal Energy Regulatory Commission ("FERC").² TCES is a power marketer engaged in marketing and trading electric energy and other energy-related products in Canada and the United States. TCES does not own or control any generation, transmission, or distribution facilities within the United States and does not have a franchised electric power service area. TCES is not affiliated with an entity that holds an electric franchise or service territory in the United States. TCES is not seeking authorization to export power on behalf of, or in conjunction with, any persons, partnerships, or affiliates.

TransCanada is a diversified energy company doing business in Canada and the United States and Mexico. TransCanada, through subsidiaries, transports natural gas through Canada, the United States, and parts of Mexico; transports liquids, including crude oil and products through parts of Canada and the United States; owns power marketing companies that sell both at wholesale and retail in the United States; and owns generation companies that engage in the sale of power in the United States exclusively at wholesale.

² See *TransCanada Energy Sales Ltd.*, Letter Order, Docket No. ER09-328, *et al.* (Dec. 19, 2008) (granting TCES market-based rate authority); *Diablo Winds, LLC, et al.*, Letter Order, Docket No. ER10-1847, *et al.* (Nov. 17, 2010) (accepting for filing TCES's eTariff baseline compliance filing in Docket No. ER10-2865); *Bruce Power Inc., et al.*, Letter Order, Docket No. ER10-3097, *et al.*, (Nov. 27, 2016) (accepting for filing updated market power analysis of TCES in Docket No. ER10-2865).

An affiliate of TCES, TransCanada Power Marketing Ltd., also is a power marketer with authority to export electricity to Canada. On April 8, 2011, the DOE issued an order to TransCanada Power Marketing Ltd., Order No. EA-262-C, granting authority to export electricity to Canada for a ten year term, effective May 17, 2011.

II. CORRESPONDENCE AND COMMUNICATIONS

Correspondence and communications with regard to this Application should be addressed as follows:

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TransCanada
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Calgary, AB T2P 5H1
(403) 920-7454
david_farmer@transcanada.com

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III. JURISDICTION OVER EXPORT

The Department of Energy, Office of Electricity, is the sole agency having jurisdiction over the action to be taken in this Application. *See* Federal Power Act, Section 202(e), 16 U.S.C. § 824(a)(e); 10 C.F.R. 10 C.F.R. § 205.300, *et seq.* No other known federal, state or local government has jurisdiction over the action to be taken under the authority described in this Application.

IV. DESCRIPTION OF TRANSMISSION FACILITIES

TCES requests authority to export electric energy to Canada 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 DOE. In particular, TCES requests authorization to export electric energy over the existing international transmission facilities between Canada and the United States, as identified in Exhibit C. Exhibit C provides the owner

name, location, voltage description, and Presidential Permit number of these existing or approved international transmission facilities.

V. TECHNICAL DISCUSSION

TCES seeks renewal of its authority to transmit electric energy to Canada. TCES most recently received authorization to export electricity to Canada on May 6, 2014 in Order No. EA-98-M, as TCES was one of the Members of WSPP Inc. granted authorization in that order.³ TCES intends to export electric energy over existing transmission lines between the United States and Canada. Exhibit C provides a list and description of those transmission facilities through which the electric energy may be delivered into Canada. As noted above, TCES has no transmission facilities of its own. The exports proposed by TCES: (i) will not impair reliability or stability, (ii) will not impair TCES's ability to meet any prospective wholesale power supply obligations in the United States, and (iii) will not impair or impede the sufficiency of electric power supplies in the United States or the regional coordination of electric utility planning or operations.

TCES will purchase electric energy from electric utilities and other suppliers within the United States, pursuant to voluntary arrangements, and will export this energy to Canada over the international electric transmission facilities. Because the electric energy purchased by TCES for export will be purchased from others voluntarily, it will be surplus to the needs of the selling entities. Thus, TCES's exports will not impair the sufficiency of electric supply within the United States. Also, the transmission of such electric energy will not impede or tend to impede the

³ TCES is a member of WSPP, which is a non-profit organization with approximately 300 electric utility members, most or all of which transact in bulk electricity markets. WSPP administers the WSPP Agreement which is approved by the FERC, and, as required by the FERC, maintains an open access transmission tariff. TCES intends to enter into voluntary agreements for electric power purchases pursuant to the WSPP Agreement as well as other voluntary agreements.

coordination of United States transmission facilities. TCES power exports will not adversely impact the reliability or stability of the system used for such exports.

TCES 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 scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the North America Electric Reliability Corporation ("NERC"), or any successor organization, and applicable Regional Entities, or any successor organizations, in effect at the time of export; and obtaining all necessary transmission service over third-party facilities in the United States and international transmission facilities at the United States – Canada border.

TCES agrees to abide by the export limits of the border transmission facilities referenced in Exhibit C. The transactions that comply with all NERC requirements and the export limits imposed by DOE on the international transmission facilities have controls sufficient to ensure that exports by TCES will not impede or tend to impede the coordinated use of the transmission facilities within the meaning of Section 202(e) of the Federal Power Act.

VI. VERIFICATION, REQUIRED COPIES, AND FEE

The verification executed by TCES's authorized representative in accordance with 10 C.F.R. § 302(h) is enclosed with the Application. In accordance with the requirements of 10 C.F.R. § 307, an original and two copies of this Application are being provided to the DOE. In accordance with 10 C.F.R. § 309, a copy of this Application will be provided to the Secretary of the FERC.

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

VII. REQUIRED EXHIBITS

In accordance with 10 C.F.R. § 205.303, the following applicable exhibits are attached to this Application:

Exhibit A Copies of the agreement or proposed agreement under which the electricity is to be transmitted

- Not applicable⁴

Exhibit B Signed Opinion of Counsel

- Attached is a signed opinion of counsel that the proposed export of electricity is within the corporate power of the applicant, and that the applicant has complied or will comply with all pertinent Federal and State laws.

Exhibit C Transmission Facilities

- A list of international transmission facilities is included in Exhibit C in lieu of maps.

Exhibit D Designation of Agent

- Verified copy of power of attorney designating an agent residing in the United States is attached.

Exhibit E Statement of any Corporate Relationship or Existing Contract Relating to the Control or Fixing of Rates for the Purchase, Sale, or Transmission of Electric Energy

- Not applicable

Exhibit F Operating Procedures

- Not Applicable

⁴ A copy of the WSPP Agreement was provided with the renewal application granted in Order No. EA-98-M. As mentioned above, TCES has market-based rate authority and may purchase power pursuant to the WSPP Agreement among other voluntary arrangements. The WSPP Agreement is filed with the FERC and publicly available.

To the extent necessary, TCES requests waiver of the requirement to provide the exhibits that are not applicable to this Application.

VIII. REQUESTED EFFECTIVE DATE AND TERM

TCES requests an effective date of May 6, 2019, the date its current authorization (Order No. EA-98-M) expires. This application is being filed within 6 months of TCES's current authorization expiration and with more than 60 days for the DOE to act.⁵ TCES requests any waivers and expedited treatment necessary to allow for this effective date in order to ensure that there is no lapse in its authorization.

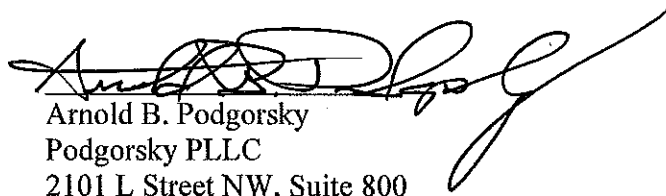
TCES also requests a term of five years, or the maximum period allowed by the DOE, for the authorization to export electricity from the United States to Canada.

⁵ See *Members of WSPP, Inc.*, Order No. EA-98-M, Order Authorizing Exports to Canada, at 12, ordering paragraph (K) (May 6, 2014).

IX. CONCLUSION

WHEREFORE, TCES requests that the DOE, Office of Electricity grant TCES blanket authorization to export electricity from the United States to Canada for a period of five years, or the maximum period allowed by the DOE, with such authorization to be effective no later than May 6, 2019.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Arnold B. Podgorsky', is written over a horizontal line.

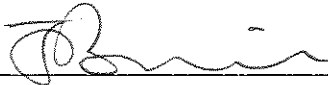
Arnold B. Podgorsky
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**Attorney for
TransCanada Energy Services Ltd.**

March 5, 2019

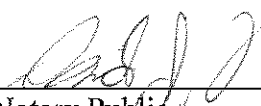
VERIFICATION

I, Jane Brindle, of TransCanada Energy Sales Ltd., am authorized to provide this verification on behalf of TransCanada Energy Sales Ltd., have knowledge of the matters set forth in the foregoing Application for Authorization to Transmit Energy to Canada, and hereby verify that the contents thereof are true and correct to the best of my knowledge, information, and belief.



Name: Jane M. Brindle
Assistant Secretary
Title: _____

SUBSCRIBED AND SWORN before me, a notary public this 28 day of February, 2019.



Notary Public
DAVID J. FARMER
BARRISTER & SOLICITOR

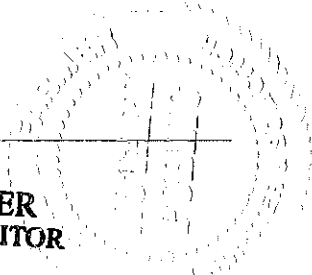


Exhibit A
Agreements

Not Applicable

Exhibit B

Opinion of Counsel

LEGAL OPINION

The following opinion is given in support of TransCanada Energy Sales Ltd.'s application for authorization to transmit electric energy to Canada, dated ~~February 3~~ 28, 2019 (the "Application").

1. I am qualified to practice law in the Province of Alberta.
2. TransCanada Energy Sales Ltd. is in good standing under the laws of Canada.
3. TransCanada Energy Sales Ltd. has been granted market-based rate authority to buy, sell, or act as a marketer in the sale and exportation of electric energy by the Federal Energy Regulatory Commission ("FERC"), as granted December 19, 2009 in Docket No. ER09-328 and FERC accepted for filing its eTariff baseline market-based rate tariff filing on November 17, 2010 in Docket No. ER10-2865.
4. The proposed exports of electrical power described in the Application are within the corporate powers of TransCanada Energy Sales Ltd.
5. To the best of my knowledge and belief, TransCanada Energy Sales Ltd. has complied or will comply with Section 202(e) of the Federal Power Act and all pertinent Federal and state laws relevant to the Application.
6. The opinion set forth herein may be relied upon only by the U.S. Department of Energy and may not be relied upon by any other person, firm, or corporation. This legal opinion is not to be used, circulated, quoted or otherwise referred to for any other purpose without my prior written approval in each instance. This legal opinion is limited to the matters stated herein and does not extend to and is not to be read as extending by implication to any other matters not referred to herein, and I have no responsibility or obligation to update this legal opinion or take into account changes in law, facts, or any other development of which I may later become aware. This legal opinion is being rendered in my capacity as an employee of TransCanada Energy Sales Ltd. and not in my personal capacity and is being given without personal liability on my part.



DAVID J. FARMER
BARRISTER & SOLICITOR

Executed on February 28, 2019

Exhibit C

International Transmission Facilities *(in lieu of maps)*

**International Transmission Facilities Located At the U.S.-Canada Border
Authorized for Third-Party Use and Available for Open Access Transmission**

Present Owner	Location	Voltage	Presidential Permit No.¹
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	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
ITC Lake Erie Connector	Erie County, PA	320-kV	PP-412*
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
Minnesota Power, Inc.	Roseau County, MN	500-kV	PP-398*
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	2-230-kV	PP-25
	Niagara Falls, NY	2-345-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*
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76

¹. The Presidential Permit numbers refer to the generic Department of Energy permit number and are intended to include any subsequent amendments to the permit authorizing the facility.

* These transmission facilities have been authorized, but are not yet constructed or placed into operation.

Exhibit D

Designation of Agent and Power of Attorney

IRREVOCABLE LIMITED POWER OF ATTORNEY

This irrevocable limited power of attorney is made February 28, 2019, by TransCanada Energy Sales Ltd. (the "Principal"), a company incorporated and organized under the laws of Alberta, Canada, with its executive offices in Calgary, Alberta, Canada.

1. Appointment. The Principal hereby appoints Corporation Service Company, whose principal place of business is at 251 Little Falls Drive, Wilmington, Delaware, USA 19808, as the Principal's true and lawful agent and attorney-in-fact ("Attorney-in-Fact") for the limited purpose described herein.
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 the Principal's application before the U.S. Department of Energy to transmit electric energy to Canada, filed pursuant to 10 C.F.R. § 205.300 *et seq.*
3. Irrevocability. This power of attorney is irrevocable by the Principal for the term of the authorization to export electric energy to Canada, subject only to the Principals' right to re-designate, or substitute the Attorney-in-Fact upon thirty (30) days' prior written notice to the U.S. Department of Energy and the Attorney-in-Fact.

IN WITNESS WHEREOF, the Principal has caused this power of attorney to be duly executed on this 28 day of February 2019.

TransCanada Energy Sales Ltd.

By: Jane M. Brindle

Name: Brindle

Title: Jane M. Brindle
Assistant Secretary

SUBSCRIBED AND SWORN before me, a notary public this 28 day of February 2019.

David J. Farmer
Notary Public

My Commission expires: Never

DAVID J. FARMER
BARRISTER & SOLICITOR

Exhibit E

**Statement of Any Corporate Relationship or
Existing Contract**

Not Applicable

Exhibit F

Operating Procedures

Not Applicable