RECORDS OF CATEGORICAL EXCLUSION DETERMINATION

Morgan Stanley Capital Group Inc. Docket EA-185-E

PROPOSED ACTION: Morgan Stanley Capital Group Inc. (MSCG) applied to the United States Department of Energy (DOE) Office of Electricity for an electricity export authorization to export electricity to Canada pursuant to Section 202(e) of the Federal Power Act.¹ MSCG is a Delaware corporation with its principal place of business in New York, New York and is an indirect, wholly-owned subsidiary of Morgan Stanley. MSCG states that it "does not directly own or control any electric generation or transmission facilities, nor does it hold a franchise or service territory for the transmission, distribution, or sale of electric power."² MSCG proposes to use existing authorized international electric transmission facilities that are appropriate for open access by third parties.³

Specifically, MSCG is a power marketer seeking renewal of an export authorization to sell electric energy into Canada for a term of five years. The existing international transmission facilities to be utilized by MSCG have previously been authorized by Presidential permits issued pursuant to Executive Order 10485, as amended, and are appropriate for open access transmission by third parties. The Presidential permits for these facilities were issued by DOE after an appropriate level of NEPA review.

CX TO BE APPLIED: The elements identified above fit within the class listed in Appendix B to Subpart D of 10 C.F.R. Part 1021-Categorical exclusions applicable to specific agency actions. Specifically:

B4.2 Export of electric energy as provided by Section 202(e) of the Federal Power Act over existing transmission systems or using transmission systems that are themselves categorically excluded.

10 C.F.R. Part 1021, App. B to Subpart D, § B4.2.

REGULATORY REQUIREMENT: The proposed action has previously been determined by DOE to not have a significant effect on the human environment either individually or cumulatively. Authorizing the proposed action will not (1) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, including DOE and/or Executive orders; (2) require siting of new facilities or expansion of existing facilities; (3) disturb hazardous substances, pollutants, or contaminants; or (4) adversely affect environmentally sensitive resources.

DETERMINATION: Based on my review of the above information concerning the proposed action, as NEPA Compliance Officer (as authorized under DOE Policy 451.1), I have determined that the proposed action fits within the specified class of actions, other regulatory requirements set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

¹ 16 U.S.C. § 824a(e).

² See Application of Morgan Stanley Capital Group Inc. for Renewal of Authorization to Transmit Electricity from the United States to Canada, at 3 (May 21, 2020).

³ *Id.* at 7

Date: August 26, 2020

Signature: CAPIO \mathcal{V}

Charles P. Kosak Deputy Assistant Secretary Transmission Permitting and Technical Assistance Division DOE Office of Electricity