

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

Emera Energy Services Subsidiary No. 2 LLC

Docket No. EA-322-

**APPLICATION OF EMERA ENERGY SERVICES SUBSIDIARY NO. 2 LLC
FOR AUTHORIZATION 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.*, Emera Energy Services Subsidiary No. 2 LLC (“EESS-2”) hereby files with the Department of Energy (“DOE” or the “Department”) an original and two (2) copies of the instant application (“Application”) for blanket authority to transmit electric energy from the United States to Canada. The Office of Electricity Delivery and Energy Reliability issued Order No. EA-322-B, effective September 18, 2018, authorizing EESS-2 to export electric energy to Canada as a power marketer for a term of five years. EESS-2 respectfully requests renewal of its authorization to transmit electricity from the United States to Canada for a term of five years.

I. DESCRIPTION OF THE APPLICANT

The exact legal name of the applicant is Emera Energy Services Subsidiary No. 2 LLC. EESS-2 is a Delaware limited liability company formed under Delaware law with its principal place of business at Suite 101, #37 Route 236, Kittery, Maine 03904. EESS-2 is a wholly-owned subsidiary of Emera Incorporated (“Emera”), a Nova Scotia company that is a diversified energy and services company. EESS-2 is one of fifteen LLCs created under the laws of Delaware. Emera Energy Services Subsidiary Nos. 1 – 13, Emera Energy Services Subsidiary No.15, and Emera Energy LNG, LLC, wholly-owned subsidiaries of Emera, are authorized to export electric

energy from the United States to Canada¹, and have also received market-based rate authority from the Federal Energy Regulatory Commission (“FERC” or “Commission”).²

Emera owns other energy concerns. Emera Energy Services, Inc. (“EES”) is a Delaware corporation, and has received market-based rate authority from FERC.³ EES is a licensed Competitive Electric Provider in Maine, but has not offered to serve or served any retail load under that license. EES has DOE authorization to transmit electric energy from the United States to Canada.⁴ Emera Energy U.S. Subsidiary No. 1, Inc. (“EE US No. 1”) and Emera Energy U.S. Subsidiary No. 2, Inc. (“EE US No. 2”), wholly-owned subsidiaries of Emera, are Delaware corporations. EE US No. 1 and EE US No. 2 have received market-based rate authority from FERC⁵ and EE US No. 1 and EE US No. 2 have DOE authorizations to transmit electric Energy from the United States to Canada.⁶

Emera Energy Limited Partnership (“EELP”) is a limited partnership formed under the laws of Nova Scotia. Emera is the limited partner of EELP, and Emera Energy General Partner

¹ The authorizations for EESS Nos. 1 – 5 were effective as of September 18, 2018 (Orders EA-321-B, EA-322-B, EA-323-B, EA-324-B, and EA-325-B). The authorizations for EESS Nos. 6 – 8 were effective as of May 13, 2019 (Orders EA-391-A, EA-392-A, and EA-393-A). The authorizations for EESS Nos. 9 – 15 were effective as of June 22, 2018 (Orders EA-444, EA-445, EA-446, EA-447, EA-448, EA-449, and EA-450.) On June 28, 2019, Emera Energy informed DOE that the name of EESS No. 14 had been changed to Emera Energy LNG, LLC. On February 7, 2023, Emera Energy Services Subsidiary Nos. 9 – 13, Emera Energy Services Subsidiary No.15, and Emera Energy LNG, LLC submitted applications seeking renewal of their authority to export under section 202(e) of the Federal Power Act. In separate filings today, Emera Energy Services Subsidiary No. 1 and Emera Energy Services Subsidiary Nos. 3 - 5 are seeking renewal of their authority to export under section 202(e) of the Federal Power Act.

² *Emera Energy Servs. Subsidiary No. 1, LLC*, Letter Order, Docket Nos. ER07-553-000, *et al.* (Mar. 21, 2007) (accepting market based rate tariffs of EESS Nos. 1 – 5). *Emera Energy Servs. Subsidiary No. 6 LLC*, Letter Order, Docket Nos. ER12- 2492-000, *et al.* (Dec. 19, 2012) (accepting market-based rate tariffs of EESS Nos. 6 – 10). *Emera Energy Servs. Subsidiary No. 11 LLC*, Letter Order, Docket Nos. ER-16-2455-01, *et al.* (Oct. 26, 2016) (accepting market-based rate tariffs of EESS Nos. 11 – 15).

³ *Emera Energy Services., Inc.*, Letter Order, Docket No. ER02-723-000 (Mar. 1, 2002).

⁴ Order No. EA-257-E.

⁵ *Emera Energy U.S. Subsidiary No. 1, Inc.*, Letter Order, Docket No. ER04-359-000 (Feb. 24, 2004); *Emera Energy U.S. Subsidiary No. 2, Inc.*, Letter Order, Docket Nos. ER06-796-000, *et al.* (June 20, 2006).

⁶ Order Nos. EA-287-C and EA-312-B.

Inc. (“EEGP”) is the general partner of EELP. EEGP is incorporated under the laws of Nova Scotia, and is a wholly-owned subsidiary of Emera. EELP provides energy management services to Canadian clients and customers, as well as conducting proprietary natural gas and electricity trading and marketing in the Canadian marketplace. Nova Scotia Power Inc. is a wholly-owned subsidiary of Emera that provides service to customers located in Nova Scotia, Canada. Emera has a 12.92% ownership in the Maritimes and Northeast Pipeline, a natural gas pipeline that originates in Goldboro, Nova Scotia, and terminates at a point of interconnection with the United States pipeline grid at Dracut, Massachusetts.

Emera has a wholly-owned subsidiary, Emera Brunswick Pipeline Company Ltd., which owns the Brunswick Pipeline, a 145 kilometer pipeline that connects the Canaport LNG (liquefied natural gas) terminal in Saint John, New Brunswick, Canada to the United States portion of the Maritimes and Northeast Pipeline near St. Stephen, New Brunswick, Canada.

Emera owns Emera (Caribbean) Inc. (formerly Light & Power Holdings Ltd.), which in turn owns 100% of the Barbados Light & Power Company Limited ("BLPC"), and a 20% indirect interest in St. Lucia Electricity Services Limited ("Lucelec"). BLPC is the sole electricity provider on the island of Barbados and has been granted a franchise to produce, transmit and distribute electricity on the island until 2028. Lucelec is an electric utility with exclusive license to generate, transmit and distribute electricity on the island of St. Lucia until 2045. Grand Bahama Power Company Limited (“GBPC”) is a wholly-owned subsidiary of Emera. GBPC is the sole licensed and regulated utility operator on Grand Bahama Island with an exclusive franchise to produce, transmit and distribute electricity on Grand Bahama Island until 2054. Emera also owns an 3.3 % interest in OpenHydro Group Limited, an Irish

technology business that designs and manufactures marine turbines to generate renewable energy from tidal streams.

Emera owns a 50% indirect interest in Bear Swamp Power Company LLC, a Delaware limited liability company that owns and operates the 625 MW Bear Swamp Pumped Storage Hydroelectric Facility located on the Deerfield River in northern Massachusetts and the nearby 10 MW Fife Brook run-of-river hydroelectric facility. Bear Swamp holds authorization to sell power at market-based rates from FERC.⁷

Tampa Electric Co. is a public utility operating within Florida and a wholly owned subsidiary of Emera. Tampa Electric is engaged in the generation, purchase, transmission, distribution and wholesale and retail sale of electric energy. The retail territory served comprises an area of approximately 2,000 square miles in West Central Florida, with over 800,000 customers. In addition, Tampa Electric engages in wholesale sales to utilities and other resellers of electricity, and has received market-based rate authority.⁸ Tampa Electric has three electric generating stations, along with several solar generating facilities, for more than 5,000 MW (nameplate) of generating capacity. Open access to Tampa Electric's transmission system in West Central Florida is provided pursuant to the company's Open Access Transmission Tariff, which is on file with the Commission.⁹

New Mexico Gas Company ("NMGC"), based in Albuquerque, is a wholly owned subsidiary of Emera. NMGC maintains 12,000 miles of natural gas pipeline to provide service to more than 540,000 residential, commercial and transportation customers. The company's service area encompasses 60% of the population of New Mexico.

⁷ Bear Swamp Power Co., LLC, 110 FERC ¶ 61,208 at P 23 (2005).

⁸ *Tampa Elec. Co.*, Docket No. ER99-2342-000, Letter Order, May 27, 1999.

⁹ *Tampa Elec. Co.*, Docket No. ER10-1508-000, Letter Order dated Aug. 12, 2010.

Emera owns Emera Technologies Holding LLC, which in turn owns 100% of Emera Technologies LLC. Each entity is formed under the laws of Delaware. Emera Technologies LLC developed and markets a microgrid platform called BlockEnergy, which involves putting rooftop solar, energy storage and smart distributed controls throughout new build communities, joining the homes together in a network to create microgrids that are able to independently power homes without disruption.

EESS-2 does not own or control any electric power generation or transmission facilities and does not have a franchised electric power service area. EESS-2 operates as a marketing company involved in, among other things, the purchase and sale of electricity in the United States as a power marketer.

II. COMMUNICATIONS.

Communications regarding this Application should be addressed to the following persons:

EESS-2

Keith Sutherland,
Vice President, Legal & Regulatory
Affairs
Emera Energy
5151 Terminal Road
Halifax, NS B3J 1A1 Canada
keith.sutherland@emeraenergy.com

Suchman Law LLC

Bonnie A. Suchman
Suchman Law LLC
8104 Paisley Place
Potomac, Maryland 20854
bonnie@suchmanlawllc.com

III. JURISDICTION.

Under Section 202(e) of the FPA, 16 U.S.C. § 824a(e), and DOE's regulations, 10 C.F.R. § 205.300 *et seq.*, any person seeking to transmit electric energy from the United States to a foreign country must first secure an order from DOE authorizing the export. No other known

federal, state or local government has jurisdiction over the actions to be taken under the authority set out in this application.

IV. TECHNICAL DISCUSSION OF PROPOSAL.

EESS-2 seeks renewal of its authority to transmit electric energy to Canada. EESS-2 intends to export power over existing transmission interconnections between the United States and Canada. Exhibit C to this Application provides the location and description of the transmission facilities through which the electric energy may be delivered into Canada, and includes the name of the facility owners as well as the Presidential Permit numbers.

EESS-2 will purchase surplus electric energy from electric utilities and other suppliers within the United States and will export this energy to Canada over the international electric transmission facilities. The present owners of the transmission facilities are listed in Exhibit C. Because this electric energy will be purchased from others voluntarily, it will be surplus to the needs of the selling entities. EESS-2's export of power will not impair the sufficiency of electric power supply in the U.S.

EESS-2 will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effect any power exports. This will include: (1) scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation ("NERC") and applicable Regional Entities in effect at the time of export; (2) obtaining all necessary transmission access over the existing facilities listed in Exhibit C; and (3) providing evidence of the agreements with transmission owners to DOE.

Consistent with past DOE precedent, EESS-2 requests that DOE use the reliability analyses performed in the most recent export authorization proceedings that rely upon the border transmission facilities referenced in Exhibit C. EESS-2 agrees to abide by the export limits of

these transmission facilities. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by DOE on the referenced transmission facilities are sufficient to ensure that exports by EESS-2 will not impede or tend to impede the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

V. PROCEDURES

EESS-2 is willing to accept all conditions imposed by the Department of Energy on its authorization to export power. In particular, if required by DOE, exports made by EESS-2 will not exceed the export limits for the transmission facilities utilized by EESS-2, or otherwise cause a violation of the terms and conditions set forth in the export authorization. When scheduling the delivery of power, EESS-2 will comply with the applicable NERC reliability criteria, standards, and guidelines. EESS-2 will provide DOE with all required reports indicating the gross amount of electricity delivered to Canada, consideration received during each month, and the maximum hourly rate of transmission, as well as any additional annual reports required.

VI. SERVICE AND FEE.

In accordance with the requirements of 10 C.F.R. § 205.309, copies of this application will be provided to the following:

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.W.
Washington, D.C. 20426

An electronic check payment in the amount of \$500.00 has been made in payment of the fee specified in 10 C.F.R. § 205.309.

VII. VERIFICATION.

Verification executed by Applicant's authorized representative, A. Michael Burnell, in accordance with 10 C.F.R. § 205.302(h), is enclosed with this Application.

VIII. EXHIBITS.

In accordance with the requirements of 10 C.F.R. § 205.303, the following exhibits are attached hereto:

- Exhibit A Transmission Agreements
- Exhibit B Opinion of Counsel
- Exhibit C International Transmission Facilities (Submitted in lieu of Maps)
- Exhibit D Power of Attorney
- Exhibit E Statement of Any Corporate Relationship or Existing Contract
- Exhibit F Operating Procedures

IX. CONCLUSION.

WHEREFORE, EESS-2 respectfully requests that this Application for Authorization to Transmit Electric Energy to Canada be considered and approved.

Respectfully Submitted,



Bonnie A. Suchman, Esq.
Suchman Law LLC
8104 Paisley Place
Potomac, Maryland 20854
bonnie@suchmanlawllc.com

*Attorney for
Emera Energy Services Subsidiary No. 2 LLC*

Dated: March 15, 2023

VERIFICATION

I, A. Michael Burnell, President of Emera Energy Services Subsidiary No. 2, LLC, having knowledge of the matters set forth in the above Application for Authorization to Transmit Energy to Canada, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

A. Michael Burnell

SUBSCRIBED AND SWORN before me, a notary public this 8 day of March, 2023.



Jonathan Schlehr
Notary Public

My Commission Expires: 3/13/27

EXHIBIT A -- TRANSMISSION AGREEMENTS

Currently, EESS-2 has no transmission reservations or transmission agreements within the United States.

EXHIBIT B

Statement of Opinion of Counsel

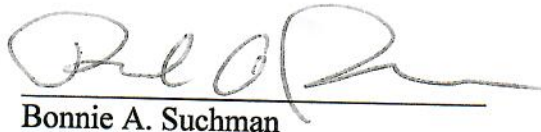
This opinion is rendered in connection with the Application of Emera Energy Services Subsidiary No. 2 LLC ("EESS-2") for Authorization to Transmit Electric Energy to Canada, dated March 15, 2023, and pursuant to 10 C.F.R. Section 205.303(b).

Based on my understanding and review of EESS-2, my knowledge of the corporate powers of EESS-2, and my examination of such documents, records and matters of laws as I have considered to be relevant, it is my opinion that:

1. The proposed exports of electrical power described in the Application are within the corporate powers of EESS-2; and
2. EESS-2 has complied and will comply with all pertinent Federal and State laws.

I am opining herein only as to federal laws of the United States and laws of relevant States within the United States, and I express no opinion as to the laws of any other jurisdiction. I am not assuming any obligation to review or update this opinion should the law or existing facts or circumstances change. This opinion is provided by me as counsel for EESS-2 solely to you for your exclusive use and is not to be made available to or relied upon by any other person or entity without my prior written consent.

Respectfully Submitted,



Bonnie A. Suchman

Dated: March 15, 2023

EXHIBIT C

International Transmission Facilities At the U.S.-Canada Border Authorized for Use by Third-Party Transmitters

<u>Present Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No</u>
Bangor Hydro Electric Company	Baileyville, ME	345-kV	PP-89
Basin Electric Power Cooperative	Tioga, ND	230-kV	PP-64
Bonneville Power Administration	Blaine, WA	2-500-kV	PP-10
	Nelway, WA	230kV	PP-36
	Nelway, WA	230-kV	PP-46
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
Joint Owners of the 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
	Madawaska, ME	138-kV	PP-29
	Aroostook, ME	2-69-kV	PP-29
Minnesota Power Inc	International Falls, MN	115-kV	PP-78
Minnkota Power Cooperative	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
	Devil's Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devil's 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	±450-kV DC	PP-299
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66

Vermont Electric Transmission Co.	Norton, VT Imperial Valley, CA	±450-kV DC 230-kV	PP-76 PP-79
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EXHIBIT D – POWER OF ATTORNEY

Not Applicable

EXHIBIT E

Statement of Any Corporate Relationship or Existing Contract

Not Applicable.

EXHIBIT F -- OPERATING PROCEDURES

Not Applicable