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January 30, 2023

Via Electronic Filing (electricity.exports@hq.doe.gov)

U.S. Department of Energy Office of Electricity 1000 Independence Avenue, SW Washington, DC 20585

Re: ConocoPhillips Company Application for Renewal of Authorization to Transmit Electric Energy to Mexico Docket No. EA-336-C

To the U.S. Department of Energy ("DOE"), Office of Electricity:

Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. § 824(e) and 10 C.F.R. § 205.000, *et seq.*, enclosed for filing with the DOE Office of Electricity in the above-captioned docket is the Application of ConocoPhillips Company ("COP") for Renewal of Authorization to Transmit Electric Energy to Mexico ("Application"). As detailed further in the Application, COP respectfully requests that DOE renew its existing blanket authorization to transmit electric energy from the United States to Mexico for a term of five (5) years, with an effective date of April 17, 2023, which is the day after COP's currently-effective authorization expires.

COP has electronically paid the \$500 filing fee associated with the Application through the DOE General Collections Form on pay.gov.

Please contact the undersigned with any questions regarding the enclosed Application.

Respectfully submitted,

/s/ Mark R. Haskell Mark R. Haskell Blank Rome LLP 1825 Eye Street, NW Washington, D.C. 20006 Tel.: (202) 420-2654 mark.haskell@blankrome.com

Counsel for ConocoPhillips Company

UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY ELECTRICITY DELIVERY DIVISION OFFICE OF ELECTRICITY

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ConocoPhillips Company

Docket No. EA-336-C

APPLICATION OF CONOCOPHILLIPS COMPANY FOR RENEWAL OF AUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO MEXICO

ConocoPhillips Company ("COP" or "Applicant") respectfully requests that the United States Department of Energy, Office of Electricity ("DOE") renew COP's blanket authorization to transmit electric energy from the United States to Mexico for a term of five (5) years, with an effective date of April 17, 2023, which is the day after COP's currently-effective authorization expires. COP submits this Application pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. 824a(e), and 10 C.F.R. § 205.300, *et seq.*

COP currently is authorized to export electricity to Mexico over any authorized international transmission facility that is appropriate for open access transmission by third parties, pursuant to an export authorization issued by the DOE on May 31, 2018, in Order No. EA-336-B ("Export Order"). COP is authorized to export electricity to Mexico pursuant to the Export Order and subject to the limits and conditions identified in the Export Order.

Pursuant to the terms of the Export Order, COP's current electricity export authorization will expire on April 16, 2023. Therefore, COP respectfully requests action on this Application and renewed export authorization to Mexico prior to or on April 16, 2023.

I. DESCRIPTION OF APPLICANT

COP is a Delaware corporation and is wholly-owned by ConocoPhillips, a publiclytraded Delaware corporation. COP's principal place of business is in Houston, Texas. COP is engaged in, among other things, the marketing of electric power at wholesale in various markets throughout the United States. COP has been authorized by the Federal Energy Regulatory Commission ("FERC") to engage in wholesale sales of electric power in interstate commerce pursuant to its FERC approved market-based rate wholesale power sales tariff.¹ COP does not own or operate electric a transmission or distribution system, and does not have a franchised service area. The electric energy that COP proposes to export to Mexico will be purchased from third parties pursuant to voluntary agreements.

ĺ See ConocoPhillips Company, FERC FPA (Market-Based Rates) Electric Tariff No. 1. COP is the successor to the market-based rate authorization originally granted to Conoco Power Marketing Inc. See Conoco Power Marketing Inc., Docket No. ER95-1441-000, Letter Order (Aug. 30, 1995) (unpublished) (granting market-based rate authorization to Conoco Power Marketing Inc.). This authorization has been transferred on several occasions as the result of changes in ownership, internal reorganizations, name changes and mergers. See DuPont Power Marketing Inc., Docket No. ER95-1441-003, Letter Order (May 15, 1996) (unpublished) (accepting Notice of Succession reflecting name change); Conoco Power Marketing, Inc., Docket No. ER99-1087-000, Letter Order (Jan. 25, 1999) (unpublished) (accepting Notice of Succession reflecting name change); Conoco Power Marketing, Inc., Docket No. ER00-1455-000, Letter Order (March 2, 2000) (unpublished) (accepting Notice of Succession reflecting change in ownership); Conoco Inc., Docket No. ER01-738-000, Letter Order (Feb. 9, 2001) (accepting Notice of Succession reflecting transfer of rate schedule resulting from internal corporate reorganization); ConocoPhillips Co., Docket No. ER03-428-000, Letter Order (March 25, 2003) (unpublished) (accepting Notice of Succession reflecting name change). See also ConocoPhillips Co., Docket No. ER03-428-007, Letter Order (Feb. 3, 2009) (unpublished) (accepting updated market power analysis); ConocoPhillips Co., Docket No. ER03-428-008, Letter Order (July 23, 2009) (unpublished) (accepting updated market power analysis, for Southeast region); ConocoPhillips Co., Docket No. ER03-428-009, Letter Order (May 5, 2010) (unpublished) (accepting notice of change in status regarding transmission facility); ConocoPhillips Co., Docket No. ER10-2854-001, Letter Order (Mar. 5, 2013) (accepting notice of change in status reflecting new affiliation); ConocoPhillips Co., Docket No. ER10-2854-002 (Nov. 24, 2020) (accepting notice of change in status as a result of new long-term power purchase agreement and designation as Category 2 Seller in Northwest region).

This Application is consistent with the United States-Mexico-Canada Agreement² and United States energy policy as established in the Energy Policy Act of 1992. Grant of export authorization to COP will foster the development and maintenance of a more efficient and competitive North American energy market. COP requests authority for export transactions through specified border facilities even though specific transactions may not yet have been negotiated. DOE has granted export authority to similarly situated power marketers, and COP agrees to abide by the general conditions set forth in the DOE's prior orders authorizing power marketers to export power, including COP's existing export authorization order.³

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

COP provides the following information in accordance with 10 C.F.R. § 205.302 (Contents of application):

A. Exact legal name of applicant.

ConocoPhillips Company.

B. Exact legal name of all partners.

None.

² Harmonized Tariff Schedule of the United States Revision 9 (2022), Heading/Subheading 2716.00.00, Electrical energy in MWh

³ <u>See, e.g., ConocoPhillips Company.</u>, OE Docket No. EA-336-B (May 31, 2018). <u>See also Shell</u> <u>Energy North America (US), L.P.</u>, OE Docket No. EA-338-B (May 31, 2018); <u>BP Energy Co.</u>, OE Docket No. EA-314-C (Dec. 20, 2021); MAG Energy Solutions, Inc., OE Docket No. EA-436-A (Aug. 11, 2022).

C. Name, title, post office address, and telephone number of the person to whom correspondence in regard to the application should be addressed.

All service and correspondence concerning this Application should be directed to

COP's following representatives:

Casey P. McFaden Senior Counsel ConocoPhillips Company 925 N. Eldridge Parkway Houston, TX 77079 Tel: (281) 293-5610 casey.p.mcfaden@conocphillps.com

Robert F. Bonner Director, Commercial Compliance Reporting & Policy ConocoPhillips Company 925 N. Eldridge Parkway Houston, TX 77079 Tel: (281) 293-4872 robert.f.bonner@conocophillips.com

D. 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 should be included.

COP is organized under the laws of Delaware and maintains its principal place of business at 925 N. Eldridge Parkway, Houston, TX 77079.

As noted, COP is authorized to sell wholesale electric capacity, energy, and ancillary services pursuant to its market-based wholesale power sales tariff on file with FERC. Under that authorization, COP is authorized to engage in wholesale energy marketing transactions in every state within the continental United States with the exception of sales within the ERCOT region of Texas. COP is authorized to sell electric capacity, energy, and ancillary services within the ERCOT region of Texas under authorization granted by the Public Utility Commission of Texas

("PUCT"). COP also is authorized to sell energy at retail in several states pursuant to licenses granted by state regulatory commissions.

Neither COP nor its affiliates currently own generating facilities.⁴

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

Pursuant to section 202(e) of the FPA, DOE has jurisdiction over the action to be taken in this Application. No other federal, state, or local government has jurisdiction over the action to be taken in this Application.

F. 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.

COP seeks authorization to transmit electric energy to Mexico as a power marketer for a term of five (5) years. Neither COP nor any of its affiliates own or control electric transmission facilities except for those facilities necessary to connect generation facilities to the transmission grid. COP requests 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.⁵ A list identifying currently authorized transmission facilities is provided in Exhibit C to this Application.

G. Technical discussion of the proposed electricity export's reliability, fuel use and system stability impact on the Applicant's present and prospective electric power supply systems. Applicant must explain why

⁴ In 2012, all of COP's generation assets, which were listed in its 2008 export application, were transferred to Phillips 66 Company, an independent and unaffiliated company, as authorized by the Federal Energy Regulatory Commission. <u>See, ConocoPhillips Company</u>, 139 FERC ¶ 62,025 (2012).

⁵ This includes 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.

the proposed electricity export will not 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.

As noted above, COP has no "system" of its own on which exports of power could have a reliability or stability impact. The electric power that COP will export, on either a firm or interruptible basis, will be purchased from others voluntarily and will therefore be surplus to the needs of the selling entities. Moreover, because COP does not have an obligation to serve native load, the exports proposed by COP will not impair its ability to meet current and prospective power supply obligations. The electric energy that will be exported pursuant to the authorization requested in this Application, whether on a firm or interruptible basis, will be purchased in bilateral, voluntary transactions and will depend upon power supply and transmission export capacity available to Mexico. As such, COP's exports to Mexico do not and will not impair the sufficiency of the electric power supply within the United States. Furthermore, COP's exports of electric energy to Mexico will not impede or tend to impede the regional coordination of electric utility planning or operations, but will instead conform to system requirements as they may change over time.

COP will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effectuate any power exports. All of the electricity exported by COP will be transmitted pursuant to arrangements with other utilities or entities that own and/or operate existing transmission facilities and will be consistent with the export limitations and other terms and conditions contained in the existing Presidential Permits and electricity export authorizations issued for these cross-border facilities, as well as any other export limitations that DOE may deem appropriate, consistent with DOE's orders authorizing exports of electric energy by power marketers.⁶

COP will schedule each transaction with the appropriate control area in compliance with the reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation ("NERC") and its member regional entities. COP will obtain all necessary transmission access over the authorized transmission facilities for its exports and will comply with all applicable statutes and implementing rules, regulations, and orders of the DOE and FERC. The controls inherent in any transaction that complies with NERC requirements and DOE export limits on the authorized transmission facilities are sufficient to ensure that exports by COP will not impede the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

As noted in Order No. EA-102,⁷ DOE may use the reliability analyses performed in other export authorization proceedings for the transmission facilities listed in Exhibit C in order to make the findings required for the renewal of the export authority to COP. Because the proposed exports will take place over existing international transmission lines, COP submits that the requested authorization does not require the preparation of an environmental impact statement or an environmental impact assessment pursuant to the National Environmental Policy Act of 1969.

H. Original application shall be signed and verified under oath by an officer having knowledge of the matters set forth therein

The executed verification of Terri G. King is attached to this Application.

⁶ See supra note 3.

⁷ Enron Power Marketing, Inc., FE Docket No. EA-102 (Feb. 6, 1996).

III. EXHIBITS AND ATTACHMENTS PURSUANT TO 10 C.F.R. § 205.303

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

To the extent that an exhibit is not applicable to this Application, COP has designated the exhibit

accordingly below.

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.

Not applicable. No such agreements exist at this time.

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.

A signed opinion of counsel is attached.

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.

A list of currently authorized transmission facilities is provided in lieu of a map, and is attached herewith at Exhibit C.

D. If an applicant resides or has its principal office outside the United States, such applicant shall designate, by irrevocable power of attorney, an agent residing within the United States.

Not applicable.

E. A statement of any corporate relationship or existing contract between the applicant and any other person, corporation, or foreign government, which in any way relates to the control or fixing of rates for the purchase, sale or transmission of electric energy.

Not applicable.

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.

Not applicable.

To the extent necessary, COP requests waiver of the requirement to provide Exhibits A,

D, E, and F.

Pursuant to the requirement of 10 C.F.R. §205.309, a copy of the Application is being

provided to:

Federal Energy Regulatory Commission 888 First Street, N.E. Washington DC 20426

California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102 Public Utilities Commission of Texas 1701 N. Congress Avenue P.O. Box 13326 Austin, TX 78711-3326

Arizona Corporation Commission, Utilities Division 1200 W. Washington St. Phoenix, AZ 850007-2927

IV. CONCLUSION

In consideration of the foregoing, COP respectfully requests approval of this Application for authorization to export electric energy to Mexico for a term of five (5) years, with an effective date beginning April 17, 2023.

Respectfully submitted,

Robert F. Bonner) Director, Commercial Compliance Reporting & Policy ConocoPhillips Company

Dated: January 26, 2023

Exhibit A

(NOT APPLICABLE)

EXHIBIT B

LEGAL OPINION

Legal Opinion

I, Casey P. McFaden, Senior Counsel of ConocoPhillips Company (the "Corporation"), hereby certify on behalf of the Corporation and in support of the Application of ConocoPhillips Company for Renewal of Authorization to Transmit Electric Energy to Mexico (the Application) dated January 26, 2023, that:

- The Corporation is duly incorporated and validly existing under the corporate laws of the state of Delaware;
- (2) The Corporation has the corporate capacity to act in the manner described in the Application; and
- (3) To the best of my knowledge and belief, the Corporation and its officers and directors have complied with all pertinent federal and state laws related to the actions to be undertaken pursuant to the Application.

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Casey P. McFaden

Dated: January 26, 2023

EXHIBIT C

CROSS-BORDER TRANSMISSION FACILITIES

CROSS-BORDER TRANSMISSION FACILITIES

Owner/Permitte	Location	Voltage	Presidential Permit No.
AEP Texas Central Company	Laredo, TX	138 kV 230 kV	PP-317 PP-317
	Brownsville, TX	138 kV 69 kV	PP-94
	Eagle Pass, TX	138 kV	PP-219
Baja California Power, Inc.	Imperial Valley, CA	230 kV	PP-234
Comision Federal de Electricidad	Falcon Dam, TX	138 kV	None
	Redford, TX	7.2 kV	P-51
	Presidio, TX	13.8 kV	PP-3
	Del Rio, TX	12 kV	PP-59
El Paso Electric Company	Diablo, NM Ascarate, TX	115 kV 115 kV	PP-92 PP-48
Generadora del Desierto – WAPA	San Luis, AZ	230 kV	PP-304*
Nogales Transmission	Nogales, AZ	230 kV	PP-420*
San Diego Gas & Electric	Miguel, CA Imperial Valley, CA	230 kV 230 kV	PP-68 PP-79
Sharyland Utilities, Inc.	McAllen, TX	138 kV	PP-285

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

UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY ELECTRICITY DELIVERY DIVISION OFFICE OF ELECTRICITY

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ConocoPhillips Company

Docket No. EA-336-C

VERIFICATION

The undersigned, being duly sworn, states that she is an authorized representative of ConocoPhillips Company; that she has read the foregoing application of ConocoPhillips Company for authorization to transmit electric energy to Mexico; and that all of the statements contained therein are true and correct to the best of her knowledge, information, and belief.

I and 14 Terri G. King

SHARON K. HORTON

Vice President ConocoPhillips Company

Subscribed and sworn to before me this *20th* day of January 2023

Y COMMISSION EXPIRES MARCH 28, 2025 NOTARY ID: 12288142

Therm K. Horton

Notary Public for the State of Texas

My Commission expires: March 28, 2025