

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

Intercom Energy, Inc.

)

Docket No. EA-289-D

**RENEWAL APPLICATION OF INTERCOM ENERGY, INC. FOR  
AUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO MEXICO**

Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. § 824a(e) and the regulations governing applications for authorization to transmit electric energy to a foreign country, 10 C.F.R. § 205.300, *et seq.*, Intercom Energy, Inc. (“Intercom”) hereby submits this renewal application and requests that the Department of Energy, Office of Electricity and Energy Reliability (“DOE”) grant it blanket authorization to export electric energy from the United States of America (“United States”) to Mexico over any authorized international electric transmission facilities that are appropriate for “open access” transmission by third parties, including facilities that have been authorized but not yet constructed and placed into operation (once such facilities have been issued a Presidential Permit and placed into commercial operation), in accordance with the export limits authorized by the DOE. A list of the currently authorized international transmission facilities is attached as Attachment A. Intercom further requests that the DOE authorize Intercom to export electric energy for a term of five (5) years, or the maximum period allowed by the DOE, with an effective date of May 18, 2021, which is the day after Intercom’s current authorization expires.

## **I. DESCRIPTION OF APPLICANT AND BACKGROUND**

Intercom Energy, Inc. is a California corporation with its principal place of business in San Diego, California. Intercom is a wholly-owned subsidiary of Intercom Energy USA, Inc. (“Intercom USA”), which also is a California company with its principal place of business in San Diego, California.

Intercom does not own, control or operate any electric generation, distribution or transmission assets or natural gas transportation or distribution assets in the United States or Mexico. Intercom also does not have a franchised electric power service area or service territory for the transmission, distribution or sale of electric power in the United States or Mexico. In addition, none of Intercom’s affiliates have a franchise or service territory for the transmission, distribution or sale of electric power or own any electric generation, transmission or distribution facilities.

On May 19, 2004, the DOE issued Order No. EA-289 authorizing Intercom to export electric energy to Mexico as a power marketer for a term of two years. On March 9, 2006, Intercom filed to renew its electric energy export authorization and on May 17, 2006, the DOE issued Order No. EA-289-A, renewing Intercom’s authorization to export power to Mexico for a term of five years. On December 15, 2010, Intercom filed again to renew its authorization, and on May 17, 2011, the DOE issued Order No. EA-289-B authorizing renewal for a five-year term, which expired May 17, 2016. On March 18, 2016, as supplemented on March 22, 2016, Intercom filed again to renew its authorization, and on April 29, 2016, the DOE issued Order No. EA-289-C, authorizing renewal for a five year term from the effective date of May 17, 2016, which expires May

17, 2021. DOE has granted each of the Intercom applications for export authorization noted above. Given the impending expiration of the existing license on May 17, Intercom seeks to renew its authorization to export power to Mexico for a term of five years, or the maximum allowable allowed by the DOE, with an effective date of May 18, 2021, which is one day after Intercom's current authorization expires.

As discussed below in section IV-B, Intercom has good cause to seek such an effective date. Intercom's ability to update its necessary documentation evidencing compliance with the requisite requirements of the State of California, and the legal opinion that is based on such documentation, has been greatly hampered and delayed in its dealings with the appropriate California regulatory authorities. Communications with and responses from such authorities have been greatly hampered and delayed by COVID related impacts on such regulatory authorities. Offices have been closed and there have been reductions in staffing levels. Intercom was hoping to have the updated documentation available for filing with this Application, and delayed the filing of it, but the delays continued so Intercom has proceeded with providing all the necessary documentation, and will supplement this Application with the legal opinion.

Moreover, as consequence of travel restrictions imposed on Mr. Pallares due to the Covid-19 pandemic in Mexico, Mr. Pallares has been unable to receive a notarized verification under oath as to the information contained herein. Intercom intends to supplement this application with a notarized verification as soon as practicable.

## II. INFORMATION REQUIRED PURSUANT TO 10 C.F.R. § 205.302

The following information is provided in accordance with the 18 C.F.R. §

205.302:

- A. The exact legal name of the application: Intercom Energy, Inc.
- B. The exact legal name of all partners: None.
- C. The name, title, post office address, and telephone number of the person to whom correspondence in regarding to the application shall be addressed:

Ernesto Pallares  
President and Chief Executive Officer  
Intercom Energy, Inc.  
2436 A Street, Suite C  
San Diego, CA 92102  
Telephone: (619) 371-1672  
[ernest.pall@intercom-energy.com](mailto:ernest.pall@intercom-energy.com)

William DeGrandis  
Jenna McGrath  
Paul Hastings, LLP  
2050 M Street, N.W.  
Washington, DC 20036  
Telephone: (202) 551-1720  
Fax: (202) 551-0120  
[billdegrandis@paulhastings.com](mailto:billdegrandis@paulhastings.com)  
[jennamcgrath@paulhastings.com](mailto:jennamcgrath@paulhastings.com)

- D. The state or territory under the laws of which the applicant is organized or incorporated, or authorized to operate. If the applicant is authorized to operate in more than one state, all pertinent facts shall be included:

Intercom is a California corporation with its principal place of business in San Diego, California.

Intercom may engage in transactions in which it purchases surplus electric energy from electric utilities and other suppliers within the United States, wheels such electric energy through facilities located in the United States, and exports such electric energy to

third parties in Mexico. Intercom requests export authorization to complete these transactions to the extent necessary under the Federal Power Act and the applicable regulations.

E. The name and address of any known Federal, State or local government agency which may have jurisdiction over the action to be taken in this application and a brief description of that authority:

Intercom does not know of any other Federal, State or local government that has jurisdiction over the actions to be taken under the authority sought in this application.

F. A description of the transmission facilities through which the electric energy will be delivered to the foreign country, including the name of the owners and the location of any remote facilities:

Intercom seeks blanket authorization to export electric energy to Mexico over any authorized international electric transmission facilities that are appropriate for open access transmission by third parties, including facilities that have been authorized but not yet constructed and placed into operation (once such facilities have been issued a Presidential Permit and placed into commercial operation),<sup>1</sup> in accordance with the export limits authorized by the DOE. Intercom does not propose to construct any facilities of its own.

G. A technical description of the proposed electricity export's reliability, fuel use and system stability impact on the applicant's present and prospective electric power supply system. Applicant must explain why the proposed electricity export will not

---

<sup>1</sup> In addition to the international transmission facilities located at the United States border with Mexico authorized by Presidential Permit and available for open-access transmission, it is Intercom's understanding that the international transmission facilities at Falcon Dam in Falcon Heights, Texas, which were authorized by treaty signed February 3, 1944, between the United States and Mexico and titled "Utilization of Waters of Colorado and Tijuana Rivers and of the Rio Grande" also are available for open-access transmission. Thus, Intercom also requests that the DOE authorize Intercom to be able to export electric energy to Mexico on the Falcon Dam international transmission facilities.

impair the sufficiency of electric supply on its system and why the export will not impede or tend to impede the regional coordination of electric utility planning or operation.

Intercom seeks authority to transmit electric energy to Mexico. As previously stated, Intercom does not own, control or operate any generation, transmission or other facilities in the United States. Thus, Intercom has no “system” of its own in the United States on which its exports of power could have a reliability, fuel use or stability impact. Intercom will purchase the electric energy to be exported to Mexico from electric utilities and federal power marketing agencies as those terms are defined in Sections 3(22) and 3(19) of the Federal Power Act, 16 U.S.C. §§ 796(22) and 796(19). By definition, such power is surplus to the system of the electric utilities and federal power marketing agencies and, thus, will not impair or have an adverse consequence on the sufficiency or operation of the electric power system and regional transmission systems within the United States or on the maintenance of adequate generation resources in the United States.

Intercom will make all necessary commercial arrangements, will obtain sufficient transmission capacity to wheel the exported energy to the border system, and will obtain all other regulatory approvals required in order to affect any power exports. This will include: (1) scheduling each transaction with the appropriate contract area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation and member regional entities in effect at the time of export; (2) coordinating exports with the authorized international electric transmission facilities, balancing authorities, regional entities, and/or other appropriate entities such that the total exports across the interconnection(s) are in conformance with the applicable operating

limits and requirements; and (3) obtaining all necessary transmission access over the authorized international electric transmission facilities that are appropriate for open access transmission by third parties.

The existing procedures for obtaining transmission capacity on domestic transmission systems provide adequate assurance that the delivery of energy to the border systems will not impair the reliability of the United States electric power supply system. In addition, the services taken by Intercom to effectuate delivery of the electric energy to the border systems usually will be arranged via the Open-Access Same-Time Information System and provided pursuant to an open-access transmission tariff, which are approved by the Federal Energy Regulatory Commission.

Transmitting the energy through the border systems and across the border to Mexico will not impair the United States electric power supply system nor impede coordinated use of regional facilities. Intercom will make the necessary commercial arrangements and will obtain sufficient transmission capacity to deliver the energy over the border systems and into Mexico. Traditional technical studies have been performed, submitted and reviewed by the DOE in connection with the export authorizations issued to the facilities over which Intercom will export electric energy. Intercom respectfully requests that the DOE utilize these operational reliability impact studies to make the necessary determinations and to conclude that the proposed export will have no adverse consequence on the operation of regional transmission systems. To the extent that Intercom exports energy over the international transmission facilities, Intercom will abide by the export limits set forth in the appropriate export authorizations for such facilities.

H. Signature and verification under oath by the officer of the applicant having knowledge of the matters set forth herein.

As consequence of travel restrictions imposed on Mr. Pallares due to the Covid-19 pandemic in Mexico, Mr. Pallares has been unable to receive a notarized verification under oath as to the information contained herein. Intercom intends to supplement this application with a notarized verification as soon as practicable.

### **III. PROCEDURES**

Intercom will make and preserve complete records regarding the electric energy exported to Mexico and will provide the DOE with reports by February 15 each year of each calendar month of the preceding year. These reports will show the gross amount of kilowatt- hours of electric energy delivered and the consideration received or delivered thereof during each month and also the cost and revenue associated with each category required by the DOE pursuant to 10 CFR §205.308.

### **IV. EXHIBITS REQUIRED BY 10 C.F.R. § 205.303**

Pursuant to 10 C.F.R. § 205.303, the following Exhibits are attached to this Application:

A. Exhibit A. A copy of the agreement or proposed agreement under which the electricity is to be transmitted including a listing of the terms and conditions. If this agreement contains proprietary information that should not be released to the general public, the applicant must identify such data and include a statement explaining why proprietary treatment is appropriate.

Not applicable. No such agreements exist at this time.



B. Exhibit B. A showing, including 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.

The Application is complete except for the legal opinion, which will be submitted as soon as certain discussions with the California Franchise Tax Board (FTB) are completed, relating to updating Intercom's documentation of current compliance with the requirements for corporations to be in good standing with the State of California. Intercom has submitted all necessary documentation to the FTB, but the FTB's timing for processing this documentation has been greatly hampered and delayed by the ongoing Covid-19 pandemic, with significant delays in communications with, and responses from, the FTB. As such, Intercom intends to supplement this renewal application with a signed opinion of counsel as soon as practicable, certifying the efforts of Intercom and its employees to comply with all California State and Federal laws. Consequently, Intercom intends to supplement this Application with the legal opinion as soon as it receives sign off from the FTB on the notice of good standing for Intercom.

Intercom had followed a similar procedure (though for a different reason) of submitting its Renewal application in 2016, as discussed above, and supplementing it with the legal opinion subsequently. Intercom has an appointment with the FTB on May 26, 2021, and hopes to wrap up its documentation at that time, or soon thereafter.

C. Exhibit C. A general map showing the applicant's overall electric system and a detailed map highlighting the location of the facilities or the proposed facilities to be used for the generation and transmission of the electric energy to be exported. The detailed map shall identify the location of the proposed border crossing point(s) or power transfer point(s) by Presidential Permit number whenever possible.

Not applicable. Intercom does not own or operate any electric system facilities or electric energy generation or transmission facilities and also does not propose to build any such facilities. To the extent necessary, Intercom requests waiver of the requirement to provide a map identifying the location of the proposed border crossing points or power transfer points by Presidential Permit number. Intercom requests authorization to export electric energy from the United States to Mexico over any authorized international electric transmission facilities that are appropriate for open access transmission by third parties,<sup>2</sup> including international electric transmission facilities not yet constructed once authorized, in accordance with the export limits authorized by the DOE. To the extent the owners of the international transmission facilities have provided maps of their systems as part of their Presidential Permit applications and export authority applications, Intercom requests that such maps be deemed to satisfy the requirement for Intercom to produce such maps in this proceeding.

D. Exhibit D. If an applicant resides or has its principal office outside of the United States, such applicant shall designate, by irrevocable power of attorney, an agent residing within the United States. A verified copy of such power of attorney shall be furnished with the application.

Not applicable. Intercom's principal office is in California.

E. Exhibit E. A statement of any corporate relationship or existing contract between the application and any other person, corporation, or foreign government, which

---

<sup>2</sup> In addition to the international transmission facilities located at the United States border with Mexico authorized by Presidential Permit and available for open-access transmission, it is Intercom's understanding that the international transmission facilities at Falcon Dam in Falcon Heights, Texas, which were authorized by treaty signed February 3, 1944, between the United States and Mexico and titled "Utilization of Waters of Colorado and Tijuana Rivers and of the Rio Grande" also are available for open-access transmission. Thus, Intercom also requests that the DOE authorize Intercom to be able to export electric energy to Mexico on the Falcon Dam international transmission facilities.

in any way relates to the control or fixing of rates for the purchase, sale or transmission of electric energy.

Not applicable. Intercom does not have any corporate or contractual relationship with any person, corporation or foreign government that in any way relates to the control or fixing of rates for the purchase, sale or transmission of electric energy.

F. Exhibit F. An explanation of the methodology (Operating Procedures) to inform neighboring electric utilities in the United States of the available capacity and energy which may be in excess of the applicant's requirements before delivery of such capacity to the foreign purchaser. Approved firm export, diversity exchange and emergency exports are exempt from this requirement. Those materials required in this section which may have been filed previously with the ERA may be incorporated by reference.

Not applicable. As stated above, Intercom does not own or operate any generation or transmission facilities in the United States. To the extent Intercom will rely on the border facilities to effectuate electric energy exports, Intercom will rely on the Operating Procedures adopted by those border facilities to inform neighboring utilities of the available capacity and energy that may be in excess of the requirements before delivery of such capacity to a foreign purchaser.

## **V. CONCLUSION**

For the reasons stated above, Intercom requests that the Department of Energy grant it blanket authorization to export electric energy from the United States to Mexico over any authorized international electric transmission facilities that are appropriate for open access transmission by third parties, in accordance with the export limits authorized by the DOE, with an effective date of May 18, 2020.

Respectfully submitted,

**INTERCOM ENERGY, INC.**

May 14, 2021

---

William DeGrandis  
Jenna McGrath  
Paul Hastings, LLP  
2050 M Street, N.W.  
Washington, D.C. 20036  
Telephone: (202) 551-1720  
Fax: (202) 551-0120  
[billdegrandis@paulhastings.com](mailto:billdegrandis@paulhastings.com)  
[jennamcgrath@paulhastings.com](mailto:jennamcgrath@paulhastings.com)

*Attorneys for Intercom Energy, Inc.*

Intercom Energy, Inc.  
Docket No. EA-289-D

**EXHIBIT B**

Intercom Energy, Inc.  
Docket No. EA-289-D

**ATTACHMENT A**

## ATTACHMENT A

### Authorized International Transmission Facilities Located at the United States Border with Mexico

Present Owner/Facility	Location	Voltage	Presidential Permit No. <sup>1</sup>
AEP Texas Central Co.	Laredo, TX	138 kV	PP-317
		230 kV	
El Paso Electric Co.	Sunland Park, NM	115 kV	PP-92
	Ascarate, TX	115 kV	PP-48
Federal Power Commission	Presidio, TX	12.5 kV	PP-3
UNS	Nogales, AZ	13 kV	PP-16, PP-16-1
	Lochiel, AZ	13.8 kV	PP-40-1
Trico	Tucson and Marana, AZ	40 kw	PP-35
Central Power and Light	Del Rio, TX	12 kV	PP-59
	Brownsville, TX	138 kV, 69 kV	PP-94
	Eagle Pass, TX	138 kV	PP-50 and PP-219
Imperial Irrigation District	Calexico, CA	Two 34.5 kV	PP-174
Arizona Public Service Company	Sonora, AZ	34.5 kV	PP-106
	San Luis, AZ	34.5 kV	PP-108
Frontera Generation Ltd. Partnership	Mission, TX	Two 230 kV	PP-206
Brownsville Public Utilities Board	Brownsville, TX	Two 138 kV	PP-226
Sempre Energy Resources/Baja California Power, Inc.	Imperial Valley, CA	230 kV	PP-234, PP-234-1
Termoelectrica U.S., LLC	Imperial Valley, CA	230 kV	PP-235, PP-235-1, PP-235-2
Energia Sierra Juarez U.S. Transmission, LLC	Jacumba, CA	230 kV	PP-334

<sup>1</sup> These Presidential permit numbers refer to the generic Department permit number and are intended to include any subsequent amendments to the permit authorizing the facility.

Comisión Federal de Electricidad	Falcon Dam, <sup>2</sup>	138 kV	N/A
	TX Redford, TX	7.2 kV	PP-51
	Presidio, TX	13.8 kV	PP-3
	Comstock, TX	7.2 kV	PP-75
Generadora del Desierto – WAPA	San Luis, AZ	230kV	PP-304*
AEP Texas Central Company	Brownsville, TX	138kV	PP-425
	Laredo, TX	69kV	PP-423
	Laredo, TX	138kV	PP-423
	Eagle Pass, TX	230kV	PP-424
El Paso Electric Company	Diablo, NM	115 kV	PP-92
	Ascarate, TX	115 kV	PP-48
San Diego Gas & Electric	Miguel, CA	230kV	PP-68
	Imperial Valley, CA	230kV	PP-79
	Tecate, California	12 kV	PP-49-1
Sharyland Utilities	McAllen, TX	138kV	PP-285
Nogales Transmission	Nogales, AZ	230kV	PP-420*

---

<sup>2</sup> In addition to the international transmission facilities located at the United States border with Mexico authorized by Presidential Permit and available for open-access transmission, it is Intercom's understanding that the international transmission facilities at Falcon Dam in Falcon Heights, Texas, which were authorized by treaty signed February 3, 1944, between the United States and Mexico and titled "Utilization of Waters of Colorado and Tijuana Rivers and of the Rio Grande" also are available for open-access transmission. Thus, Intercom also requests that the DOE authorize Intercom to be able to export electric energy to Mexico on the Falcon Dam international transmission facilities.

\* These facilities have been authorized but not yet constructed or placed into operation.



**ATTACHMENT B**