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May 15, 2023

Via Email

Christina Gomer
Grid Infrastructure, Permitting & Technical Assistance
Grid Deployment Office
U.S. Department of Energy
electricity.exports@hq.doe.gov

**Re: Application of MFT Energy US Power LLC for Authorization to Export
Electricity to Canada**

Dear Ms. Gomer:

Enclosed for filing is the “Application of MFT Energy US Power LLC for Authorization to Transmit Electric Energy to Canada.” The filing fee of \$500.00 has been paid electronically via Pay.gov (Agency Tracking ID Number: 76418486571).

Thank you for your assistance in this matter.

Respectfully submitted,

James C. Beh

James C. Beh

Attorney for MFT Energy US Power LLC

Enclosures

**UNITED STATES OF AMERICA
BEFORE THE DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY**

MFT Energy US Power LLC

Docket No. EA-____

**APPLICATION OF MFT ENERGY US POWER LLC FOR AUTHORITY TO
TRANSMIT ELECTRIC ENERGY TO CANADA**

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.*, MFT Energy US Power LLC (“Applicant”) hereby submits this application for blanket authorization to export electricity from the United States to Canada for a term of ten years (“Application”). In accordance with 10 C.F.R. §§ 205.302, MFT Energy US Power LLC states the following:

- a) **Legal Name of Applicant.** The legal name of the applicant is MFT Energy US Power LLC.
- b) **Legal Name of All Partners.** Applicant is a limited liability company organized under the laws of the state of Delaware with its principal place of business located at 70 W. Madison Street, Chicago, Illinois, 60602, USA. Applicant is wholly owned by MFT Energy US, Inc., a Delaware corporation, with its registered office located at 850 New Burton Road, Suite 201, Dover, Delaware, 19904, USA, and its principal place of business located at 70 W. Madison Street, Chicago, Illinois, 60602, USA. MFT Energy US, Inc. is wholly owned by MFT Energy A/S, registered in Denmark, under business register number 38175130, located at Margrethepladsen 4, 3, 8000, Aarhus, Denmark.

Applicant owns a 75% interest in MFT Energy US 1 LLC, a Delaware limited liability company with its principal place of business in Chicago, Illinois.



MFT Energy US 1 LLC will operate as a power marketer and has filed an application for market-based rate authority, which is currently pending before the Federal Energy Regulatory Commission.¹ MFT Energy US 1 LLC does not own any franchised service territory, and does not control any physical electric generation or transmission facilities in the United States.

Applicant has no other affiliates or upstream owners that own any franchised service territory, or control any physical electric generation or transmission facilities in the United States.

c) Persons to Whom Correspondence Shall be Addressed:

Contact: Simon Fisker Rathjen
Title: CEO
Name: MFT Energy US Power LLC
Address: 70 W. Madison Street, Chicago, Illinois, 60602, USA
Telephone: +1 312 235 2245
E-mail: sr@mft-energy.com or uspower@mft-energy.com

d) State or Territory of Incorporation. Applicant is incorporated in the State of Delaware. Applicant is authorized to do business in the State of Delaware and such other states as required by the current nature of its business.

e) Governmental Agencies Having Jurisdiction. To the best of its knowledge, MFT Energy US Power LLC, is not aware of any Federal, State, or local government agency other than the Department of Energy which may have any jurisdiction over the action to be taken in this Application.

f) Description of the Transmission Facilities. The electric energy Applicant will export will be wheeled over the existing authorized international electric

¹ *MFT Energy US 1 LLC*, “Application of MFT Energy US 1 LLC for Market-Based Rate Authorization, Acceptance of Initial Tariff, and Request for Certain Waivers and Blanket Authority,” Docket No. ER23-1304-000 (March 10, 2023).

transmission facilities listed in Exhibit C to this Application, which lists the owners, locations, and Presidential Permit numbers of those facilities.

g) **Technical Discussion of the Proposed Export of Electricity.** Applicant seeks

blanket authority to transmit electric power to Canada as a power marketer.

Section 202(e) of the FPA provides that proposed exports will be authorized unless “the proposed transmission would impair the sufficiency of electric supply within the United States or would impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of the Commission.”²

With regard to the first criterion, the sufficiency of electric power within the United States, DOE has interpreted this standard to require that “sufficient generating capacity must exist such that the exporter could sustain the export while still maintaining adequate generating reserves to meet all native load obligations.”³ Applicant will purchase surplus electric energy from entities within the United States to be exported to Canada. Because Applicant has no franchised service territory and therefore no native load obligations, and the power it proposes to purchase and export is surplus to the needs of those entities selling electric power to Applicant, the proposed export of electricity will not impair the sufficiency of electric supply within the United States and meets the first statutory criterion of Section 202(e).

With regard to the second criterion, whether the transaction would impede the coordination in the public interest of facilities subject to the jurisdiction of the Commission, DOE has interpreted this standard to address “the operational

² 16 U.S.C. § 824a(e).

³ *Order Authorizing Electricity Exports to Canada*, Order No. EA-296-A (September 18, 2007).

reliability of the domestic electric transmission system.”⁴ When determining the operational reliability impacts of exports by power marketers, DOE analyzes first the impacts of moving the export to the border system that owns the international transmission connection, then the impacts of moving the export through the border system and across the border.⁵ In moving exports from their source to the border system, DOE “has determined that the existing industry procedures for obtaining transmission capacity on the domestic transmission system provide adequate assurances that a particular export will not cause an operational reliability problem.”⁶ Applicant will make all necessary commercial arrangements and obtain any necessary regulatory approvals required in order to schedule and deliver power exports in compliance with this requirement. Specifically, Applicant will schedule its transactions with the appropriate balancing authority areas and will comply with the reliability criteria, standards and guidelines established by the North American Reliability Corporation and its member Regional Entities in effect at the time of export. In determining the operational impacts of moving exports through the border system and across the border, DOE relies on the studies that supported the export authorizations issued to those border systems.⁷ In compliance with this requirement, all electricity exported by Applicant will be transmitted pursuant to arrangements with utilities that own and operate existing transmission facilities and will be consistent with all

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

applicable export limits on transmitting facilities, including those of the border facilities used, and with other terms and conditions contained in existing Presidential Permits and electricity export authorizations associated with these transmission facilities. Thus, Applicant meets the second statutory criterion of Section 202(e).

Applicant also commits to comply fully with the terms and conditions of any export authorization granted to it by DOE and in accordance with all applicable law including the provisions of the FPA and pertinent rules, regulations, and orders adopted or issued thereunder. Given that Applicant only intends to export power over existing transmission lines, this application qualifies for a categorical exclusion under the Department's regulations implementing the National Environmental Policy Act of 1969.⁸

- h) **Verification.** The signed verification of Simon Fisker Rathjen, the Chief Executive Officer of MFT Energy US Power LLC, is attached to this Application as Attachment A.

REQUIRED EXHIBITS, COPIES, AND FEE

In accordance with 10 C.F.R. §205.303,⁹ the following Exhibits are attached hereto:

Exhibit A: Agreements – Not applicable¹⁰

Exhibit B: Legal opinion of MFT Energy US Power LLC's counsel

⁸ See 10 C.F.R. Part 1021, Subpart D, Appendix B, § B4.2 (2023) (providing a categorical exclusion for the "[e]xport of electric energy as provided by Section 202(e) of the [FPA] over existing transmission systems or using transmission system changes that are themselves categorically excluded").

⁹ To the extent necessary, Applicant requests a waiver of the requirement to provide the exhibits that are noted as not applicable to this Application.

¹⁰ Currently there are no agreements with any Canadian utilities to export electricity.

- Exhibit C:** Power Transfer Points¹¹
- Exhibit D:** Non-U.S. Applicant's power of attorney – Not applicable¹²
- Exhibit E:** Statement of any corporate relationship or existing contract which in any way relates to the control or fixing of electric power rates – Not applicable¹³
- Exhibit F:** Operating procedures regarding available capacity and energy – Not applicable¹⁴

In accordance with the requirements of 10 C.F.R. § 205.309, a copy of this Application will be provided to the Secretary of the Federal Energy Regulatory Commission. Payment in the amount of \$500.00 has been submitted to DOE General Collections via the Pay.gov website, as required under 10 C.F.R. § 205.309. The Agency Tracking ID Number for this payment is: 76418486571.

¹¹ Applicant owns no transmission or generation facilities and therefore a “general map showing the applicant’s overall electric system” per 10 C.F.R. §205.303(c) is not applicable. Moreover, Applicant will use existing and future DOE-approved transmission facilities available over the United States-Canada border, and provides as Exhibit C transmission system information in lieu of maps.

¹² Applicant’s principal place of business is in the United States, and therefore no designated agent residing within the United States is required.

¹³ Applicant does not have any corporate relationship or existing contract between it 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.

¹⁴ Because all of the electricity to be exported from the United States by Applicant is surplus energy purchased from other electric utilities, Applicant requests waiver of the requirement set forth in 10 C.F.R. § 205.303(f) that it explain the Operating Procedures for informing neighboring electric utilities in the United States that capacity or electricity in excess of the requirements of Applicant is available prior to its delivery to the export purchaser. Neighboring utilities may be informed of any excess capacity and energy by participating in the competitive wholesale markets in the relevant areas.

CONCLUSION

WHEREFORE, for the reasons stated herein, MFT Energy US Power LLC respectfully requests that the Department of Energy grant the requested authorization to transmit electric energy to Canada. We ask for this authorization to last for ten (10) years.

Respectfully submitted,

Simon Fisker Rathjen

Simon Fisker Rathjen
Chief Executive Officer
MFT Energy US Power LLC
70 W. Madison Street
Chicago, Illinois, 60602

May 15, 2023

EXHIBIT A
AGREEMENTS

Not applicable.

EXHIBIT B
OPINION OF COUNSEL

JONES DAY

51 LOUISIANA AVENUE, N.W. • WASHINGTON, DC 20001-2113
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Christina Gomer
Grid Infrastructure, Permitting &
Technical Assistance
Grid Deployment Office
U.S. Department of Energy
electricity.exports@hq.doe.gov

**Re: Application of MFT Energy US Power LLC for Authorization to Export
 Electricity to Canada**

Dear Ms. Gomer:

Pursuant to 10 C.F.R. § 205.303(b), I hereby provide this legal opinion in support of the Application of MFT Energy US Power LLC (“MFT Energy”) for Authorization to Transmit Electric Energy to Canada (“Application”). I am an attorney licensed to practice law in the District of Columbia, and counsel to MFT Energy in this matter.

To the best of my knowledge and belief, the proposed export of electricity to Canada is within the corporate power of MFT Energy, and MFT Energy has complied, or is in the process of complying with, all federal and state laws governing the actions to be taken under the Application.

In rendering this opinion, I have relied as to certain matters on information obtained from MFT Energy’s representatives, and have assumed the authenticity of original documents and the genuineness of all signatures on all documents examined by me. I am opining here only as to U.S. federal and state law as they relate to the Application and express no opinion as to the laws of any other jurisdiction.

Respectfully submitted,



James C. Beh

Attorney for MFT Energy US Power LLC

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EXHIBIT C

TRANSMISSION SYSTEM INFORMATION UNITED STATES INTERCONNECTIONS WITH CANADA

Owner	Location	Voltage	Presidential Permit¹⁵
Bangor Hydro-Electric Co.	Baileyville, ME	345-kV	PP-89
Basin Electric Power Coop.	Tioga, ND	230-kV	PP-64
Bonneville Power Administration	Blaine, WA	2-500-kV	PP-10
	Nelway, WA	230-kV	PP-36
	Nelway, WA	230-kV	PP-46
CHPE, LLC	Champlain, NY	±230-kV DC	PP-481
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
International Transmission Company	Detroit, MI	230-kV	PP-230
	Marysville, MI	230-kV	PP-230
	St. Claire, MI	230-kV	PP-230
	St. Claire, MI	345-kV	PP-230
ITC Lake Erie Connector	Erie County, PA	320-kV	PP-412 ¹⁶
Joint Owners of Highgate Project	Highgate, VT	120-kV	PP-82
Long Sault, Inc.	Massena, NY	2-115-kV	PP-24
Maine Electric Power Company	Houlton, ME	345-kV	PP-43
Maine Public Service Company	Limestone, ME	69-kV	PP-12
	Fort Fairfield, ME	69-kV	PP-12
Maine Public Service Company	Madawaska, ME	138-kV	PP-29
	Aroostook, ME	2-69-kV	PP-29

¹⁵ These Presidential permit numbers are intended to include any subsequent amendments to the permit authorizing the facility.

¹⁶ These transmission facilities have been authorized but not yet constructed or placed into operation.

Owner	Location	Voltage	Presidential Permit ¹⁵
Minnesota Power, Inc.	International Falls, MN	115-kV	PP-78
Minnesota Power, Inc.	Roseau County, MN	500-kV	PP-398 ¹⁷
Minnkota Power Cooperative, Inc.	Roseau County, MN	230-kV	PP-61
Montana Alberta Tie Ltd.	Cut Bank, MT	230-kV	PP-305
New York Power Authority	Massena, NY	765-kV	PP-56
	Massena, NY	2-230-kV	PP-25
	Niagara Falls, NY	2-345-kV	PP-74
	Devils Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devils Hole, NY	230-kV	PP-190
Northern States Power Company	Red River, ND	230-kV	PP-45
	Roseau County, MN	500-kV	PP-63
	Rugby, ND	230-kV	PP-231
Sea Breeze Olympic Converter LP	Port Angeles, WA	\pm 450 kV	PP-299 ¹⁸
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	\pm 450-kV DC	PP-76
	Imperial Valley, CA	230-kV	PP-79

¹⁷ These facilities have been authorized but not yet constructed or placed into operation.

¹⁸ These facilities have been authorized but not yet constructed or placed into operation.

EXHIBIT D

NON-U.S. APPLICANT'S POWER OF ATTORNEY

Not applicable.

EXHIBIT E

**EXISTING RELATIONSHIP OR EXISTING CONTRACT
RELATING TO CONTROL OR FIXING OF RATES**

Not applicable.

EXHIBIT F

OPERATING PROCEDURES RELATING TO AVAILABLE CAPACITY AND ENERGY

Because all of the electricity to be exported from the United States by MFT Energy US Power LLC is surplus energy purchased from other electric utilities, MFT Energy US Power LLC requests a waiver of the requirement set forth in § 205.303(f) of the Regulations that it explain the Operating Procedures for informing neighboring electric utilities in the United States that capacity or electricity in excess of the requirements of MFT Energy US Power LLC is available prior to its delivery to the export purchaser.

ATTACHMENT A
VERIFICATION

VERIFICATION

Declaration Under Penalty of Perjury (28 U.S.C. § 1746)

I, Simon Fisker Rathjen, Chief Executive Officer of MFT Energy US Power LLC, am authorized to provide verification on behalf of MFT Energy US Power LLC and have knowledge of the matters set forth in the foregoing Application of MFT Energy US Power LLC for Authorization to Transmit Electricity from the United States to Canada ("Application"). I hereby verify under penalty of perjury under the laws of the United States of America that the foregoing Application is true and correct.

Executed on May 9, 2023

Respectfully submitted,



Simon Fisker Rathjen
Chief Executive Officer
MFT Energy US Power LLC
70 W. Madison Street
Chicago, IL 60602