# UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF GRID DEPLOYMENT

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<b>DOCKET</b>	NO	FA-388-	
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# APPLICATION OF TEC ENERGY INC. FOR REAUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO CANADA

TEC Energy Inc. ("TEC"), pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824a(e)) and the Department's Rules and Regulations 10 C.F.R. §205.300, et seq., hereby submits this Application for Renewal of Authorization to transmit electric energy from the United States to Canada for a period of five (5) years (or longer period as may be permitted by the Department) effective from the date of the order granting this Application.

#### I. INTRODUCTION

On December 19th, 2013, the United States Department of Energy, Office of Electricity Delivery and Energy Reliability ("Department") authorized TEC in Order No. EA-388 to export electric energy from the United States to Canada as a power marketer for a period of five years ending on December 19<sup>th</sup>, 2018.

On December 19th, 2018, the Department renewed TEC's authorization in Order No. EA-388-A to export electric energy from the United States to Canada as a power marketer for a period of five years ending on December 19<sup>th</sup>, 2023.

TEC requests that it be authorized to export electricity from the United States to Canada for an additional five-year period, or longer period as the Department may authorize for similar power marketers, starting on December 19<sup>th</sup>, 2023.

#### II. DESCRIPTION OF APPLICANT

TEC is an independent Canadian corporation with its principal place of business in the city of Montreal, province of Quebec, Canada. TEC operates as an electric power marketer in the wholesale electric power markets and related financial markets administered by the US Regional Transmission Organizations ("RTO") and Independent System Operators ("ISO"). TEC is authorized by the Federal Energy Regulatory Commission ("FERC") to make sales of electric power at wholesale in interstate commerce at negotiated ("market-based") rates.

TEC is in the business of participating in the wholesale market for purchases and sales of electric energy, as well as participating in the market for other energy commodities and related financial products. TEC does not own or control any electric generation or transmission facilities, nor is it affiliated with any entity that does. TEC does not hold a franchise or service territory for the transmission, distribution or sale of electric power. TEC operates solely as a power marketer and sells and buys electric power at wholesale. TEC will purchase the power to be exported from wholesale generators, electric utilities and federal power marketing agencies. TEC will have title to any electricity transmitted to Canada under the authorization sought in this Application.

#### III. COMMUNICATIONS

Please direct all communications regarding this application to the following individuals:

Etienne Lapointe Chief Executive Officer TEC Energy Inc. 5455 Av Gaspe, Suite 420 Montreal, Quebec H2T 3B3

Phone : 1-514-502-8068 Fax : 1-514-221-4820

Email: elapointe@tecenergy.ca

Agent : Legalinc Corporate Services Inc. 35-15 84th Street 2H Jackson Heights

New York, NY 11372

#### IV. JURISDICTION

Pursuant to section 202(e) of the FPA, the Department has jurisdiction over the actions to be taken pursuant to this Application. There is no other Federal, State or local government agency in the United States that has jurisdiction over the actions to be taken under the specific export authorization sought in this Application, except to the extent that TEC must comply with FERC requirements in making sales at wholesale.

#### V. RENEWAL AUTHORIZATION AND TECHNICAL DISCUSSION

TEC hereby applies to renew its authorization to transmit electric power to Canada as a power marketer over any authorized international transmission facility that is appropriate for Open Access Transmission by third parties in accordance with the respective export limits authorized by the Department. TEC plans to export electric power over authorized transmission interconnections between Canada and the United States. These sales would be made in foreign commerce at the US-Canada border. Transmission to the point of delivery will be arranged by TEC over any of the existing international electric transmission facilities set out in Exhibit C (list of the currently authorized electricity export points), and any other international transmission facilities that may be approved the Department in the future.

Section 202(e) of the Federal Power Act ("FPA") and the DOE's regulations provide that exports should be allowed unless the proposed export would impair the sufficiency of electric power supply within the United States or would tend to impede the coordinated use of the United States power supply network. 16 U.S.C. §824a(e). As noted above, TEC does not own or control electric generation or transmission facilities and does not have a power supply system of its own on which its exports could have a reliability, fuel use or system stability impact. TEC also has no obligation to serve native load usually associated with a franchised service area, and, thus, the exports proposed by TEC will not impair its ability to meet current and prospective power supply obligations.

The electric power TEC will export, on either a firm or interruptible basis, will be purchased from a variety of sources voluntarily, such as wholesale generators, electric utilities and federal power marketing agencies. By definition, such power is surplus to the system of the selling generator and, therefore, the electric power that TEC will export on either a firm or interruptible basis will not impair or tend to impede the sufficiency of the electric power supply within the U.S. or the regional coordination of electric utility planning or operations. Additionally, as a power marketer TEC does not own or operate a transmission system and therefore does not have the ability to cause a violation of the terms and conditions in the existing authorizations associated with the internal transmission facilities identified in Exhibit C. Specifically, TEC does not have the ability to cause total exports on Presidential Permit facilities to exceed the authorized instantaneous transmission rate.

Before scheduling delivery of power, TEC will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required to carry out any power exports, including: 1) TEC will schedule its transactions with the appropriate balancing authority areas and will comply with the reliability criteria standards and guidelines of the North American Electric Reliability Corporation and Regional Councils, on such terms as expressed therein, and as such criteria, standards, and guides may be amended from time to time. 2) TEC will obtain all necessary transmission access over approved export facilities. TEC 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 as shown in Exhibit C. All of the electricity exported by TEC will be transmitted pursuant to arrangements with utilities that own and operate existing transmission facilities. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by the

Department of the international transmission facilities are sufficient to ensure that exports by TEC would not impede or tend to impede the coordinated use of transmission facilities within the meaning of FPA Section 202(e).

In previous orders granting export authorization to electric power marketers, DOE declined to rigidly apply the information filing requirements contained in its regulations and instead used a flexible approach which takes into consideration the unique nature of power marketers, the requirements of FERC Order No. 888 and previously authorized export limit of cross-border facilities. These same considerations demonstrate that the experts proposed by TEC will not impair or tend to impede the sufficiency of electric supplies in the U.S. or the regional coordination of electric utility planning or operations.

As noted above, TEC has been previously authorized to export electricity to Canada as a power marketer. This Application simply seeks to renew and continue that authorization.

#### VI. CONSISTENCY WITH LEGAL REQUIREMENTS

TEC's application for renewal of its authorization to exports energy from the United States to Canada is consistent with United States energy policy established in the Energy Policy Act of 1992, the North American Free Trade Agreement of 1993 and FERC Order No. 888, which fosters more efficient and competitive North American energy markets. TEC will conduct all operations pursuant to this Authorization in accordance with the provisions of the FPA and pertinent rules, regulations and orders adopted or issued thereunder, and in conformity with applicable reliability criteria, standard and guideline of NERC and balancing authority area operators(s), including any application regional transmission organizations or independent system operators.

Because the proposed exports will occur over existing transmission facilities, TEC respectfully submits that the Application qualifies for a categorical exclusion under the National Environment Policy Act of 1969, such that neither an Environment Agreement nor an Environment Impact Statements is required.

TEC will continue to comply with such requirements as may be imposed by the Department on other power marketers with blanket electricity export authorization, including making periodic reports to the Department regarding exports, as may be applicable or required.

#### VII. EFFECTIVE DATE

TEC respectfully requests that the Department expedite review of the Application and issue the requested authorization by no later than and effective December 19, 2023, which is the date upon which TEC's current authorization to export electricity to Canada expires. The Department should find that good cause has been shown to renew TEC's authorization to export power to Canada effective on such date. Allowing TEC to engage in such transactions as of such date will promote

economic growth and liquidity of the wholesale electricity markets by permitting TEC to continue uninterrupted as a duly authorized market participant.

**VIII. EXHIBITS** 

The following information is provided pursuant to the required exhibits as set forth in DOE

regulations 10 C.F.R. § 205.303:

Exhibit A: There are no specific agreements at this time under which electricity is to be

transmitted for export - Not Applicable

Exhibit B: Legal Opinion of Counsel

**Exhibit C**: Transmission facilities to be used for any exports undertaken pursuant to the

requested authorization.

**Exhibit D:** Irrevocable power of attorney for Legalinc Corporate Services Inc.

**Exhibit E:** Statement of any corporate relationship or existing contract, which in any way

relates to the relates to the control or fixing of electric power rates - Not Applicable

**Exhibit F:** Operating procedures regarding available capacity and energy - *Not Applicable* 

To the extent necessary, TEC requests waiver of the requirement to provide the exhibits

that are not applicable to its application.

IX. CONCLUSION

For the aforementioned reasons, TEC respectfully requests that the Department grant this

Application in an expeditious manner.

Respectfully submitted,

Etienne Lapointe

Chief Executive Officer

TEC Energy Inc.

September 20<sup>th</sup>, 2023

## EXHIBIT A - Not applicable

## **EXHIBIT B - Legal Opinion of counsel**

**EXHIBIT C - Authorized Export Points** 

OWNER	LOCATION	VOLTAGE	PRESIDENTIAL PERMIT NO.
Bangkor Hydro-Electric Company	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	2-230-kV	PP-36 & PP-46
Eastern Maine Electric Coop.	Calais, ME	69-kV	PP-32
International Transmission Co.	St. Claire, MI	345-kV	PP-230
	Marysville, MI	230-kV	PP-230
	Detroit, MI	230-kV	PP-230
	St. Claire, MI	345-kV	PP-230
Joint Owners of Highgate Proiect	Highgate, VT	120-kV	PP-82
Long Sault, Inc.	Massena, NY	2-115-kV	PP-24
Maine Electric Power Co.	Houlton, ME	345-kV	PP-43
Maine Public Service Co.	Limestone, ME	69-kV	PP-12
	Fort Fairfield, ME	69-kV	PP-12
	Madawaska, ME	138-kV	PP-29
	Aroostook County, ME	2-69-kV	PP-29
Minnesota Power, Inc.	International Falls, MN	115-kV	PP-78
Minnkota Power Coop,	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
	Rugbv, ND	230-kV	PP-231
Sea Breeze Olympic Converter LP	Port Angeles, WA	±450-kV OC	PP-299
Vermont Electric Coop.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VA	±450-kV DC	PP-76
	Imperial Valley, CA	230-kV	PP-79

EXHIBIT D - Irrevocable power of attorney for Legalinc Corporate Services Inc., who resides in the U.S.

#### Montreal, September 20th, 2023

#### **IRREVOCABLE LIMITED POWER OF ATTORNEY**

This irrevocable limited power of attorney is made on September 20th, 2023, by TEC Energy Inc. (the "Principal"), a Canadian corporation organized and existing under the Canadian Business Corporations Act with is principal place of business located at located at 5455 Av Gaspe, Suite 420, Montreal, Quebec, H2T3B3.

**Appointment**: The Principal hereby appoints Legalinc Corporate Services Inc, whose principal place of business is located at 35-15 841 Street 2H, Jackson Heights, New York, 11372 as the Principal's true and lawful agent ("Agent") for the limited purpose described herein.

**Scope of Authority:** The Agent shall have the limited power and authority to serve as the Agent for the Principal regarding any and all matters relating to the Principal's application before the U.S. Department of Energy to export electricity to Canada, filed pursuant to 10 C.F.R. § 205.300 et seq.

**Irrevocability**: This power of attorney is irrevocable by the Principal, subject only to the Principal's right to re-designate, or substitute the Agent upon 30 days prior written notice to the U.S. Department of Energy and the Agent.

IN WITNESS WHEREOF, the Principal has caused this power of attorney to be duly executed on this September 20<sup>th</sup>, 2023.

Étienne Lapointe Chief Executive Officer

TEC Energy Inc.

This instrument was subscribed and sworn before me on September 20<sup>th</sup>, 2023.

### **EXHIBIT E - Not applicable**

### **EXHIBIT F - Not applicable**