United States
Department of Energy

Grid Deployment Office

Energia Sierra Juarez U.S., LLC
GDO Docket No. EA-516

Order Authorizing Electricity Exports to Mexico

Order No. EA-516

May 16, 2025

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I. BACKGROUND

The Department of Energy (DOE or Department) regulates electricity exports from the United States to a foreign country in accordance with Federal Power Act (FPA) § 202(e) (16 U.S.C. § 824a(e)) and regulations thereunder (10 C.F.R. §§ 205.300 *et seq.*). This authority was transferred to DOE under §§ 301(b) and 402(f) of the DOE Organization Act (42 U.S.C. §§ 7151(b) and 7172(f)). On April 10, 2023, this authority was delegated to the DOE Grid Deployment Office by Delegation Order No. S1-DEL-S3-2023, and Redelegation Order No. S3-DEL-GD1-2023.

An entity that seeks to export electricity must obtain an order from DOE authorizing it to do so. Under FPA § 202(e), DOE "shall issue such order upon application unless, after opportunity for hearing, it finds that 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 [DOE]." 16 U.S.C. § 824a(e). DOE has discretion to condition the order as necessary or appropriate; the Department "may by its order grant such application in whole or in part, with such modifications and upon such terms and conditions as [DOE] may find necessary or appropriate, and may from time to time, after opportunity for hearing and for good cause shown, make such supplemental orders in the premises as it may find necessary or appropriate." *Id*.

A. Application for Export Authorization

Energia Sierra Juarez U.S., LLC (Applicant or ESJ US) is a power marketer seeking authorization to export electric energy to Mexico. On August 16, 2024, ESJ US filed an application with DOE (Application or App.) requesting an export authorization to export electricity. App. at 1.

According to the Application, ESJ US is a Delaware limited liability company authorized to operate in California. *Id.* at 6. ESJ US states that its wholly owned subsidiary, Energia Sierra Juarez Transmission, LLC (ESJ Transmission) owns and operates the ESJ generator-tie line that connects to the Cimarron Wind Facility. *Id.* at 1. Further, the Applicant states it, ESJ Transmission, and its corporate parent, Energia Sierra, S. de R.L. de C.V., "are all wholly-owned subsidiaries of Sempra Infrastructure Partners, LP, which in turn is indirectly majority owned and controlled by Sempra, a publicly traded utility holding company based in San Diego, California." *Id.* at 2 (internal abbreviation omitted). ESJ US states it "will sell energy, capacity and/or ancillary services into the [California Independent Service Operator (CAISO)] balancing authority area[.]" *Id.*

The Applicant represents that its exports would "not impair the sufficiency of electric supply, nor would it impede or tend to impede regional coordination of electric utility planning or operation." App. at 7. ESJ US further states that the electric power it "plans to export will be surplus energy obtained in wholesale markets, and any such export transactions will be completed using CAISO's procedures and/or market structures, . . . applicable market rules implemented by the CAISO, and reliability standards implemented by the [North American Electric Reliability Corporation] and the [Western Electric Reliability Council]." *Id.* 8-9. The Applicant asserts that its export transactions therefore "will not adversely impact native load customers or other market participants, and will not compromise transmission security or reliability." *Id.* at 9.

Additionally, Applicant states its "request for authority to transmit electric energy from the United States to Mexico is limited to the delivery of intermittent and *de minimis* station power to the Cimarron Wind Facility over the ESJ Gen-Tie." App. at 11. ESJ US's request does not seek authority to export electric energy to Mexico on facilities other than the ESJ Gen-Tie. *Id.* at 2. The Applicant requests that the term of its export authorization extend for a period commensurate with the Presidential permit issued for the ESJ Gen-Tie (PP-334, as amended). *Id.* at 4. ESJ US asserts grant of export authority to Applicant for the requested term is consistent with previous electricity export authorizations issued by DOE under similar circumstances. *Id.*

B. Procedural History

On August 16, 2024, ESJ US filed an application with DOE requesting authorization to export electrical energy to Mexico. On September 27, 2024, DOE published notice of ESJ US's Application in the Federal Register (89 Fed. Reg. 79283) and asked for any interested parties to submit comments on the Application by October 28, 2024.

C. Public Comments

On October 25, 2024, DOE received an anonymous comment opposing ESJ US's electricity export authorization. The commenter asserts that the Federal Government should not authorize the cross-border sale and transmission of liquified natural gas and electric energy. The comment raises environmental concerns related to producing electricity and increasing reliance on natural gas.

On October 28, 2024, DOE received an anonymous comment opposing the requested export authorization and encouraging DOE to divert electric energy resources to communities impacted by natural disasters within the United States instead of transmitting electric energy to foreign countries.

This current proceeding concerns proposed electricity exports under the FPA, not liquefied natural gas exports. In response to the other issues raised by commenters, the below sections further discuss the proposed exports' impacts on the sufficiency of electric supply and environment. Further, DOE notes that although net electricity imports have been declining over time, the United States continues to import more electric energy than it exports.[1]

[1] In 2023, the U.S. had net electricity imports of 18,904,162 Megawatthours (MWH) from Canada and Mexico. EIA, *Electric Power Monthly-Table 7.1* (2024), https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=table_7_01.

II. DISCUSSION AND ANALYSIS

DOE is statutorily obligated under FPA § 202(e) to grant requests for export authorization unless the Department finds that the proposed export would negatively impact either: (i) the sufficiency of electric supply; or (ii) the coordination of the electric grid. Regarding the first exception criterion, DOE shall approve an electricity export application "unless, after opportunity for hearing, it finds that the proposed transmission would impair the sufficiency of electric supply within the United States …." 16 U.S.C. § 824a(e). DOE has interpreted this criterion to mean that sufficient generating capacity and electric energy must exist such that the export could be made without compromising the energy needs of the exporting region, including serving all load obligations in the region while maintaining appropriate reserve levels. *E.g.*, *BP Energy Co.*, Order No. EA-314, at 1-2 (Feb. 22, 2007), *renewed*, Order No. EA-314-A, at 2 (May 3, 2012), *renewed,* Order No. EA-314-B, at 2 (Feb. 28, 2017), *renewed,* Order No. EA-314-C, at 4 (Dec. 20, 2021).

Under the second exception criterion, DOE shall approve an electricity export application "unless, after opportunity for hearing, it finds that the proposed transmission would … impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of [DOE]." 16 U.S.C. § 824a(e). DOE has interpreted this criterion primarily as an issue of the operational reliability of the domestic electric transmission system. Accordingly, the export must not compromise transmission system security and reliability. *See, e.g.*, Order No. EA-314-C, at 4.

A. ESJ US's Requested Authorization Will Not Impair the Sufficiency of Electric Supply in the United States

Sufficiency of supply, the first exception criterion, addresses whether regional electricity needs are met in the current market. DOE has analyzed this issue from both an economic and a reliability perspective. The economic perspective concerns the supply available to wholesale market participants. The reliability perspective focuses on preventing problems that could result from inadequate supplies. Taken together, DOE examines whether existing electric supply is available via market mechanisms, and whether potential reliability issues linked to supply problems are mitigated by reliability enforcement mechanisms.

From an economic perspective, DOE finds that the wholesale energy markets are sufficiently robust to make supplies available to exporters and other market participants serving United States regions along the Canadian and Mexican borders. Following enactment of the Energy Policy Act of 1992, Pub. L. No. 102-486, which encouraged the Federal Energy Regulatory Commission (FERC) to foster competition in the wholesale energy markets through open access to transmission facilities, energy markets developed across the United States to provide opportunities for a more efficient availability of supply. Subsequently, the Energy Policy Act of 2005, Pub. L. No. 109-58, reaffirmed the government's commitment to competition in wholesale energy markets as national policy. FERC has continued to encourage the expansion of

wholesale energy markets through its orders to remove barriers[2] and to ensure that these markets are functioning properly.[3] As a result, market participants have access to traditional bilateral contracts, as well as organized electricity markets run by regional transmission organizations (RTOs) or independent system operators (ISOs). FERC oversees these interstate wholesale electricity markets across most of the lower 48 states. Absent an indication in the record that the geographic markets relevant to this export authorization analysis are flawed and result in uneconomic exports that jeopardize regional supply, DOE finds that the proposed transmission for export does not impair the sufficiency of electric supply within the United States.

From a reliability perspective,[4] DOE focuses on the prevention of cascading outages and other problems that could result from inadequate resources.[5] Reliability oversight is addressed by the authority granted to FERC through the Energy Policy Act of 2005. That Act added section 215 to the FPA, which directed FERC to certify an electric reliability organization and develop procedures for establishing, approving, and enforcing mandatory electric reliability standards. 16 U.S.C. § 824o. FERC certified NERC in 2006 to develop and enforce reliability standards for the bulk-power system in the United States. *Order Certifying NERC as the Electric Reliability Organization and Ordering Compliance Filing*, FERC Docket No. RR06-1-000, 116 FERC ¶ 61,062 (July 20, 2006). FERC approves these standards, at which point they become mandatory and enforceable. NERC Reliability Standards address areas such as resource and demand balancing, critical infrastructure protection, communications, emergency preparedness and operations, facilities design, transmission operations, transmission planning, modelling, nuclear, personnel performance and training, protection and controls, voltage and reactive, interchange scheduling and coordination, and interconnection reliability operations and coordination.

NERC Reliability Standards are enforceable throughout the continental United States, most of Canada south of the 60th parallel, and the Mexican state of Baja California Norte. Through enforcement by FERC, NERC, and six Regional Entities overseen by NERC,[6] all bulk-power system owners, operators, and users are held responsible for complying with reliability standards. The reliability standards are structured so that many entities have overlapping responsibility for the electric grid, thereby resulting in several layers of reliability monitoring. Entities such as reliability coordinators and balancing authorities coordinate power generation and transmission among multiple utilities to serve demand within an integrated regional wholesale market. One of the principal functions of these entities is to schedule adequate generating and reserve capacity. This allows them to serve demand at the regional level and to

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[2] *See, e.g.*, *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, 72 Fed. Reg. 12,266 (Mar. 15, 2007), 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 (2009).

[3] *See, e.g.*, *Wholesale Competition in Regions with Organized Electric Markets*, Order No. 719, FERC Stats. & Regs. ¶ 31,281 (2008), *as amended*, 126 FERC ¶ 61,261, *order on reh'g*, Order No. 719-A, FERC Stats. & Regs. ¶ 31,292, *reh'g denied*, Order No. 719-B, 129 FERC ¶ 61,252 (2009).

[4] A related reliability analysis follows in the next section of this Order.

[5] This focus should not be confused with resource adequacy planning and capacity requirements that have traditionally been the domain of state regulatory commissions, NERC-certified Regional Entities, and RTOs/ISOs.

[6] The six entities are the Midwest Reliability Organization, Northeast Power Coordinating Council, Reliability First Corporation, SERC Reliability Corporation, Texas Reliability Entity, and Western Electricity Coordinating Council.

ensure that there is sufficient power supply to maintain system reliability. Reliability Standard IRO-001-4 "establish[es] the responsibility of Reliability Coordinators to act or direct other entities to act."[7] Requirement R1 states that "[e]ach Reliability Coordinator shall act to address the reliability of its Reliability Coordinator Area via direct actions or by issuing Operating Instructions."[8] Reliability oversight is designed through coordinated efforts amongst Reliability Coordinators to preserve the benefits of interconnected operations and ensure that operations in one area will not adversely impact other areas.[9] Reliability Standard IRO-014-3 R1 provides that "[e]ach Reliability Coordinator shall have and implement Operating Procedures, Operating Processes, or Operating Plans, for activities that require notification or coordination of actions that may impact adjacent Reliability Coordinator Areas, to support Interconnection reliability."[10]

DOE finds that NERC's FERC-approved comprehensive enforcement mechanism ensures that bulk-power system owners, operators, and users have a strong incentive both to maintain system resources and to prevent reliability problems that could result from movement of electric supplies through export. As a result of this reliability oversight, DOE finds that the sufficiency of supply is not impaired by ESJ US's proposed export authorization.

DOE's sufficiency of supply findings are further supported by the fact that power marketers, such as ESJ US, do not have an obligation to serve a franchised territory. Before the current role of power marketers emerged in the industry, the FPA § 202(e) inquiry into sufficiency of supply had a narrower focus and was designed for an applicant that was a vertically integrated utility[11] with an obligation to serve native load. Under that traditional scenario, the inquiry regarding sufficiency of supply logically sought to confirm that exports would be surplus to the needs of a vertically integrated utility's native load obligations and reserve margins. As explained in DOE's notice of the first application by a power marketer for export authorization, the sufficiency of supply inquiry became unnecessary when applied to power marketers:

> - The Applicant also is required to demonstrate that it would have sufficient generating capacity to sustain the proposed export under the terms and conditions of its export agreement, while still complying with any established reserve criteria.
>
> - Since marketers generally could not be seen as having any "native load" requirements, the latter criterion of maintaining sufficient reserve margins appears inappropriate and unnecessary in this instance.

[7] Standard IRO-001-4 (Reliability Coordination – Responsibilities), at ¶ A.3.

[8] *Id.* ¶ B.R1.

[9] *See* Standard IRO-014-3 (Coordination Among Reliability Coordinators), at ¶ A.3.

[10] *Id.* ¶ B.R1.

[11] The Supreme Court of the United States has explained: "In 1935, when the FPA became law, most electricity was sold by vertically integrated utilities that had constructed their own power plants, transmission lines, and local delivery systems…[M]ost operated as separate, local monopolies subject to state or local regulation. Their sales were 'bundled,' meaning that consumers paid a single charge that included both the cost of the electric energy and the cost of its delivery. Competition among utilities was not prevalent." *New York v. FERC*, 535 U.S. 1, 5 (2002).

59 Fed. Reg. 54900 (Nov. 2, 1994). As stated above, power marketers do not have franchised service areas and, consequently, do not have native load obligations like a traditional local distribution utility that could be impaired by exports.

In sum, market mechanisms and reliability oversight protect against the possibility that ESJ US's exports would jeopardize domestic sufficiency of supply. Therefore, an export by ESJ US would not trigger the first exception criterion of FPA § 202(e) regarding the sufficiency of electric supply within the United States.

B. ESJ US's Requested Authorization Will Not Adversely Affect Either the Reliability or the Security of the United States Electric Transmission System

Reliability, the second exception criterion under FPA § 202(e), addresses operational reliability and security of the domestic electric transmission system. In evaluating the operational reliability impacts of export proposals, DOE has used a variety of methodologies and information, including established industry guidelines, operating procedures, and technical studies where available and appropriate. When determining these impacts, it is convenient to separate the export transaction into two parts: (i) moving the export from the source to a border system that owns the international transmission connection; and (ii) moving the export through that border system and across the border.

Moving Electricity to a Border System. Moving electricity for export to a border system necessarily involves the use of the bulk-power system. As noted in the preceding section, bulk-power system reliability concerns are addressed under the FPA by FERC and NERC and involve the enforcement of mandatory reliability standards. These standards ensure that all owners, operators, and users of the bulk-power system have an obligation to maintain system security and reliability. The standards are structured so that there are always entities with broader responsibilities than the applicant, such as reliability coordinators and balancing authorities, to keep a constant watch over the domestic transmission system.

To deliver the export from the source to a border system, the applicant must make the necessary commercial arrangements and obtain sufficient transmission capacity to wheel the exported energy to the border system. The applicant would be expected to follow FERC orders regarding open transmission access and to schedule delivery of the export with the appropriate RTO, ISO, and/or balancing authority (formerly the control area operator).

It is the responsibility of the RTO, ISO, and/or balancing authority to schedule the delivery of the export consistent with established and mandatory operational reliability criteria. During each step of the process of obtaining transmission service, the owners and/or operators of the transmission facilities will evaluate the impact on the system and schedule the movement of the export *only* if it would not violate established operating reliability standards. As a failsafe, the reliability coordinator in each region has the authority and responsibility to curtail, cancel, or deny scheduled flows to avoid shortages or to restore necessary energy and capacity reserves. Reliability Standard EOP-011-1 R2 provides that "[e]ach Balancing Authority shall develop,

maintain, and implement one or more Reliability Coordinator-reviewed Operating Plan(s) to mitigate Capacity Emergencies and Energy Emergencies within its Balancing Authority Area."[12]

Specifically, the reliability coordinator has the authority to suspend exports if the electric energy would be needed to support the regional power grid. *See* Reliability Standard IRO-001-4 R1 ("Each Reliability Coordinator shall act to address the reliability of its Reliability Coordinator Area via direct actions or by issuing Operating Instructions."), R2 ("Each Transmission Operator, Balancing Authority, Generator Operator, and Distribution Provider shall comply with its Reliability Coordinator's Operating Instructions unless compliance with the Operating Instructions cannot be physically implemented or unless such actions would violate safety, equipment, regulatory, or statutory requirements"), and R3 ("Each Transmission Operator, Balancing Authority, Generator Operator, and Distribution Provider shall inform its Reliability Coordinator of its inability to perform the Operating Instruction issued by its Reliability Coordinator in Requirement R1").

DOE has determined that the existing industry procedures for obtaining transmission capacity on the domestic transmission system (described above) provide adequate assurance that any export will not cause an operational reliability problem. Therefore, ESJ US's export authorization has been conditioned to ensure that the export will not cause operational issues on regional transmission systems to fall outside of established industry reliability criteria, or cause or exacerbate a transmission operating problem on the United States electric power supply system (*see* Order below, Section VII, paragraphs C, D, and I).

Moving Electricity Through a Border System. The second part of DOE's reliability inquiry, addressing the transmission of the export through a border system and across the border, is a question of whether the border system is reliable and secure. To a large extent, this question is addressed by the jurisdiction of NERC. NERC and Regional Entities—including the Midwest Reliability Organization, the Northeast Power Coordinating Council, and the Western Electricity Coordinating Council—oversee the United States-Canadian border system and a significant part of the United States-Mexican border system. Those border systems are generally subject to the same reliability standards as domestic systems. *See, e.g.*, http://www.ieso.ca/sector-participants/system-reliability/reliability-standards-framework.

DOE also relies on the System Impact Studies submitted in conjunction with an application for a DOE-issued Presidential permit[13] to construct a new international transmission line. As DOE has previously reviewed System Impact Studies submitted with Presidential permit applications,[14] DOE does not need to perform additional impact assessments here, provided the maximum rate of transmission for all exports through a border system does not exceed the authorized limit of the system (*see* Order below, Section VII, paragraph (A)). In its Application, ESJ US committed to complying with all reliability limits on border facilities. *See* App. at 8-9.

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[12] EOP-011-1 (Emergency Operations), at ¶ B.R2.

[13] DOE issues Presidential permits pursuant to Executive Order 10,485, as amended by Executive Order 12,038. *See* 10 C.F.R. §§ 205.320-205.329.

[14] *See, e.g.*, *AEP Tex. Cent. Co.*, Order No. PP-317, at 2-3 (Jan. 22, 2007); *Mont. Alta. Tie Ltd.*, Order No. PP-305, at 2-4 (Nov. 17, 2008).

The second part of the reliability inquiry is therefore satisfied by DOE regulatory oversight, in addition to NERC's reliability enforcement.

III. FINDINGS AND DECISION

A. ESJ US Meets the Statutory Requirements to Export Electric Energy to Mexico

As explained above, DOE has assessed the impact that the proposed export would have on the reliability of the United States electric power supply system. DOE has determined that the export of electric energy to Mexico by ESJ US, as ordered below, would not impair the sufficiency of electric power supply within the United States and would not impede or tend to impede the coordination in the public interest of facilities within the meaning of FPA § 202(e).

B. ESJ US Qualifies for a NEPA Categorical Exclusion for Exports of Electric Energy

ESJ US's Application qualifies for DOE's categorical exclusion for exports of electric energy under the National Environmental Policy Act of 1969, as amended (NEPA), 42 U.S.C. § 4321 *et seq*. DOE's regulations set forth this categorical exclusion, codified as "B4.2," as follows:

> Export of electric energy as provided by Section 202(e) of the Federal Power Act over existing transmission lines or using transmission system changes that are themselves categorically excluded.

10 C.F.R. Part 1021, App. B to Subpart D, § B4.2.

DOE has determined that actions in this category do not individually or cumulatively have a significant effect on the human environment and that, therefore, neither an environmental assessment nor an environmental impact statement normally is required. 10 C.F.R. § 1021.410(a). Further, in 2011, DOE formally reviewed its NEPA regulations and categorical exclusions and determined that it was appropriate to retain the B4.2 categorical exclusion. *See* National Environmental Policy Act Implementing Procedures, 76 Fed. Reg. 214, 217 (Jan. 3, 2011); National Environmental Policy Act Implementing Procedures, 76 Fed. Reg. 9981, 9982 (Feb. 23, 2011).

To invoke this categorical exclusion, DOE must determine that, in relevant part, "[t]here are no extraordinary circumstances related to the proposal that may affect the significance of the environmental effects of the proposal," and that "[t]he proposal has not been segmented to meet the definition of a categorical exclusion." 10 C.F.R. § 1021.410(b)(2), (3). "Extraordinary circumstances" include "unique situations" such as "scientific controversy about the environmental effects of the proposal." *Id*. § 1021.410(b)(2). DOE finds that ESJ US's Application does not present such a circumstance, nor has it been segmented for purposes of this exclusion. ESJ US seeks to deliver electricity over existing transmission lines, which fits

squarely within the B4.2 categorical exclusion. For these reasons, DOE will not require more detailed NEPA review in connection with this Application. *See*, *e.g.*, *id.* §§ 1021.400(a)(1), 1021.410; 40 C.F.R. § 1501.4(a).

C. Conclusion

DOE grants ESJ US an export authorization for the term requested. ESJ US is authorized to export electricity to Mexico over the ESJ Gen-Tie authorized by PP-334, as amended, subject to the limitations and conditions described in this Order.

IV. DATA COLLECTION AND REPORTING REQUIREMENTS

The responsibility for the data collection and reporting under orders authorizing electricity exports to a foreign country currently rests with the U.S. Energy Information Administration (EIA) within DOE. The Applicant is instructed to follow EIA instructions in completing this data exchange. Questions regarding the data collection and reporting requirements can be directed to EIA by email at *EIA4USA@eia.gov* or by phone at 1-855-342-4872.

Additionally, any change to the tariff of an entity with an export authorization must be provided to DOE's Grid Deployment Office via email at *electricity.exports@hq.doe.gov*. 10 C.F.R. § 205.308(b).

V. COMPLIANCE

Obtaining a valid order from DOE authorizing the export of electricity under FPA § 202(e) is a necessary condition before engaging in the export. Failure to obtain such an order or continuing to export after the expiration of such an order, may result in a denial of authorization to export in the future and subject the exporter to sanctions and penalties under the FPA. DOE expects transmitting utilities owning border facilities and entities charged with the operational control of those border facilities, such as ISOs, RTOs, or balancing authorities, to verify that companies seeking to schedule an electricity export have the requisite authority from DOE to export such energy.

DOE expects ESJ US to abide by the terms and conditions established for its authority to export electric energy to Mexico, as set forth below. DOE intends to monitor ESJ US compliance with these terms and conditions, including the requirement in paragraph G of this Order that ESJ US create and preserve full and complete records and file reports with EIA as discussed above.

A violation of any of these terms and conditions, including the failure to submit timely and accurate reports, may result in the loss of authority to export electricity and subject ESJ US to any applicable sanctions and penalties under the FPA.

VI. OPEN ACCESS POLICY

An export authorization issued under FPA § 202(e) does not impose a requirement on transmitting utilities to provide service. However, DOE expects transmitting utilities that own border facilities to provide open access transmission service across the border in accordance with the principles of comparable open access and non-discrimination contained in the FPA and articulated in FERC Order No. 888 (Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities, FERC Statutes and Regulations ¶ 31,036 (1996)), as amended. The actual rates, terms, and conditions of transmission service should be consistent with the non-discrimination principles of the FPA and the transmitting utility's Open-Access Transmission Tariff on file with FERC.

All recipients of export authorizations, including owners of border facilities for which Presidential permits have been issued, are required by their export authorization to conduct operations in accordance with the applicable principles of the FPA and any pertinent rules, regulations, directives, policy statements, and orders adopted or issued thereunder, including the comparable open access provisions of FERC Order No. 888, as amended. Cross-border electric trade ought to be subject to the same principles of comparable open access and non-discrimination that apply to transmission in interstate commerce. *See Enron Power Mktg., Inc. v. El Paso Elec. Co.*, 77 FERC ¶ 61,013 (1996), *reh'g denied*, 83 FERC ¶ 61,213 (1998). Thus, DOE expects owners of border facilities to comply with the same principles of comparable open access and non-discrimination that apply to the domestic, interstate transmission of electricity.

VII. ORDER

Accordingly, pursuant to FPA § 202(e) and the Rules and Regulations issued thereunder (10 C.F.R. §§ 205.300-309), it is hereby ordered that ESJ US is authorized to export electric energy to Mexico under the following terms and conditions:

(A) The electric energy exported by ESJ US pursuant to this Order may only be delivered to Mexico over the ESJ Gen-Tie authorized by Presidential Permit PP-334, as amended. The maximum amount of electric energy exported for this purpose will not exceed an instantaneous transmission rate of 4 MW.

(B) ESJ US shall obtain any and all other Federal and state regulatory approvals required to execute any power exports to Mexico. The scheduling and delivery of electricity exports to Mexico shall comply with all reliability criteria, standards, and guidelines of NERC, reliability coordinators, Regional Entities, RTOs, ISOs, including the ERCOT, and/or balancing authorities, or their successors, as appropriate, on such terms as expressed therein, and as such criteria, standards, and guidelines may be amended from time to time.

(C) Exports made pursuant to this authorization shall be conducted in accordance with the applicable provisions of the FPA and any pertinent rules, regulations, directives, policy statements, and orders adopted or issued thereunder, including the comparable open access provisions of FERC Order No. 888, as amended, and shall be conducted in accordance with the applicable rules and regulations of the Public Utility Commission of Texas and ERCOT Protocols.

(D) This authorization may be modified from time to time or terminated by further order of DOE. In no event shall such authorization to export over a particular transmission facility extend beyond the date of termination of the Presidential permit or treaty authorizing such facility.

(E) This authorization shall be without prejudice to the authority of any state or state regulatory commission for the exercise of any lawful authority vested in such state or state regulatory commission.

(F) ESJ US shall make and preserve full and complete records with respect to the electric energy transactions between the United States and Mexico. ESJ US shall collect and submit the data to EIA as required by and in accordance with the procedures of Form EIA-111, "Quarterly Electricity Imports and Exports Report," and all successor forms.

(G) In accordance with 10 C.F.R. § 205.305, this export authorization is not transferable or assignable, except in the event of the involuntary transfer by operation of law. Provided written notice of the involuntary transfer is given to DOE within 30 days, this authorization shall remain in effect temporarily. The authorization shall terminate unless an application for a new export authorization has been received by DOE within 60 days of the involuntary transfer. Upon receipt by DOE of such an application, this existing authorization shall continue in effect pending a decision on the new application. In the event of a proposed voluntary transfer of this authority to export electricity, the transferee and the transferor shall file a joint application for a new export authorization, together with a statement of the reasons for the transfer.

(H) Nothing in this Order is intended to prevent the transmission system operator from being able to reduce or suspend the exports authorized herein, as necessary and appropriate, whenever a continuation of those exports would cause or exacerbate a transmission operating problem or would negatively impact the security or reliability of the transmission system.

(I) ESJ US has a continuing obligation to give DOE written notification as soon as practicable of any prospective or actual changes of a substantive nature in the circumstances upon which this Order was based, including but not limited to changes in authorized entity contact information or NERC Compliance Registry status.

(J) This authorization shall be effective as of May 16, 2025, and remain in effect for a period not to extend beyond the date of termination of Presidential Permit PP-334, as amended.

Issued in Washington, DC, on May 16, 2025.

Chris Wright
Secretary of Energy
U.S. Department of Energy