

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION

R. Casprouck 1-16-73

EA-53

Before Commissioners: John N. Nassikas, Chairman;
Albert B. Brooke, Jr., and Rush Moody, Jr.

Rio Grande Electric)
Cooperative, Inc.)

Docket No. E-7688

ORDER AUTHORIZING TRANSMISSION
OF ELECTRIC ENERGY TO MEXICO
AND ACCEPTING EXPORT RATE
SCHEDULE FOR FILING

(Issued January 16, 1973)

Rio Grande Electric Cooperative, Inc. (Cooperative), incorporated under the laws of the State of Texas and qualified to do business as a foreign corporation in the State of New Mexico, with its principal place of business at Brackettville, Texas, filed an application on December 1, 1971, as amended and supplemented on December 14, 1971 and January 3, 1972, in Docket No. E-7688, for an order, pursuant to Section 202(e) of the Federal Power Act (Act), authorizing the transmission of electric energy from the United States to Mexico in a total amount not to exceed 620,000 kwh annually at an aggregate rate of transmission not to exceed 120 kw at certain points hereinafter described. The energy will be sold by Cooperative to Comision Federal de Electricidad (CFE), an agency of the Republic of Mexico, in accordance with certain agreements dated November 1, 1971, between Cooperative and CFE. Copies of the agreements were included as part of the application and will be collectively treated as one initial rate schedule tendered for filing by Cooperative pursuant to Part 35 of the Federal Power Commission's Regulations under the Act (18 CFR 35.0 et seq.), particularly Section 35.20. In its application Cooperative also seeks permission, pursuant to Executive Order No. 10485, dated September 3, 1953, to construct and operate at the international border between the United States and Mexico certain electric transmission facilities hereinafter described for the purpose of accomplishing the proposed exportation of energy. Permission is granted by the Permit signed by

the Chairman of the Federal Power Commission on January 16, 1973, Docket No. E-7688, and issued as hereinafter provided.

The electric energy proposed to be exported by Cooperative will be transmitted by it from three points on the United States side of the Rio Grande and delivered to CFE at the international border between the United States and Mexico for distribution by CFE in the communities of Manuel Benavides, Santa Elena and San Antonio El Bravo, all located in State of Chihuahua, Mexico, as follows:

- (1) A maximum amount of 300,000 kwh per year at a maximum transmission rate of 60 kw from the vicinity of Lajitas, Brewster County, Texas, for Manuel Benavides;
- (2) A maximum amount of 160,000 kwh per year at a maximum transmission rate of 30 kw from the vicinity of Castolon, Brewster County, Texas, for Santa Elena; and
- (3) A maximum amount of 160,000 kwh per year at a maximum transmission rate of 30 kw from the vicinity of Candelaria, Presidio County, Texas, for San Antonio El Bravo.

Cooperative will deliver the energy to CFE by means of certain proposed 14,400 volt electric transmission facilities extending across the Rio Grande and interconnecting with CFE's facilities at three points on the United States-Mexican border in the vicinity of Lajitas, Castolon, and Candelaria, Texas, mentioned above. */ The facilities of Cooperative are subject

*/ Cooperative's facilities at the three delivery points may be described as follows:

- (1) A single-phase, two-wire circuit (No. 4 ACSR) operating at 14,400 volts, 60 hertz and crossing the International Boundary at latitude 29°15'40" North and longitude 103°46'36" West in the vicinity of Lajitas, Brewster County, Texas;

(footnote continued on next page)

to its Permit signed by the Chairman of the Federal Power Commission and referred to above.

The source of electric energy which Cooperative proposes to export will be the supply for its electric system which is furnished by West Texas Utilities Company.

Cooperative will sell the exported electric energy to CFE in accordance with the schedule of rates and charges set forth in the agreements between Cooperative and CFE, copies of which are collectively designated in the Federal Power Commission's files as Cooperative's Export Rate Schedule FPC No. 2. Each agreement, entitled "Agreement For Purchase of Power," contains substantially identical terms and conditions, including rates and charges. There are three such agreements, one for each delivery point mentioned above.

Each agreement between Cooperative and CFE is for an initial period of 5 years and may continue from year to year after the expiration of such period until terminated in accordance with its provisions. The monthly rate for electric service under each agreement is determined from a two-step demand charge of \$2.25 per kw for the first 50 kw of billing demand and \$2.00 per kw thereafter and a three-step energy charge of 2.0¢ and 1.5¢ per kwh for the first 50 and next 100 kwh per kw of billing demand, respectively, with 1.0¢ per kwh thereafter.

It is stated in each agreement between Cooperative and CFE that it "shall become effective when the Consumer /CFE/

*/ continued.

- (2) A single-phase, two-wire circuit (No. 4 ACSR) operating at 14,400 volts, 60 hertz and crossing the International Boundary at latitude 29°07'20" North and longitude 103°30'54" West in the vicinity of Castolon, Brewster County, Texas; and
- (3) A single-phase, two-wire circuit (No. 4 ACSR) operating at 14,400 volts, 60 hertz and crossing the International Boundary at latitude 30°08'15" North and longitude 104°36'18" West in the vicinity of Candelaria, Presidio County, Texas.

notifies the Seller [Cooperative], they are ready for electric service***." It appears, however, that no deliveries of electric energy can be made to CFE by Cooperative under such agreements until the proposed 14,400 volt electric transmission facilities of Cooperative, described above, have been constructed and have become operational. Therefore, in accepting the three agreements for filing hereinafter as Cooperative's Export Rate Schedule FPC No. 2, we are directing that this rate schedule shall take effect as of the date such facilities are placed in service. We are also requiring Cooperative to inform this Commission in writing as to that date.

Written notice of the application has been given to the Railroad Commission of Texas and to the Public Service Commission of New Mexico and to the Governor of each of those States. Notice of the application has also been given by publication in the Federal Register on March 1, 1972 (37 F.R. 4312), stating that any person desiring to be heard or to make any protest with reference to the application should on or before March 6, 1972 file with the Federal Power Commission, Washington, D. C. 20426, petitions to intervene or protests in accordance with the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10). No petition or protest or request to be heard in opposition to the granting of the application has been received.

The Commission finds:

(1) The proposed transmission of electric energy from the United States to Mexico, as limited herein and as hereinafter authorized, will not impair the sufficiency of electric supply within the United States and will not impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of the Commission.

(2) The period of public notice given in this matter is reasonable.

(3) It is necessary and appropriate for purposes of Part 35 of the Commission's Regulations under the Federal Power Act that Cooperative's Export Rate Schedule FPC No. 2 be accepted for filing to become effective as of the date the proposed 14,400 volt electric transmission facilities are placed in service and that Cooperative inform the Commission in writing as to that date,

all as hereinafter provided.

The Commission orders:

(A) Cooperative is hereby authorized to transmit electric energy from the United States to Mexico in accordance with the terms and conditions set forth in the application and subject to the provisions of this order.

(B) The electric energy which Cooperative is hereby authorized to transmit from the United States to Mexico shall not exceed the following amounts and rates of transmission:

- (1) The amount of 300,000 kwh per year at the rate of 60 kw from the vicinity of Lajitas, Texas;
- (2) The amount of 160,000 kwh per year at the rate of 30kw from the vicinity of Castolon, Texas; and
- (3) The amount of 160,000 kwh per year at the rate of 30 kw from the vicinity of Candelaria, Texas.

The energy which Cooperative is hereby authorized to export shall be transmitted over the facilities specified in the aforementioned Permit signed by the Chairman of the Federal Power Commission on January 16, 1973, Docket No. E-7688.

(C) Cooperative's Export Rate Schedule FPC No. 2 is hereby accepted for filing and shall become effective as of the date the proposed 14,400 volt electric transmission facilities, referred to above, are placed in service. Cooperative shall inform the Commission in writing as to that date.

(D) The authorization herein granted may be modified from time to time or terminated by further order of the Commission, but in no event shall such authorization extend beyond the date of termination or expiration of the Permit signed by the

Chairman of the Federal Power Commission, referred to in Paragraph (B) above.

(E) Cooperative shall conduct all operations pursuant to the authorization herein granted in accordance with the provisions of the Federal Power Act and pertinent rules, regulations or orders issued by the Commission.

(F) Cooperative shall install and maintain adequate metering equipment to measure the flow of all electric energy transmitted from the United States to Mexico pursuant to the authority herein granted; shall make, keep and preserve full and complete records with respect to the movement of such energy; and shall furnish to the Commission, with respect to such transmission of energy, on or before February 15 of each year, a report in triplicate showing, for each point of interconnection at the international border with CFE, the kilowatt hours of energy transmitted, the maximum kilowatt rate of transmission, and the consideration received therefor during each month of the preceding calendar year.

(G) This authorization to transmit electric energy from the United States to Mexico shall not be transferable or assignable, but shall continue in effect temporarily for a reasonable time thereafter in the event of the involuntary transfer of facilities used hereunder by operation of law (including such transfers to receivers, trustees, or purchasers under foreclosure or judicial sale), pending the making of an application for permanent authorization and decision thereon, provided notice is promptly given in writing to the Commission accompanied by a statement that the physical facts relating to sufficiency of supply, rates, and nature of use remain substantially the same as before the transfer.

(H) This authorization shall be without prejudice to the authority of any State or State regulatory commission for the exercise of any lawful authority vested in the State or State regulatory commission over Cooperative.

(I) This authorization is without prejudice to the authority of this Commission, or any other regulatory body, with respect to rates, service, accounts, valuation, estimates or determinations of cost, or any other matter whatsoever now pending or which may come before this Commission, or any other regulatory body, and nothing herein shall be construed as an acquiescence by this Commission in any estimate or determination of cost or any valuation of property claimed or asserted.

(J) Acceptance of the rate schedule as referred to in Paragraph (C) above is without prejudice to any findings or orders which have been or may hereafter be made by this Commission in this or any proceeding now pending or hereafter instituted by or against Cooperative.

(K) Nothing contained in this order shall be construed as constituting approval by this Commission of any service, rate, charge, classification or any rule, regulation, contract or practice affecting such service or rate provided for in the rate schedule referred to in Paragraph (C) above; nor shall this order be deemed as recognizing any claimed contractual right or obligation affecting or relating to such service or rate.

(L) Concurrently with the issuance of this order, the Permit signed by the Chairman of the Federal Power Commission, referred to in Paragraph (B) above, shall be issued and a copy thereof transmitted by the Secretary to Cooperative.

By the Commission.

(S E A L)

Kenneth F. Plumb,
Secretary.