WESTERN SYSTEMS POWER POOL

ORDER NO. EA-98-D

I. BACKGROUND

Exports of electricity from the United States to a foreign country are regulated and require authorization under section 202(e) of the Federal Power Act (FPA) (16 U.S.C. §824a(e)).

On September 2, 1994, in Order EA-98, the Office of Fossil Energy (FE) of the Department of Energy (DOE) authorized 22 members of the Western Systems Power Pool (WSPP) (the "Applicants") to individually enter into transactions which involve exporting electricity from the United States to British Columbia Hydro and Power Authority (BC Hydro), or other future Canadian members of the WSPP, under the terms and conditions of the WSPP's pooling agreement and service schedules approved by the Federal Energy Regulatory Commission (FERC). On March 4, 1996, in Order EA-98-A, FE amended the previous order by adding 10 additional Applicants authorized to export electric energy to Canada. The term of the two-year order expired on September 2, 1996.

On July 8, 1996, in Docket EA-98-B, WSPP, on behalf of the Applicants, submitted an application to renew the export authorization issued in Order EA-98. WSPP also requested that the term of the new authorization be for 5 years. On July 12, 1996, WSPP, on behalf of additional member companies, applied to add 10 companies to the list of authorized electricity exporters (Docket No. EA-98-C). On September 5, 1996, DOE combined the two dockets and issued Order EA-98-C. That Order renewed the WSPP authorization for a 5-year period and added 10 companies to the list of authorized exporters, bringing the total number of WSPP member companies authorized to export electric energy to Canada to 42.

By letter dated September 30, 1996 (FE Docket EA-98-D), DOE was informed that six of the companies authorized to export electric energy in Order EA-98-C no longer wished to participate.

II. FINDING and DECISION

The circumstances described in correspondence submitted to DOE requesting that Central and South West Services, Inc., Nevada Power Company, Oklahoma Gas & Electric Company, Public Service Company of Colorado, Public Service Company of Oklahoma, and Southwestern Public Service Company be removed from the list of WSPP member companies authorized to transmit electric energy to BC Hydro or to other future Canadian members of WSPP, will have no effect on DOE's previously prepared electric reliability finding. Consequently, DOE finds that the electric reliability review prepared on July 29, 1994, in FE Docket EA-98, is satisfactory to fulfill the statutory requirements of the FPA. Specifically, that reliability review determined that the export of electric energy to Canada as requested by the Applicants would not impair the sufficiency of electric supply within the United States and would not impede or tend to impede the coordination in the public interest of facilities in accordance with section 202(e) of the FPA. The determination was based on all authorized exports being performed within the confines of the WSPP agreement. Specifically, that agreement provides that any exports are limited to no more than one year in length, that no new transmission facilities to support these transactions will be built, and that members' native loads will not be put in jeopardy, as each service schedule provides for the interruption or curtailment of service to another WSPP member so as not to jeopardize service to the seller's retail customers or to another member's transmission system.

Similarly, DOE finds that it has adequately satisfied its responsibility under the National Environmental Policy Act of 1969 through the documentation of a categorical exclusion in FE Docket EA-98.

III. ORDER

Based on the above findings, the electricity export authorization issued to members of WSPP on September 5, 1996, in Order EA-98-C is hereby amended to permit the following individual members to export electricity to BC Hydro or to other future Canadian members of WSPP, under the terms and conditions of WSPP's pooling agreement and service schedules approved by FERC:

Arizona Public Service Company Aquila Power Corporation Central Louisiana Electric Company Citizens Lehman Power Sales **CNG** Power Service Corporation Coastal Electric Services Company Destec Power Services. Inc Electric Clearinghouse, Inc. Englehard Power Marketing, Inc. Enron Power Marketing Entergy Power, Inc. Equitable Power Services Company Heartland Energy Services Idaho Power Company Illinova Power Marketing, Inc. Kansas City Power & Light

K N Marketing Inc. Koch Power Services, Inc. LG&E Power Marketing Inc. Louis Dreyfus Electric Power, Inc. Montana Power Company Pacific Gas & Electric Company PacifiCorp PECO Energy Company Philbro Inc. Public Service Company of New Mexico Puget Sound Power & Light Company Sierra Pacific Power Company Southern California Edison Company Southern Energy Marketing, Inc. Tenneco Energy Marketing Company **Tucson Electric Power Company**

UtiliCorp United, Inc. Valero Power Services Company Washington Water Power Company Western Resources, Inc.

All other terms and conditions of Order EA-98-C remain unchanged.

Issued in Washington, D.C., on March 24, 1997.

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