



Email: [cmoreno@mercuria.com](mailto:cmoreno@mercuria.com)

August 18, 2023

Via Email

Office of Electricity Delivery and Energy Reliability  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585-0350  
[electricity.exports@hq.doe.gov](mailto:electricity.exports@hq.doe.gov)

**RE: *Mercuria Energy America, LLC, Docket No. EA-459,  
Application for Renewal of Authorization to Transmit  
Electric Energy to Mexico***

To Whom It May Concern:

Enclosed for filing is Mercuria Energy America, LLC's Application for Renewal of Authorization to Transmit Electric Energy to Mexico. The filing fee of \$500.00 has been paid electronically via PAY.GOV (Pay.gov Tracking ID: 2779M0IT/Agency Tracking ID: 76480712705).

Thank you for your assistance in this matter.

Sincerely,

Cynthia Moreno  
Sr. Paralegal

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

Mercuria Energy America, LLC

§

Docket No. EA-459-A

**RENEWAL APPLICATION OF MERCURIA ENERGY AMERICA, LLC FOR  
AUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO MEXICO**

Pursuant to Section 202(e) of the Federal Power Act (the “FPA”), 16 U.S.C. § 824a(e) and the regulations governing applications for authorization to transmit electric energy to a foreign country, 10 C.F.R. § 205.300, *et seq.*, Mercuria Energy America, LLC. (“Mercuria” or “Applicant”) hereby submits this Renewal Application (“Application”) and requests that the Department of Energy, (the “Department”) grant it blanket authorization to export electric energy from the United States of America (“United States”) to Mexico on the terms specified here. In support of this Application, Applicant respectfully states as follows:

**I. BACKGROUND**

On November 19, 2018 the Department issued Order No. EA-459 authorizing Mercuria to export electricity from the United States to Mexico as a power marketer for a five year term ending November 19, 2023.<sup>1</sup> Mercuria hereby requests that the Department renew such export authorization for a term of five years, or the maximum allowable allowed by the Department, with an effective date of November 20, 2023. Consistent with Order No. EA-459, Mercuria files this Application more than sixty (60) days prior to the expiration of its current authorization. The export of electric energy to Mexico by Mercuria does not and will not impair the sufficiency of electric supply within the United States. Nor do or will such exports impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of the Federal Energy Regulatory Commission (“FERC”).

---

<sup>1</sup> See - *Mercuria Energy America, Inc.*, Order No. EA-487 (January 21, 2021).

## II. DESCRIPTION OF APPLICANT

The exact name of Applicant is “Mercuria Energy America, LLC.” Mercuria is a Delaware limited liability company with its principal place of business in Houston, Texas. Mercuria, previously a Delaware corporation operating under the name Mercuria Energy America, Inc., converted to become a Delaware limited liability company on November 1, 2019. Mercuria is a direct, wholly-owned subsidiary of Mercuria Energy Company, LLC (“MEC”), a Delaware limited liability company, which itself is a wholly-owned indirect subsidiary of Mercuria Energy Group Holding Ltd (“MEGHL”), a company registered in the Cayman Islands. MEGHL is the principal holding company for the Mercuria Group.

The Mercuria Group operates as a commodity trading company, engaged in the physical distribution and trading of crude oil and petroleum products, and other energy and non-energy commodities. Mercuria is a FERC authorized power marketer<sup>2</sup> that markets wholesale power, capacity, ancillary services and related services in various markets in the United States, including through the Independent System Operators and Regional Transmission Organizations. Mercuria is not seeking authorization to export power on behalf of, or in conjunction with, any partners or partnerships.

Other than as described herein, neither Mercuria nor any of its affiliates owns or controls any generation or transmission facilities.<sup>3</sup> Further, neither Mercuria nor any of its affiliates is a franchised utility or affiliated with any franchised utilities in North America.

---

<sup>2</sup> See *FERC Docket No. ER12-00348-001, CID C002835*.

<sup>3</sup> Although the Department’s regulations do not specifically require particular disclosure on it, Mercuria notes that it is party to a limited number of tolling agreements with unaffiliated electric generation project companies pursuant to which Mercuria has the right, but not the obligation, to call on the counterparties’ generating facilities to operate subject to Mercuria’s performance of obligations specified thereunder. The aggregate installed capacity to which such tolling agreements relate is less than 2,000 MW. More detailed information on these agreements is available in the FERC’s eLibrary. Mercuria is also affiliated, via common upstream ownership, with entities that have investments in electric generating facilities and associated interconnection facilities involving installed capacity of less than 1,000 MW.

### III. COMMUNICATIONS

Communications regarding this Application should be addressed to the following:

Steven Bunkin  
Head of Legal – North America  
33 Benedict Place  
Greenwich, CT 06830  
[sbunkin@mercuria.com](mailto:sbunkin@mercuria.com)

Jay Michals  
Head of US Trading Compliance  
20 E. Greenway Plaza, Ste. 650  
Houston, TX 77046  
[jmichaels@mercuria.com](mailto:jmichaels@mercuria.com)

### IV. JURISDICTION

Pursuant to FPA Section 202(e), the Department has jurisdiction over the action proposed in this Application.

Other state and local government agencies which may have jurisdiction over the actions to be taken by Mercuria are the FERC, the North American Electric Reliability Corporation (the “NERC”) and the Electric Reliability Council of Texas (“ERCOT”), each with the addresses listed below.

**FERC’s address is:**

888 First Street, N.E.  
Washington, DC 20426

**ERCOT’s address is:**

8000 Metropolis Drive, (Building E)  
Ste. 100  
Austin, Texas 78744

**NERC’s address is:**

1401 H Street NW, Ste. 410  
Washington, D.C. 20005

No other known federal, state or local government has jurisdiction over the actions to be taken under the authority sought in this Application.

## **V. DESCRIPTION OF TRANSMISSION FACILITIES**

Mercuria seeks blanket authorization to export wholesale electric energy to Mexico as a power marketer over any and all authorized international electric transmission facilities that are appropriate for and provide open access transmission by third parties, and in accordance with the export limits authorized by the Department.

Transmission to the point of delivery will be arranged by Mercuria over any of the existing international electric transmission facilities detailed in Attachment 1, as well as over any international transmission facilities approved in the future.

## **VI. TECHNICAL DISCUSSION**

As a long-standing participant in wholesale power markets, Mercuria has extensive experience in procuring wholesale electricity. Mercuria will acquire electricity on both a firm and interruptible basis from a variety of suppliers (i.e., generators, electric utilities and other power marketers) that would enter into such transactions voluntarily, and therefore will be surplus of the selling entities.<sup>4</sup> Accordingly, as required by FPA Section 202(e), the proposed exports will not impair or tend to impede the sufficiency of electricity supplies in the United States or the regional coordination of electric utility planning or operations.<sup>5</sup>

Additionally, as a power marketer that does not control a transmission system, Mercuria does not have the ability to cause a violation of the terms and conditions in the existing authorizations associated with the international transmission facilities identified in Attachment 1. Specifically, Mercuria does not have the ability to cause total exports on Presidential Permit facilities to exceed the authorized instantaneous transmission rate.<sup>6</sup>

Mercuria will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to carry out any power exports. This would include: (1) scheduling each transaction with the appropriate balancing authority area in compliance with all reliability criteria, standards, and guidelines of the NERC and

---

<sup>4</sup> See *NRG Power Marketing LLC*, Order No. EA-220-D (February 2021) at p. 6.

<sup>5</sup> *Id.* at p. 7

<sup>6</sup> *Id.* at p. 6

the relevant regional entities in effect at the time of export; and (2) obtaining all necessary transmission access over approved export facilities. Mercuria agrees to abide by the export limits contained in the relevant export authorization of any transmission facilities over which Mercuria exports electric power to Mexico. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by the Department on the international transmission facilities are sufficient to ensure that exports by Mercuria 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 authorizations to electric power marketers, the Department 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 and previously authorized export limits of cross-border facilities.<sup>7</sup> These same considerations demonstrate that Mercuria's proposed exports will not impair or tend to impede the sufficiency of electric supplies in the United States or the regional coordination of electric utility planning or operations.

## **VII. CONSISTENCY WITH LAWS**

Authorization of the exports proposed by Mercuria is consistent with the United States-Mexico-Canada Agreement and the United States energy policy and will foster development of a more efficient and competitive North American energy market. Mercuria 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 the applicable reliability criteria, standards and guidelines of the NERC, reliability coordinators, and balancing authority area operator(s),

---

<sup>7</sup> See, e.g., *Powerex Corp.*, Order No EA-171-E (September 10, 2020); *Roctop Investments inc.*, Order No. EA-414-A (September 29, 2020); *Manitoba Hydro*, Order No. EA-281-C (November 10, 2020); *Vitol Inc.*, Order No. EA 370-B (November 10, 2020); *CWP Energy, Inc.*, Order No. EA-410-B (December 9, 2020); *MAG Energy Solutions, Inc.*, Order No. EA-306-C (January 12, 2021); *Mercuria Energy America, LLC*, Order No. EA-487 (January 21, 2021); *Direct Energy Marketing Inc.*, Order No. EA-280-C (February 1, 2021); *NRG Power Marketing LLC*, Order No. EA-220-D (February 1, 2021).

including any applicable regional transmission organizations or independent system operators.

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

Finally, Mercuria will comply with such terms and condition as may be established by the Department in respect of Mercuria's authority to export electric energy to Mexico, including making periodic reports to the Department regarding exports, as may be applicable or required.

#### **VIII. EXHIBITS REQUIRED BY 10 C.F.R. § 205.303**

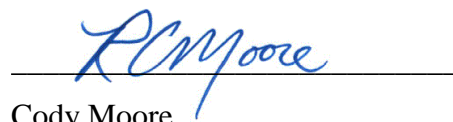
Pursuant to 10 C.F.R. § 205.303, the following Exhibits are attached to this Application:

Exhibit A	(Not Applicable) – Agreements
Exhibit B	Legal Opinion of Applicant's Counsel
Exhibit C	(Not Applicable) - Map
Exhibit D	(Not Applicable) – Designated Agent
Exhibit E	(Not Applicable) – Corporate Relationship or Existing Contract
Exhibit F	(Not Applicable) – Operating Procedures
Exhibit G	Verification

## **IX. CONCLUSION**

For the reasons stated above, Applicant respectfully requests that the Department of Energy grant this Application as requested here.

Respectfully,



Cody Moore  
President  
Mercuria Energy America, LLC

Dated: August 18, 2023



# **ATTACHMENT 1**

Transmission Facilities Located at the U.S. – Mexico Border

Authorized for Third-Party Use

## Transmission Facilities Located at the U.S. – Mexico Border

### Authorized for Third-Party Use

Owner	Location	Voltage(kv)	Presidential Permit #
Comision Federal de Electricidad	Falcon Dam, TX	138	NA
	Redford, TX	7.2	PP-51
	Presidio, TX	13.8	PP-03
Baja California Power, Inc.	Imperial Valley, CA	230	PP-234
Generadora del Desierto-WAPA	San Luis, AZ	230	P-304
AEP Texas Central Company	Brownsville, TX	138	PP-94
	Brownsville, TX	69	PP-94
	Laredo, TX	138	PP-317
	Laredo, TX	230	PP-317
	Eagle Pass, TX	138	PP-219
El Paso Electric Company	Diablo, NM	115	PP-92
	Ascarate, TX	115	PP-48
San Diego Gas & Electric	Miguel, CA	230	PP-68
	Imperial Valley, CA	230	PP-79
Sharyland Utilities	McAllen, TX	138	PP-285

## **EXHIBIT A**

Not Applicable

# **EXHIBIT B**

Opinion of Counsel



August 18, 2023

United States Department of Energy  
Office of Utility Systems of the Economic Regulatory Administration  
OE-20, Room 8G-024  
1000 Independence Ave., SW  
Washington, DC 20585

Re: Application of Mercuria Energy America, Inc. to Renew Authority to Export  
Electricity to Mexico (Docket No. EA- 459-A)

Ladies and Gentlemen:

Pursuant to 10 C.F.R. §205.303(b), I hereby provide a legal opinion regarding the corporate powers of Mercuria Energy America, LLC (hereinafter "MEA") in relation to the above-referenced application (the "Application").

I have examined MEA's corporate documents (the "Organization Documents"), as well as relevant amendments thereto. Based on my review of those documents and representations provided to me by authorized representatives of MEA, it is my opinion that:

- The export of electricity described in the Application is within the corporate authorization of MEA as set out in the Organization Documentation.
- In accordance with the Organization Documentation, MEA's officers are authorized to make and provide the Application and to undertake all actions necessary for the provision of the Application, including, once approved, the undertaking of exporting electricity into Mexico in the manner described in the Application.

In rendering this opinion, I have relied solely on the Organization Documentation of MEA made available to me by MEA, including, but not limited to, its corporate formation and authorization documentation. Such Organization Documentation confirms the general authorization of MEA to engage in, among other activities, the business of trading of electricity and to qualify for such purpose in any state, territory or dependency of the United States or any foreign country in which it is necessary or expedient for MEA to transact its business.

Opinion of Counsel  
August 18, 2023

I am furnishing this opinion solely for your exclusive use in connection with the Application. This opinion may not be relied upon for any other purpose or relied upon by or furnished to any other person without my express written consent.

Respectfully submitted,

A handwritten signature in blue ink that reads "Steven Bunkin". The signature is written in a cursive, flowing style.

Steven Bunkin

## **EXHIBIT C**

Not Applicable

## **EXHIBIT D**

Not Applicable



## **EXHIBIT E**

Not Applicable.

# **EXHIBIT F**

Operating Procedures


Not applicable

# **EXHIBIT G**

## VERIFICATION

### VERIFICATION


I, Cody Moore, being authorized to execute this Verification and having knowledge of the matters set forth in this Renewal Application of Mercuria Energy America, LLC, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

  
\_\_\_\_\_  
Cody Moore  
President  
Mercuria Energy America, LLC

State of Texas       §

County of Harris   §

Signed before me on this 17th day of August, 2023, by Cody Moore.

  
\_\_\_\_\_  
Signature of Notary

