

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

**Royal Bank of Canada**

**Docket No. EA-342-\_\_\_\_\_**

**APPLICATION OF ROYAL BANK OF CANADA  
FOR AUTHORIZATION TO  
TRANSMIT ELECTRIC ENERGY TO CANADA**

Royal Bank of Canada (“RBC” or “Applicant”) hereby files its application (this “Application”) for a five-year renewal of its authorization to transmit electric energy from the United States to Canada.<sup>1</sup> On September 4, 2008, the Office of Electricity Delivery and Energy Reliability issued Order No. EA-342 authorizing RBC to export electric energy to Canada as a power marketer. The order was renewed in OE Docket No. EA-342-A in September 2013 and in OE Docket No. EA-342-B in September 2018 for a term of five (5) years expiring on September 4, 2023.

**I. Description of Applicant**

RBC is a chartered Canadian bank organized under the laws of Canada and governed by the *Bank Act* (Canada), which constitutes its charter. RBC’s corporate headquarters are in Toronto, Ontario, Canada and its head office is in Montreal, Quebec, Canada.

RBC is Canada’s largest bank; one of the largest banks in the world, based on market capitalization; and is one of North America’s leading diversified financial services companies. RBC provides personal and commercial banking, wealth management, insurance and investor services and capital markets products and services on a global basis. RBC and its subsidiaries employ more than 95,000 full- and part-time employees who serve more than 17 million personal, business, public sector and institutional clients through offices in Canada, the United

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<sup>1</sup> Pursuant to Federal Power Act (“FPA”) Section 202(e), 16 U.S.C. § 824a(e) and Part 205, Subpart W of the United States Department of Energy’s Regulations, 10 C.F.R §§ 205.300 *et seq.*

States and 28 other countries.<sup>2</sup> RBC is a publicly traded company and accordingly has no partners.

RBC was granted authority by the Federal Energy Regulatory Commission (“FERC”) to market and sell wholesale power, capacity, ancillary services and related services in various markets in the United States by letter order issued on August 7, 2008. *See* Docket Nos. ER08-1121-000 and ER08-1121-001. As a wholesale power marketer, RBC may purchase or sell electric power, and may enter into financial derivative contracts for power, natural gas and other energy products. All RBC power transactions are executed at rates negotiated between RBC and its counterparties.

Neither RBC nor any of its affiliates (collectively, the “RBC Companies”) owns, operates or controls any electric power transmission or distribution facilities in the United States. The RBC Companies also do not own, operate or control any electric generation assets. As part of their trading and investment activities in various industry sectors, the RBC Companies periodically take passive or other non-controlling positions in, or are passive lenders to, unaffiliated companies that directly or indirectly own electric generation or transmission, have franchised service territories or provide inputs to generation in the United States. Neither RBC nor any of its affiliates hold any board position in the energy-related companies in which they invest or otherwise engage in the day-to-day operations of such unaffiliated energy-related companies. When RBC Companies make investments with unaffiliated investment managers, the RBC Companies do not direct the investment decisions of such investment managers. Neither RBC nor any of its affiliates holds a franchise or service territory for the transmission, distribution or sale of electric power at this time.

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<sup>2</sup> According to the RBC 2022 Annual Report: [https://www.rbc.com/investor-relations/\\_assets-custom/pdf/ar\\_2022\\_e.pdf](https://www.rbc.com/investor-relations/_assets-custom/pdf/ar_2022_e.pdf)

## **II.**

### **Correspondence**

Correspondence concerning this Application should be directed to the following:

Laura Mul  
Compliance  
RBC Capital Markets, LLC  
200 Vesey Street - 9th Fl  
New York, NY 10281  
United States  
Phone: (212) 905-5856  
Laura.Mul@rbc.com

## **III.**

### **Other Government Agencies Having Jurisdiction**

RBC believes that the Department of Energy (“Department”) is the only governmental agency with authority over this Application. FERC has jurisdiction over RBC’s wholesale electric power sales activities in the United States.

## **IV.**

### **Description of Transmission Facilities**

RBC seeks authority to export electric power to Canada as a power marketer over existing cross-border facilities as well as any additional future facilities that are appropriate for third-party use. RBC has complied and will continue to comply with the terms and conditions of the applicable Presidential Permits and export authorizations issued for such cross-border facilities, as well as any other conditions the Department may deem appropriate for those facilities.

## **V.**

### **Technical Discussion of Proposal**

RBC seeks to renew its authority to export electric power to Canada as a power marketer. As noted above, RBC does not own or control any power supply system in the United States. RBC will purchase the power to be exported from electric facilities, federal power marketing agencies, qualifying cogeneration, small power production facilities and exempt wholesale generators, as those terms are defined in the FPA, and other public utilities. Any power purchased by RBC for export will be surplus to the needs of those entities selling power to RBC. Thus, as required by FPA Section 202(e), RBC's exports will not impair the sufficiency of electric supply within the United States, nor will the transmissions impede or tend to impede the coordination in the public interest of U.S. transmission facilities. Furthermore, RBC power exports will not adversely impact the reliability or stability of any supply system utilized for such exports.

## **VI.**

### **Compliance With Conditions and Procedures**

RBC proposes to abide by the general conditions consistent with the Department's previous grants of authorization to power marketers as set forth in its previous orders, as described herein. From time to time, RBC will enter into agreements with third parties which involve the export of electric power from the United States to Canada. RBC's exports over the subject transmission facilities will not exceed the export limits for the facilities, or otherwise cause a violation of the terms and conditions set forth in the export authorizations applicable to each. When scheduling delivery of power, RBC will comply with the applicable reliability criteria, standards and guidelines of the North American Electric Reliability Corporation and regional reliability councils. Within thirty days following the end of each calendar quarter, RBC



will provide the Department with reports indicating the gross amount of electricity delivered to Canada, consideration received during each month, and the maximum hourly rate of transmission.

## **VII.**

### **Exhibits and Attachments**

The following Exhibits and Attachments are included with this Application pursuant to 10 C.F.R. § 205.303:

|                   |   |
|-------------------|---|
| <u>Exhibit A-</u> | Transmission Agreements (Not applicable)  |
| <u>Exhibit B-</u> | Legal Opinion of Royal Bank of Canada   |
| <u>Exhibit C-</u> | Irrevocable Power of Attorney   |
| <u>Exhibit D-</u> | Transmission System Information   |
| <u>Exhibit E-</u> | Statement of any Corporate Relationship or Existing Contract which in Any Way Relates to the Control or Fixing of Electric Power (Not applicable) |
| <u>Exhibit F-</u> | Operating Procedures Regarding Available Capacity and Energy (Not applicable)   |

## **VIII.**

### **Other**

Pursuant to 10 C.F.R. § 205.309, a copy of this Application has been served on the Secretary of FERC.

## **IX.**

### **Conclusion**

For the foregoing reasons, RBC respectfully requests that the Department grant this Application for blanket authority to transmit electric energy to Canada for a term of five (5) years on substantially the same terms and conditions as applied to similarly-situated electric power marketers.

Respectfully submitted,



Brandon Everhardt  
Managing Director and Head of  
Environmental & Energy Trading  
Royal Bank of Canada

Dated: June 12, 2023

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

**Royal Bank of Canada**

**Docket No. EA-342-\_\_\_\_\_**

**DECLARATION**

I, Brandon Everhardt, Managing Director and Head of Environmental & Energy Trading, Royal Bank of Canada, declare under penalty of perjury that I am duly authorized to verify the forgoing Application on behalf of Royal Bank of Canada, and that to the best of my knowledge, information, and belief, all of the statements contained in said Application are true and correct.



Brandon Everhardt  
Managing Director and Head of  
Environmental & Energy Trading  
Royal Bank of Canada

Executed on June 12, 2023

**Exhibit A**

**Transmission Agreements**

Not applicable.



**Exhibit B**

**Legal Opinion of Royal Bank of Canada**



**Matthew Arnold**  
Managing Director and Assistant General Counsel

**Royal Bank of Canada  
RBC Law Group  
200 Bay Street – Royal Bank Plaza  
12<sup>th</sup> Floor, South Tower  
Toronto, Ontario M5J 2J5**

Tel.: (416) 974-4371  
Fax: (416) 955-2032  
Email: [matthew.arnold@rbccm.com](mailto:matthew.arnold@rbccm.com)

**June 12, 2023**

**United States Department of Energy  
Office of Electricity  
Washington, DC**

Re: Application of Royal Bank of Canada for Renewal of Authorization to Transmit Electricity from the United States of America to Canada (the "**Application**")  
Docket No. EA-342-\_\_\_\_

Dear Sirs/Mesdames:

I am Assistant General Counsel to Royal Bank of Canada (the "**Bank**"), a Canadian chartered bank, and am delivering this opinion letter on behalf of the Bank within my scope and role as Assistant General Counsel and in connection with the Application.

### **Scope of Investigations**

In connection with the giving of the opinions expressed below (the "**Opinions**"), I have examined such statutes, certificates, public records and other documents, and have considered such questions of law as I have considered relevant or necessary for the purposes of the Opinions.

### **Laws Addressed**

I am qualified to practice law in the Province of Ontario and in the State of New York. This opinion letter is limited to the laws of the Province of Ontario and the federal laws of Canada applicable therein and the laws of the State of New York and the federal laws of the United States applicable therein.

### **Assumptions and Qualifications**

All facts set forth in the official public records, indices, filing and registration systems and all certificates, documents and printed results supplied by public officials or otherwise conveyed to us by public officials are complete, true, accurate and current.

### **Opinions**

Based on and subject to the foregoing, I am of the opinion that:

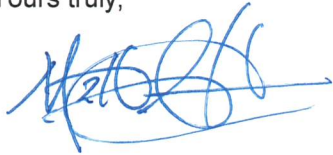
1. The Bank is a Canadian bank incorporated under and governed by the *Bank Act* (Canada).
2. The Bank has all necessary corporate power and authority to engage in the continued exportation of electric energy to customers in Canada as contemplated by the Application.

3. To the best of my knowledge, the Bank has complied with all relevant federal and state laws applicable to the exportation of electric energy by the Bank as contemplated by the Application.

**Limitation on Reliance**

The Opinions may be relied upon only by you and may not be relied upon by any other person, firm or corporation. This opinion letter is not to be used, circulated, quoted or otherwise referred to for any other purpose without my prior written approval in each instance. This opinion letter is limited to the matters stated herein and does not extend to, and is not to be read as extending by implication to, any other matters not referred to herein, and I have no responsibility or obligation to update this opinion letter or take into account changes in law, facts or any other development of which I may later become aware. The Opinions are being rendered in my capacity as an employee of the Bank and not in my personal capacity and are being given without personal liability on my part.

Yours truly,

A handwritten signature in blue ink, appearing to be "H. J. [unclear]", with a long horizontal flourish extending to the right.

**Exhibit C**

**Irrevocable Limited Power of Attorney**

## IRREVOCABLE LIMITED POWER OF ATTORNEY

This irrevocable limited power of attorney is made June 12, 2023, by Royal Bank of Canada (the "Principal"), a Canadian chartered bank with its executive offices and corporate headquarters at 200 Bay Street, Toronto, Ontario, Canada M5J 2W7.

1. Appointment. The Principal hereby appoints Royal Bank of Canada, New York Branch, whose principal place of business is at 30 Hudson Street, 27th Floor, Jersey City, New Jersey, 07302, as the Principal's true and lawful agent and attorney-in-fact ("Attorney-in-Fact") for the limited purpose described herein.
2. Scope of Authority. The Attorney-in-Fact shall have the limited power and authority to receive service of process for any and all matters relating to the Principal's application before the U.S. Department of Energy to transmit electric energy to Canada, filed pursuant to 10 C.F.R. §§ 205.300 *et seq.*
3. Irrevocability. This power of attorney is irrevocable by the Principal, subject only to the Principal's right to re-designate, or substitute the Attorney-in-Fact upon thirty days' prior written notice to the U.S. Department of Energy and the Attorney-in-Fact.

**IN WITNESS WHEREOF**, the Principal has caused this power of attorney to be duly executed on this 12th day of June, 2023.

By: 

Jonathan W. Hunter  
Officer  
Royal Bank of Canada

By: 

Tracy Ross  
Senior Vice President and Associate  
General Counsel  
Royal Bank of Canada

This instrument was acknowledged before me on the 12th day of June, 2023 by Jonathan W. Hunter and Tracy Ross in Toronto, Ontario.



Vivian Chan  
Managing Counsel and Director  
Royal Bank of Canada

## **Exhibit D**

### **Transmission System Information**

Royal Bank of Canada seeks authority to export electric power using existing and future Department of Energy-approved cross-border transmission facilities that are appropriate for third-party use.



**Exhibit E**

**Statement of any Corporate Relationship or Existing Contract which in Any Way  
Relates to the Control or Fixing of Electric Power**

Not applicable.

**Exhibit F**

**Operating Procedures Regarding Available Capacity and Energy**

Not applicable.