



Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

March 28, 2024

Via Overnight Courier

Attention: Mr. Steven Blazek,
Program and Management Analyst
Grid Deployment Office
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

**Re: Puget Sound Energy, Inc.
Application for Renewal of Authorization to Transmit Electricity to Canada
Docket No. EA-469**

Enclosed for filing on behalf of Puget Sound Energy, Inc. (PSE) is the Application of Puget Sound Energy, Inc. for Renewal of Authorization to Transmit Electric Energy to Canada and related exhibits ("Renewal Application"). PSE has authorized an electronic payment in the amount of \$500.00 as the filing fee for this Renewal Application, as required by 10 C.F.R. § 205.309, with the associated payment confirmation attached hereto. PSE is serving a copy of the Renewal Application contemporaneously upon the Federal Energy Regulatory Commission and the Washington Utilities and Transportation Commission, as required by 10 C.F.R. § 205.309.

If you have any questions regarding the Renewal Application, or if you require additional information, please contact the undersigned at 425.456.2090.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Jason Kuzma'.

Jason Kuzma
Assistant General Counsel
Puget Sound Energy, Inc.
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Direct: 425.456.2090
Email: jason.kuzma@pse.com

Enclosures

cc: Federal Energy Regulatory Commission
Washington Utilities and Transportation Commission

**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
GRID DEPLOYMENT OFFICE**

PUGET SOUND ENERGY, INC.

Docket No. EA-469

**APPLICATION OF PUGET SOUND ENERGY, INC.
FOR RENEWAL OF AUTHORIZATION TO
TRANSMIT ELECTRICITY TO CANADA**

Puget Sound Energy, Inc. (PSE) hereby respectfully requests that the United States Department of Energy (DOE) Grid Deployment Office renew its authorization pursuant to Section 202(e) of the Federal Power Act (FPA) and 10 C.F.R. § 205.300 to export electric energy from the United States into Canada for a term of ten (10) years, beginning May 6, 2024 (i.e., the date after PSE's current authorization expires).

I. DESCRIPTION OF APPLICANT AND BACKGROUND FOR REQUEST

PSE is a wholly-owned direct subsidiary of Puget Energy, Inc. (Puget Energy), an energy services holding company incorporated in the state of Washington in 1999. Substantially all of the operations of Puget Energy are conducted through its regulated subsidiary, PSE, a utility company. Puget Energy also has a wholly-owned, non-regulated subsidiary, Puget LNG, LLC (Puget LNG), which was formed in 2016 and has the sole purpose of owning and operating the non-regulated activity of a liquefied natural gas (LNG) facility at the Port of Tacoma, Washington.

Puget Energy is owned through a holding company structure by Puget Holdings LLC (Puget Holdings). All of Puget Energy's common stock is indirectly owned by Puget Holdings. Puget Holdings is owned by a consortium of long-term infrastructure investors including the British Columbia Investment Management Corporation (BCIMC), the Alberta Investment Management Corporation (AIMCo), Ontario Municipal Employee Retirement System (OMERS), PGGM Vermogensbeheer B.V., Macquarie Washington Clean Energy Investment, L.P., and Ontario Teachers' Pension Plan Board.

PSE is a public utility within the meaning of the FPA and is incorporated in the State of Washington. PSE is an investor-owned utility organized under the laws of the State of Washington that provides electric and natural gas services in a service territory covering approximately 6,000 square miles in the Puget Sound region of the State of Washington. PSE's retail and wholesale utility business includes the generation, purchase, transmission, distribution, and sale of electric energy, plus the purchase, transportation, storage, distribution, and sale of natural gas. PSE is authorized to sell energy, capacity, and ancillary services at market-based rates,¹ and operates its transmission system pursuant to an Open Access Transmission Tariff (OATT) on file with the Federal Energy Regulatory Commission² in compliance with Order Nos. 888 and 890.³

¹ *Puget Sound Energy, Inc.*, 86 FERC ¶ 61,088 (1999). PSE's most recent non-material notice of change in status was filed on February 16, 2024, in Docket No. ER10-2374-019.

² *Puget Sound Energy, Inc.*, Docket Nos. ER12-049-000, et al. (Jan. 6, 2012) (unpublished letter order accepting for filing PSE's revised OATT in compliance with FERC's eTariff requirements); *Puget Sound Energy, Inc.*, Docket No. ER20-2634-000 (Oct. 2, 2020) (unpublished letter order accepting for filing PSE's revisions to its OATT).

³ *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Servs. by Pub. Utils.; Recovery of Stranded Costs by Pub. Utils. and Transmitting Utils.*, Order No. 888, FERC Stats. & Regs. ¶ 31,036, clarified, 76 FERC ¶ 61,009 (1996), *order on reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048, *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Grp. v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002); *Preventing Undue Discrimination and Preference in Transmission Serv.*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228, *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

PSE participates in the Energy Imbalance Market (EIM) administered by the California Independent System Operator Corporation (CAISO) and acts as the “EIM Entity” for the PSE BAA. In addition to acting as the EIM Entity for the PSE BAA, PSE owns or controls a number of generation resources that are physically located in, or pseudo-tied into, the PSE BAA that are designated as participating resources in the EIM.

The electric energy that PSE proposes to continue to export to Canada is from surplus energy sold from a portfolio of resources, including electric energy generated by PSE's system resources and electric energy acquired from other sellers within the United States and Canada. PSE currently holds an authorization pursuant to FPA § 202(3) and 10 C.F.R. § 205.300 *et seq.*, to export electricity to Canada in Order No. EA-469.

The electric energy that PSE proposes to export will be wheeled over transmission facilities owned and operated by other parties. Under this model, PSE will comply with terms and conditions for cross-border facilities as well as any other export limitations DOE deems appropriate. PSE will schedule each transaction with the appropriate balancing authority in compliance with applicable reliability standards and guidelines of the North American Electric Reliability Corporation (NERC).

As discussed below, PSE's proposed exports of electric energy will neither jeopardize the sufficiency of electric supply nor the reliability of the transmission grid; thus, PSE respectfully requests that the DOE issue an order finding that this Renewal Application and the requests contained herein meet the criteria of FPA § 202(e).

II. INFORMATION REQUIRED PURSUANT TO 10 C.F.R. § 205.302

a. Exact legal name of applicant

Puget Sound Energy, Inc.

b. Exact legal name of all partners

Not applicable. The upstream corporate ownership of PSE is described in Part I, above.

c. Name, title, post office address, and telephone number of the person to whom correspondence in regard to the Renewal Application shall be addressed:

Jason Kuzma
Assistant General Counsel
Puget Sound Energy, Inc.
P.O. Box 97034
Bellevue, WA 98009-9734
Direct: 425.456.2090
Mobile: 206.499.2438
Email: jason.kuzma@pse.com

d. State of territory under the laws of which the applicant is organized or incorporated, or authorized to operate. If the applicant is authorized to operate in more than one state, all pertinent facts shall be included:

PSE is a corporation formed and existing under the laws of the State of Washington and is currently authorized to operate in Washington.

e. Name and address of any known Federal, State, or local government agency that may have any jurisdiction over the action to be taken in the application and a brief description of that authority:

Pursuant to FPA section 202(e), DOE is the sole agency with jurisdiction over the proposed export of electric energy to Canada. No other known Federal, State, or local government entity or agency has jurisdiction over the proposed exports described in this Renewal Application.

f. Description of the transmission facilities through which the electric energy will be delivered to the foreign country, including the name of the owners and the location of any remote facilities:

PSE seeks authorization to export electric energy to Canada over the planned or existing authorized international electric transmission facilities listed in Exhibit C to this Renewal Application. PSE's request for authorization under this application qualifies for a categorical exclusion under DOE's regulations implementing the National Environmental Policy Act of 1969, inasmuch as PSE's request for export authority is limited to the use of transmission facilities for which a Presidential Permit has been issued.

g. Technical discussion of the proposed electricity export's reliability, fuel use and system stability impact on the applicant's present and prospective electric power supply system. Applicant must explain why the proposed electricity export will not impair the sufficiency of the electric supply on its system and why the export will not impede or tend to impede the regional coordination of electric utility planning or operation:

PSE seeks authority to transmit electric power to Canada for a period of ten (10) years, or for such other period as the Department deems appropriate, effective as of May 6, 2024, the day after its current authorization in Order No. EA-469 expires. In previous orders, the Department has endorsed a flexible approach for evaluating reliability issues associated with proposed export transactions. When considering applications from power marketers for export authorizations involving planned or existing international transmission facilities, the DOE has relied on the technical analyses available for those facilities.⁴ Applicant submits that it is appropriate for the DOE to apply the same standard with respect to this request.

⁴ See, e.g., *Global Pure Energy, LLC*, OE Docket No. EA-390 at 7 (Mar. 4, 2014).

As noted above, the electric energy that PSE would export on a firm or interruptible basis would be surplus energy purchased in wholesale markets in bilateral, voluntary transactions. Moreover, any such energy would be surplus to the needs of the relevant system, and exportation of the energy would not impair the adequacy of electric power supply within the United States by adversely impacting native load customers or other market participants.

Nor would the requested authorization impede or tend to impede regional coordination of electric utility planning or operation. PSE will complete export transactions using the relevant procedures and/or market structures, as coordinated with all parties as required pursuant to the applicable market rules. PSE further agrees to abide by the export limits contained in the relevant authorization of any transmission facility over which it exports energy to Canada. Therefore, PSE's export transactions will not compromise transmission system security or reliability.

- h. The original application shall be signed and verified under oath by an officer of the applicant having knowledge of the matters set forth therein:**

Please see the verification included in Attachment 1 to this Renewal Application.

III. EXHIBITS REQUIRED BY 10 C.F.R. § 205.303

In compliance with 10 C.F.R. § 205.303, the following Exhibits are attached to this Renewal Application:

- a. Exhibit A. A copy of the agreement or proposed agreement under which the electricity is to be transmitted including a listing of the terms and conditions. If this agreement contains proprietary information that should not be released to the general public, the applicant must identify such data and include a statement explaining why proprietary treatment is appropriate.**

Not applicable.

- b. **Exhibit B.** A showing, including a signed opinion of counsel that the proposed export of electricity is within the corporate power of the applicant, and that the applicant has complied or will comply with all pertinent Federal and State Laws.

Please see opinion of counsel attached hereto as Exhibit B to this Renewal Application.

- c. **Exhibit C.** A general map showing the applicant's overall electric system and a detailed map highlighting the location of the facilities or the proposed facilities to be used for the generation and transmission of the electric energy to be exported. The detailed map shall identify the location of the proposed border crossing point(s) or power transfer point(s) by Presidential Permit number whenever possible.

The owner, location, voltage, and the Presidential Permits under which the relevant border transmission facilities are constructed and maintained is set forth in Exhibit C.

- d. **Exhibit D.** If an applicant resides or has its principal office outside the United States, such an applicant shall designate, by irrevocable power of attorney, an agent residing within the United States. A verified copy of such power of attorney shall be furnished with the application.

Not applicable.

- e. **Exhibit E.** A statement of any corporate relationship or existing contract between the applicant 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.

Not applicable. PSE's sales for export to Canada will be made at negotiated rates pursuant to its FERC Market-Based Rate Tariff.

- f. **Exhibit F. An explanation of the methodology (Operating Procedures) to inform neighboring electric utilities in the United States of the available capacity and energy which may be in excess of the applicant's requirements before the delivering of such capacity to the foreign purchaser. Approved firm export, diversity exchange and emergency exports are exempted from this requirement. Those materials required by this section which have been filed previously with the ERA may be incorporated by reference.**

Not applicable. Applicant is a power marketer and is not a franchised public utility with captive customers. Applicant will complete any export of electric energy from the United States to Canada using all applicable procedures and/or market structures and coordinated with relevant parties as required pursuant to the reliability standards and market rules as implemented by the North American Electric Reliability Corporation and affected transmission operators. To the extent necessary, Applicant requests waiver of the requirement to provide Exhibits A, D, E, and F.

IV. PROVISION OF RENEWAL APPLICATION AS REQUIRED BY 10 C.F.R. § 205.309

Pursuant to the requirement of 10 C.F.R. § 205.309, PSE is providing a copy of this
Renewal Application to:

Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

V. REQUEST FOR WAIVER

PSE hereby requests, to the extent necessary, waiver of the requirement in ordering paragraph (K) of Order No. EA-469, and any other waivers necessary, to file this renewal application within sixty (60) days of the expiration of Order No. EA-469.

VI. CONCLUSION

In consideration of the foregoing, PSE respectfully requests approval of this application for authorization to export electrical energy to Canada. Applicant respectfully requests that DOE act on this Renewal Application by May 3, 2024.

Respectfully submitted.



Jason Kuzma
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Dated: March 28, 2024

ATTACHMENT 1


VERIFICATION
10 C.F.R. § 205.303(h)

I, Lorna Luebbe, Senior Vice President, Chief Sustainability Officer, and General Counsel for Puget Sound Energy, Inc., having knowledge of the matters set forth in the above Application of Puget Sound Energy, Inc. for Renewal of Authorization to Transmit Electricity to Canada, in Docket No. EA-469, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.



Lorna Luebbe
Senior Vice President, Chief Sustainability Officer,
and General Counsel

SUBSCRIBED AND SWORN before me, a notary public this 27th day of
March, 2023.


Notary Public

My Commission Expires: 12-01-27

EXHIBIT A

Not applicable.

EXHIBIT B

LEGAL OPINION 10 C.F.R. § 205.303(b)

The following opinion is given in support of Puget Sound Energy, Inc.’s Application for Renewal of Authorization to Transmit Electric Energy to Canada, dated March 28, 2024 (the “Renewal Application”).

1. I am qualified to practice law in the State of Washington.
2. Puget Sound Energy, Inc. is in good standing under the laws of the State of Washington.
3. Puget Sound Energy, Inc. has been granted market-based rate authority to buy, sell, or act as a marketer in the sale and exportation of electric energy by the Federal Energy Regulatory Commission (FERC), as granted in *Puget Sound Energy, Inc.*, 86 FERC ¶ 61,088 (1999). PSE’s most recent non-material notice of change in status was filed on April 30, 2021, in Docket No. ER17-2059-008.
4. The proposed exports of electrical power described in the Renewal Application are within the corporate powers of Puget Sound Energy, Inc.
5. To the best of my knowledge and belief, Puget Sound Energy, Inc. has complied or will comply with Section 202(e) of the Federal Power Act and all pertinent Federal and state laws relevant to the Renewal Application.
6. The opinion set forth herein may be relied upon only by the U.S. Department of Energy and may not be relied upon by any other person, firm, or corporation. This legal opinion is not to be used, circulated, quoted, or otherwise referred to for any other purpose without my

prior written approval in each instance. This legal opinion is limited to the matters stated herein and does not extend to and is not to read as extending by implication to any other matters not referred to herein, and I have no responsibility or obligation to update this legal opinion or take into account changes in law, facts, or any other development of which I may later become aware. This legal opinion is being rendered in my capacity as counsel to Puget Sound Energy, Inc. and not in my personal capacity and is being given without personal liability on my part.



Jason Kuzma
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Dated: March 28, 2024

EXHIBIT C

TRANSMISSION SYSTEM INFORMATION

International Electric Transmission Facilities at the U.S.-Canada Border Authorized for Third-Party Use for TCES Exports to Canada

<u>Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>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 (BPA)	Blaine, WA	2 x 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
Long Sault, Inc.	Massena, NY	2 x 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		PP-12
	Madawaska, ME	138-kV	PP-29
	Aroostook, ME	2 x 69-kV	
Minnesota Power, Inc.	International Falls, MN	115-kV	PP-78
Minnesota Power, Inc.	Roseau County, MN	500-kV	PP-398
Minnkota Power Cooperative	Roseau County, MN	230-kV	PP-61

<u>Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Permit No.</u>
Montana Alberta Tie Ltd.	Cut Bank, MN	230-kV	PP-399
NECEC Transmission LLC	Beattie Township, ME	±320-kV	PP-438
New York Power Authority (NYPA)	Massena, NY	765-kV	PP-56
	Massena, NY	2 x 230-kV	PP-25
	Niagara Falls, NY	2 x 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	±450-kV DC	PP-299
TDI New England	Alburgh, VT	±320-kV DC	PP-400
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76
Vermont Transco LLC	Highgate, VT	120-kV	PP-82

EXHIBIT D

**IRREVOCABLE LIMITED POWER OF ATTORNEY
10 C.F.R. § 205.303(d)**

(NOT APPLICABLE)

EXHIBIT E

**STATEMENT OF CORPORATE RELATIONSHIP
10 C.F.R. § 205.303(e)**

(NOT APPLICABLE)

EXHIBIT F

**OPERATING PROCEDURES
10 C.F.R. § 205.303(f)**

(NOT APPLICABLE)