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May 6, 2025

**Via Email**

Nick Elliot  
Director, Grid Deployment Office  
U.S. Department of Energy  
1000 Independence Avenue, SW  
Washington, DC 20585

**Re: DRW Energy Trading LLC's Application for Authority to Transmit Electric Energy to Canada**

Dear Mr. Elliot:

Pursuant to the Department of Energy's 10 C.F.R. §§ 205.300–205.309, please find enclosed DRW Energy Trading LLC's Application for Authority to Transmit Electric Energy to Canada. In accordance with the requirements of 10 C.F.R. § 205.309, a copy of this application will be provided to the Secretary of the Federal Energy Regulatory Commission.

If you have any questions or need any additional information, please do not hesitate to contact me.

Respectfully submitted,

Michael J. Lowell

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

**In the Matter of  
DRW Energy Trading LLC**

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**Docket No. EA-\_\_\_\_\_**

**DRW ENERGY TRADING LLC’S APPLICATION FOR  
AUTHORITY TO TRANSMIT ELECTRIC ENERGY TO CANADA**

Pursuant to 16 U.S.C. § 824a(e) and 10 C.F.R. §§ 205.300–205.309, DRW Energy Trading LLC (“**DRW Energy**”) hereby submits this application (“**Application**”) for blanket authorization from the Department of Energy (“**DOE**”) to transmit electric energy from the United States to Canada for a term of 10 years. In support of its Application, DRW Energy provides the following information:

**I. Communications**

Communications and correspondence about this Application should be addressed to:

Michael J. Lowell, Esq.  
Reed Smith LLP  
1301 K Street, NW  
Suite 1000 – East Tower  
Washington, DC 20005  
(202) 414-9253  
mlowell@reedsmith.com

Jon Hoff, Associate General Counsel  
DRW Energy Trading LLC  
1500 Post Oak Blvd., Suite 1625  
Houston TX, 77056  
(713) 814-3052  
jhoff@drwholdings.com

**II. Description of the Applicant**

The applicant’s legal name is DRW Energy Trading LLC. DRW Energy is authorized to do business in the state of Delaware as a limited liability company with its principal place of business at 1500 Post Oak Boulevard, Suite 1625, Houston TX, 77056. DRW Energy is the wholly owned subsidiary of DRW Holdings, LLC. The Federal Energy Regulatory Commission

(“**FERC**”) has granted DRW Energy authority to sell wholesale power at market-based rates under a market-based rate tariff.<sup>1</sup>

### **III. Jurisdiction**

DRW Energy believes the DOE is the only state or federal agency with jurisdiction over this Application.

### **IV. Description of the Facilities**

DRW Energy requests authorization to export power to Canada over any authorized international transmission facility that is appropriate for open access transmission by third parties in accordance with the export limits authorized by the DOE. **Exhibit C** identifies the international transmission facilities that are currently authorized by Presidential Permit and available for open access transmission.

### **V. Technical Discussion of the Proposal**

Under the Federal Power Act, export authorizations should be approved unless “the proposed transmission would impair the sufficiency of electric supply within the United States or would impede or tend to impede” the coordinated use of the United States power supply network.<sup>2</sup>

DRW Energy will purchase power to be exported from a variety of sources, including, but not limited to, power marketers, independent power producers, and U.S. electric utilities and federal power marketing entities.<sup>3</sup> By definition, this power is surplus to the system of the generator. Therefore, the power that DRW Energy will export on either a firm or interruptible basis will not impair the sufficiency of the electric power supply within the United States.<sup>4</sup>

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<sup>1</sup> Ex. G.

<sup>2</sup> See 16 U.S.C. § 824a(e).

<sup>3</sup> See *id.* § 796(19), (22) (defining “electric utility” and “Federal power marketing agency”).

<sup>4</sup> See *Enron Power Mktg., Inc.*, Order No. EA-102 (Feb. 6, 1996).

DRW Energy will make all necessary commercial arrangements and obtain any other required regulatory approvals to schedule and deliver its power exports. The electricity exported by DRW Energy will be transmitted under arrangements with utilities that own and operate existing transmission facilities, consistent with the export limitations and other terms and conditions contained in the existing Presidential Permits and electricity export authorizations associated with these transmission facilities. DRW Energy will schedule its transactions with appropriate balancing authority areas in compliance with the reliability criteria standards and guidelines established by the North American Reliability Corporation (“NERC”) and its member Regional Entities in effect at the time of the export.

The DOE does not rigidly apply the information filing requirements outlined in its regulations. Instead, the DOE uses a flexible approach that accounts for the unique nature of power marketer, FERC Order No. 888’s requirements, and cross-border facilities’ previously authorized export limits.<sup>5</sup> Applying these same considerations demonstrates that DRW Energy’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.

## **VI. Compliance with Conditions and Procedures**

DRW Energy will enter into agreements with third parties that involve the export of electric power from the United States to Canada. As a power marketer, DRW Energy does not have the ability to cause total exports to exceed the export limits for those facilities or otherwise cause the facilities to violate the terms and conditions of their export authorizations. When scheduling power delivery, DRW Energy will comply with all applicable NERC reliability standards.

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<sup>5</sup> See, e.g., *NorAm Energy Servs, Inc.*, Order No. EA-105-CN (Aug. 16, 1996); *MidCon Power Servcs. Corp.*, Order No. EA-114 (July 15, 1996); *USGen Power Servs.*, Order No. EA-112 (June 27, 1996); *CNG Power Servs. Corp.*, Order No. EA-110 (June 20, 1996).

Each calendar year, DRW Energy will provide the DOE with reports indicating the gross amount of electricity delivered to Canada, the consideration received during each month, and the minimum hourly rate of transmission, as well as any other required annual reports.

## **VII. Verification, Required Copies, and Fees**

The verification signed by DRW Energy's authorized representative is attached along with a receipt showing that DRW Energy submitted its \$500 pay through Pay.gov on May 5, 2025. A copy of this Application will also be provided to the Secretary of FERC.

## **VIII. Exhibits**

DRW Energy provides the following information related to the required exhibits listed in 10 C.F.R. § 205.303:<sup>6</sup>

<b>Exhibit A</b>	Transmission Agreements (Not Applicable)
<b>Exhibit B</b>	Opinion of Counsel
<b>Exhibit C</b>	Transmission Facilities
<b>Exhibit D</b>	Non-U.S. Applicant's Power of Attorney (Not Applicable)
<b>Exhibit E</b>	Statement of Corporate Relationship (Not Applicable)
<b>Exhibit F</b>	Operating Procedures (Not Applicable)
<b>Exhibit G</b>	DRW Energy's FERC Market-Based Rate Authority

## **IX. Conclusion**

For the foregoing reasons, the DOE should grant DRW Energy's application for blanket export authorization from the United States to Canada for a period of 10 years.

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<sup>6</sup> To the extent necessary, Applicant requests a waiver of the requirement to provide the exhibits that are noted as not applicable to this Application.

Dated: May 5, 2025

Respectfully submitted,



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Michael J. Lowell  
Reed Smith LLP  
1301 K Street, NW  
Suite 1000 – East Tower  
Washington, DC 20005  
mlowell@reedsmith.com

*Counsel for DRW Energy Trading LLC*

## VERIFICATION

I, Scott Pleus, am authorized to execute this verification and have knowledge of the matters set forth in DRW Energy's Application. I hereby verify that the contents of the Application are true and correct to the best of my knowledge and belief.

Scott Pleus

Scott Pleus  
Chief Operating Officer, Commodities DRW  
Energy Trading LLC

Subscribed and sworn to (or affirmed) before me on this 5<sup>th</sup> day of May, 2025, by Scott Pleus, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Elizabeth Sosa  
(Signature of Notary)



(Seal of Notary)



An official email of the United States government



Your payment has been submitted to Pay.gov and the details are below. If you have any questions regarding this payment, please contact Carol Fuster at (301) 903-0534 or [carol.fuster@hq.doe.gov](mailto:carol.fuster@hq.doe.gov).

Application Name: DOE General Collections Form

Pay.gov Tracking ID: 27NRH4FK

Agency Tracking ID: 77036329375

Transaction Type: Sale

Transaction Date: 05/05/2025 02:34:16 PM EDT

Account Holder Name: Scott Pleus

Transaction Amount: \$500.00

Card Type: AmericanExpress

Card Number: \*\*\*\*\*1008

Payment Type : Other

Bill Number:

PO Number :

WFO Number:

Other : Department of Energy export authorization application for DRW Energy Trading LLC (Canada)

Comments:

THIS IS AN AUTOMATED MESSAGE. PLEASE DO NOT REPLY.



Pay.gov is a program of the U.S. Department of the Treasury, Bureau of the Fiscal Service



**EXHIBIT A**  
**Transmission Agreements**

DRW Energy has not entered into any transmission agreements at this time.

**EXHIBIT B**  
**Opinion of Counsel**

April 29, 2025

To the Persons Listed on **Schedule I**

**Re: The Applications of DRW Energy Trading LLC, a Delaware limited liability company, for Authorization to Transmit Electric Energy to Canada and Mexico (the “Applications”).**

Ladies and Gentlemen:

We have acted as special Delaware counsel to DRW Energy Trading LLC, a Delaware limited liability company (the “*Company*”) in connection with the Applications.

## **1. Documents**

We have examined the documents and certificates identified in **Schedule II** which include executed originals (or copies of executed originals) of certificate of officers of the Company (the “*Officer’s Certificate*”), delivered in connection with the transaction contemplated by the Applications (the “*Transaction*”), attaching and certifying each of the organizational documents that are attached to such Officer’s Certificate (collectively, the “*Organizational Documents*”). We have also examined such records, documents, certificates of public officials and of the Company made such inquiries of officials of the Company and considered such questions of law as we have deemed necessary for the purpose of rendering the opinions set forth herein.

In our examination, we have assumed the genuineness of all signatures, the capacity of all natural persons, the authenticity of all agreements, instruments and other documents submitted to us as originals and the conformity with authentic originals of all agreements, instruments and other documents submitted to us as copies. As to questions of fact material to the opinions set forth herein, we have, with your permission and without any investigation or independent confirmation, relied upon and assumed the continued truth and accuracy of those factual representations and acknowledgements made in any of the documents entered into in connection with the Transaction (the “*Application Documents*”) and the Officer’s Certificate. We have not undertaken any independent investigation to determine the existence or absence of such facts, and no inference as to our knowledge of the existence or absence of such facts should be drawn from the fact of our representation of the Company.

## **2. Certain Assumptions**

In rendering the opinions hereinafter expressed, we have assumed, without independent verification, that:

(i) Each party to one or more of the Application Documents (other than the Company) has the power and authority to execute and deliver, and to perform and observe the provisions of, the Application Documents to which it is a party.

(ii) Each party to one or more of the Application Documents (other than the Company) has duly authorized the execution and delivery of, and has duly executed and delivered, the Application Documents to which it is a party.

(iii) Each Application Document constitutes the legal, valid and binding obligation of each party thereto (other than the Company), enforceable against such party in accordance with its terms.

(iv) The execution and delivery of, and performance of its obligations under each Application Document by each party thereto (other than the Company), and the consummation by such party of the transactions contemplated thereby, will not conflict with or constitute a breach of, or a default under, or result in the imposition of a lien on any such party's properties (other than as contemplated by the Application Documents) pursuant to (A) such party's charter or bylaws or other organizational documents, or (B) any agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject, or (C) any federal, state or local rule, regulation, statute, law, order, or decree of any Governmental Authority applicable to it or any of its properties or assets.

(v) Each party to one or more of the Application Documents (other than the Company) is validly existing and in good standing under the laws of its jurisdiction of organization.

(vi) Each party to one or more of the Application Documents is duly organized.

(vii) None of the parties to the Application Documents is listed on the specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("**OFAC**") pursuant to Executive Order 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable law relating to anti-terrorism (collectively, "**Designated Persons Lists**"), or is owned or controlled by, or acts for or on behalf of, any person or entity (each, a "**Person**") on such Designated Persons Lists or any other Person who has been determined by competent authority to be subject to any prohibition contained in any such laws.

### 3. Opinion

Based upon the foregoing, and subject to the assumptions, qualifications and limitations set forth in this opinion letter, we are of the opinion that:

(a) The Company is a limited liability company in good standing under the laws of the State of Delaware.

(b) The Company has the limited liability company power and authority to execute and deliver each of the Application Documents and perform the obligations thereunder.

(c) The execution, delivery and performance of the payment obligations of the Application Documents by the Company have been duly authorized by all necessary limited liability company action.

#### **4. Certain Qualifications, Limitations and Exceptions**

The opinions expressed herein are subject to the following qualifications, limitations and exceptions:

(1) Our opinion in **paragraph 3(a)** is based solely upon certificates of public officials in the states named in that paragraph and the Officer's Certificate.

(2) Except to the extent encompassed by an opinion set forth in **paragraph 3** with respect to the Company we express no opinion as to the effect on the opinions expressed herein of (a) the compliance or non-compliance of any party to the Application Documents with any law, regulation or order applicable to it, or (b) the legal or regulatory status or the nature of the business of any such party. For purposes of the opinion expressed in **paragraph 3**, we have assumed that no discretionary action under the Application Documents will be taken by or on behalf of any of Company that will violate any federal or state statute or regulation applicable to Company.

(3) We express no opinion as to compliance or noncompliance of any Person with applicable federal or state securities laws, including the Investment Company Act of 1940, as amended, or as to the effect of noncompliance on the opinions rendered herein.

(4) We express no opinion as to the effect of (a) bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws relating to or affecting the rights of creditors generally, and (b) general principles of equity (regardless of whether considered in a proceeding in equity or at law), in each case, including, without limitation, laws relating to fraudulent transfers or conveyances, preferences or equitable subordination.

(5) We express no opinion as to the enforceability of the Application Documents.

(6) We express no opinion as to compliance or noncompliance of any Person with the Corporate Transparency Act effective January 1, 2024 or as to the effect of noncompliance by any Person on the opinions rendered herein.

We express no opinion as to matters governed by any laws other than the Delaware Limited Liability Company Act and the federal laws of the United States (without reference to choice-of-law rules), which are in effect on the date hereof (collectively, the “*Applicable Laws*”).

The opinions in this opinion letter are limited to the matters set forth herein, no opinion may be inferred or is implied beyond the matters expressly stated herein, and the opinions contained herein must be read in conjunction with the assumptions, qualifications, limitations and exceptions set forth in this letter. This opinion letter is being delivered to you as of the date hereof, and the analysis and conclusions contained herein are premised upon, and limited to, the law and the documents evidencing and governing the Transaction as described herein and in effect as of the date of this opinion letter, and we disclaim any obligation to revise or supplement this opinion letter, or to otherwise advise you of any changes of law or fact that may occur after the date hereof, notwithstanding that such changes may affect the legal analysis or conclusions contained herein.

The opinions expressed in this letter are solely for the benefit of the addressees. This opinion letter may not, without our prior written consent, be disclosed to or relied upon by any person other than the Addressee apart from: (a) such disclosure as may be required by applicable law or regulation binding on the Addressee or court order or in connection with any judicial proceedings, or pursuant to the rules and regulations of any supervisory or regulatory body with binding authority on any Addressee; or (b) any professional adviser, auditor, insurer, reinsurer, (re)insurance broker, credit risk protection provider or affiliate of an Addressee; and any such disclosure to the parties referred to in paragraphs (a) or (b) above is subject to the condition that they may not rely upon this opinion letter. There are no implied opinions in this letter. This letter speaks only as of the date hereof, and we assume no obligation to advise you of any changes in the foregoing subsequent to the delivery of this letter.

Very truly yours,

*Reed Smith LLP*

REED SMITH LLP

JAM/ES

*legalops*

[Attachments]

**Schedule I  
to Opinion of Reed Smith**

**Addressees**

U.S. Department of Energy  
Grid Deployment Office  
000 Independence Ave. SW  
Washington DC 20585

**Schedule II**  
**to Opinion of Reed Smith**

**Organizational Documents**

- Third Amended and Restated Limited Liability Company Agreement of the Company effective as of August 1, 2022;
- Certificate of Formation of the Company, filed in the office of the Secretary of State of the State of Delaware (the “*Secretary of State*”) on December 11, 2015 (the “*Certificate of Formation*”), pursuant to the Delaware Limited Liability Company Act, 6 Del. C. § 18-101, et seq. (the “LLC Act”), and certified by the Secretary of State as of a recent date;
- Certificate of Good Standing for the Company, dated as of a recent date, obtained from the Secretary of State; and
- Certificate of the Company, dated on or about the date hereof (the “*Fact Certificate*”), certifying as to certain matters.



## EXHIBIT C

### Transmission Facilities

In lieu of a detailed map, DRW Energy is providing the following list of the international transmission facilities that are currently authorized by Presidential Permit and available for open access transmission:<sup>1</sup>

<b>Owner</b>	<b>Location</b>	<b>Voltage</b>	<b>Presidential Permit No.</b>
<b>Bangor Hydro-Electric Company</b>	Baileyville, ME	345 kV	PP-89
<b>Basin Electric Power Cooperative</b>	Tioga, ND	230 kV	PP-64
<b>Bonneville Power Administrative</b>	Blaine, WA	2-500 kV	PP-10
	Nelway, WA	230 kV	PP-36
	Nelway, WA	230 kV	PP-46
<b>CHPE LLC</b>	Champlain, NY	± 230 kV DC	PP-481-1
<b>Eastern Maine Electric Cooperative</b>	Calais, ME	69 kV	PP-32
<b>International Transmission Company</b>	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
<b>ITC Lake Erie Connector</b>	Eric County, PA	320 kV	PP-412 <sup>2</sup>
<b>Highgate Joint Owners</b>	Highgate, VT	120 kV	PP-82
<b>Long Sault, Inc.</b>	Massena, NY	2-115 kV	PP-24
<b>Maine Electric Power Company</b>	Houlton, ME	345 kV	PP-43
<b>Maine Public Service Company</b>	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

<sup>1</sup> This approach is consistent with previous export authorization applications approved by the DOE. *See, e.g., Centre Lane Trading Ltd.*, Order No. EA-365-B (Apr. 29, 2020).

<sup>2</sup> This facility was authorized but not yet constructed or placed into operation.

<b>Owner</b>	<b>Location</b>	<b>Voltage</b>	<b>Presidential Permit No.</b>
<b>Minnesota Power, Inc.</b>	International Falls, MN	115 kV	PP-78
	Roseau County, MN	500 kV	PP-398
<b>Minnkota Power Cooperative</b>	Roseau County, MN	230 kV	PP-61
<b>Montana Alberta Tie Ltd.</b>	Cut Bank, MT	230 kV	PP-305
<b>NECEC Transmission LLC</b>	Beattie Township, ME	± 320 kV	PP-438 <sup>3</sup>
<b>New York Power Authority</b>	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
<b>Niagara Mohawk Power Corp.</b>	Devils Hole, NY	230 kV	PP-190
<b>Northern States Power Company</b>	Red River, ND	230 kV	PP-45
	Roseau County, MN	500 kV	PP-63
	Rugby, ND	230 kV	PP-231
<b>Sea Breeze Olympic Converter LP</b>	Port Angeles, WA	± 450 kV DC	PP-299 <sup>4</sup>
<b>TDI New England</b>	Alburgh, VT	± 320 kV DC	PP-400 <sup>5</sup>
<b>Vermont Electric Power Co.</b>	Derby Line, VT	120 kV	PP-66
<b>Vermont Electric Transmission Co.</b>	Norton, VT	± 450 kV DC	PP-76

<sup>3</sup> This facility was authorized but is not yet in operation.

<sup>4</sup> This facility was authorized but is not yet in operation.

<sup>5</sup> This facility was authorized but is not yet in operation.

**EXHIBIT D**  
**Non-U.S. Applicant's Power of Attorney**  
(Not Applicable)

**EXHIBIT E**  
**Statement of Corporate Relationship**  
(Not Applicable)

**EXHIBIT F**  
**Operating Procedures**

(Not Applicable)

**EXHIBIT G**  
**DRW Energy's FERC Market-Based Rate Authority**

FEDERAL ENERGY REGULATORY COMMISSION  
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:  
DRW Energy Trading LLC  
Docket No. ER23-2272-000

Issued: August 24, 2023

Ruta K. Skučas  
K&L Gates LLP  
1601 K Street, N.W.  
Washington D.C. 20004

Reference: Market-Based Rate Authorization

On June 27, 2023, you filed on behalf of DRW Energy Trading LLC (DRW Energy) an application for market-based rate authority with an accompanying tariff. The proposed market-based rate tariff provides for the sale of energy, capacity, and ancillary services at market-based rates.<sup>1</sup> You request on behalf of DRW Energy waivers commonly granted to similar market-based rate applicants. DRW Energy's market-based rate tariff is accepted for filing, effective July 5, 2023, as requested.<sup>2</sup> Based on your representations, DRW Energy meets the criteria for a Category 1 seller in all regions and

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<sup>1</sup> DRW Energy requests authorization to sell ancillary services in all of the regional transmission organization or independent system operator markets for which the Commission has approved sales of specific ancillary services). DRW Energy also requests authorization to engage in the sale of certain ancillary services as a third-party provider in other markets.

<sup>2</sup> DRW Energy Grid Services LLC, Market Based Rates; [Section 1, Market Based Rates \(0.0.0\)](#). The next time DRW Energy makes a market-based rate filing with the Commission, it must include a revised tariff in compliance with Order Nos. 697 and 697-A to include appropriate citations. *See Market-Based Rates for Wholesale Sales of Elec. Energy, Capacity & Ancillary Servs. by Pub. Utils.*, Order No. 697, 119 FERC ¶ 61,295, at P 916 (2007), *order on reh'g*, Order No. 697-A, 123 FERC ¶ 61,055, at P 384 (2008). *See also Niagara Mohawk Power Corporation*, 121 FERC ¶ 61,275 (2007) at P 8.

is so designated.<sup>3</sup>

Your filing was noticed on June 27, 2023, with comments, protests, or interventions due on or before July 18, 2023. None was filed.

### **Market-Based Rate Authorization**

The Commission allows power sales at market-based rates if the seller and its affiliates do not have, or have adequately mitigated, horizontal and vertical market power.<sup>4</sup>

You represent that DRW Energy is owned by DRW Holdings, LLC, and is a power marketer. You represent that DRW Energy and its affiliates do not own or control any generation capacity. Based on your representations, DRW Energy satisfies the Commission's requirements for market-based rate authority regarding horizontal market power.<sup>5</sup>

With respect to vertical market power, you represent that DRW Energy and its affiliates either do not own, operate, or control any transmission facilities; or own, operate, or control transmission facilities that: (a) have a Commission-approved Open Access Transmission Tariff (OATT) on file; (b) are under the operational control of a regional transmission organization or an independent system operator; (c) have received waiver of the OATT requirement under 18 C.F.R. § 35.28(d)(1); or (d) satisfy the requirements for a blanket waiver under 18 C.F.R. § 35.28(d)(2).<sup>6</sup> Further, you

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<sup>3</sup> See *Refinements to Policies and Procedures for Market-Based Rates for Wholesale Sales of Elec. Energy, Capacity & Ancillary Servs. by Pub. Utils.*, Order No. 816, 153 FERC ¶ 61,065, at P 320 (2015). Order No. 697, 119 FERC ¶ 61,295 at PP 848-850.

<sup>4</sup> Order No. 697, 119 FERC ¶ 61,295 at PP 62, 399, 408, 440.

<sup>5</sup> We note that DRW Energy is not being granted authority to make third-party sales of operating reserves to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers. If DRW Energy seeks such authority, it must make the required showing and receive Commission authorization prior to making such sales. See *Third-Party Provision of Ancillary Servs.; Accounting and Financial Reporting for New Elec. Storage Technologies*, Order No. 784, 144 FERC ¶ 61,056, at PP 200-202 (2013), *order on clarification*, Order No. 784-A, 146 FERC ¶ 61,114 (2014).

<sup>6</sup> See *Open Access and Priority Rights on Interconnection Customer's Interconnection Facilities*, Order No. 807, 150 FERC ¶ 61,211, *order on reh'g*, Order



affirmatively state that DRW Energy and its affiliates have not erected barriers to entry and will not erect barriers to entry into the relevant market. Based on your representations, DRW Energy satisfies the Commission's requirements for market-based rate authority regarding vertical market power.

### **Waivers, Authorizations, and Reporting Requirements**

DRW Energy's request for waiver of Subparts B and C of Part 35 of the Commission's regulations requiring the filing of cost-of-service information, except for sections 35.12(a), 35.13(b), 35.15 and 35.16 is granted. DRW Energy's request for waiver of Part 41 and Part 141 of the Commission's regulations concerning accounting and reporting requirements is granted with the exception of 18 C.F.R. § 141.15.<sup>7</sup> DRW Energy's request for waiver of Part 101 of the Commission's regulations is hereby granted, with the exception that waiver of the provisions of Part 101 that apply to hydropower licensees is not granted with respect to licensed hydropower projects.<sup>8</sup> Notwithstanding the waiver of the accounting and reporting requirements here, DRW Energy is expected to keep its accounting records in accordance with generally accepted accounting principles.

DRW Energy requests blanket authorization under Part 34 of the Commission's regulations for all future issuances of securities and assumptions of liability. A separate notice was published in the Federal Register establishing a period during which protests could be filed. None was filed. DRW Energy is authorized to issue securities and assume obligations or liabilities as guarantor, indorser, surety, or otherwise in respect of any security of another person; provided that such issue or assumption is for some lawful object within the corporate purposes of DRW Energy, compatible with the public interest,

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No. 807-A, 153 FERC ¶ 61,047 (2015).

<sup>7</sup> See Order No. 697, 119 FERC ¶ 61,295 at PP 984-985.

<sup>8</sup> Hydropower licensees are required to comply with the requirements of the Uniform System of Accounts pursuant to 18 C.F.R. Part 101 to the extent necessary to carry out their responsibilities under Part I of the Federal Power Act (FPA). We further note that a licensee's status as a market-based rate seller under Part II of the FPA does not exempt it from its accounting responsibilities as a licensee under Part I of the FPA. See Order No. 816, 153 FERC ¶ 61,065 at PP 345-350; *Seneca Gen., LLC*, 145 FERC ¶ 61,096, at P 23, n.20 (2013) (citing *Trafalgar Power, Inc.*, 87 FERC ¶ 61,207, at 61,798 (1999) (noting that "all licensees are required to comply with the requirements of the Uniform System of Accounts to the extent necessary to carry out their responsibilities under [s]ections 4(b), 10(d) and 14 of the FPA"))).

and reasonably necessary or appropriate for such purposes.<sup>9</sup>

DRW Energy must file Electric Quarterly Reports (EQRs) with the Commission, consistent with Order Nos. 2001<sup>10</sup> and 768.<sup>11</sup> DRW Energy must file EQRs electronically with the Commission consistent with the procedures set forth in Order No. 770.<sup>12</sup> DRW Energy further must timely report to the Commission any change in status that would reflect a departure from the characteristics the Commission relied upon in granting market-based rate authority.<sup>13</sup>

In Order No. 860,<sup>14</sup> the Commission revised its regulations governing market-based rates for public utilities to collect certain information through a relational database in order to streamline and modernize the Commission's data collection processes. DRW Energy must comply with the requirements of Order Nos. 860 and 860-A, as well as the regulations promulgated pursuant to those rules.

This action does not constitute approval of any service, rate, charge, classification,

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<sup>9</sup> See Order No. 697, 119 FERC ¶ 61,295 at PP 999-1000.

<sup>10</sup> *Revised Pub. Util. Filing Requirements*, Order No. 2001, 99 FERC ¶ 61,107, *reh'g denied*, Order No. 2001-A, 100 FERC ¶ 61,074, *reh'g denied*, Order No. 2001-B, 100 FERC ¶ 61,342, *order directing filing*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002), *order directing filing*, Order No. 2001-D, 102 FERC ¶ 61,334, *order refining filing requirements*, Order No. 2001-E, 105 FERC ¶ 61,352 (2003), *order on clarification*, Order No. 2001-F, 106 FERC ¶ 61,060 (2004), *order revising filing requirements*, Order No. 2001-G, 120 FERC ¶ 61,270, *order on reh'g and clarification*, Order No. 2001-H, 121 FERC ¶ 61,289 (2007), *order revising filing requirements*, Order No. 2001-I, 125 FERC ¶ 61,103 (2008).

<sup>11</sup> *Elec. Mkt. Transparency Provisions of Section 220 of the Fed. Power Act*, Order No. 768, 140 FERC ¶ 61,232 (2012), *order on reh'g*, Order No. 768-A, 143 FERC ¶ 61,054 (2013).

<sup>12</sup> See *Revisions to Elec. Quarterly Report Filing Process*, Order No. 770, 141 FERC ¶ 61,120, at P 3 (2012) (citing Order No. 2001, 99 FERC ¶ 61,107 at P 31).

<sup>13</sup> 18 C.F.R. § 35.42 (2021); see also *Reporting Requirement for Changes in Status for Pub. Utils. with Market-Based Rate Auth.*, Order No. 652, 110 FERC ¶ 61,097, *order on reh'g*, Order No. 652-A, 111 FERC ¶ 61,413 (2005).

<sup>14</sup> *Data Collection for Analytics and Surveillance and Mkt.-Based Rate Purposes*, Order No. 860, 168 FERC ¶ 61,039 (2019), *order on reh'g*, Order No. 860-A, 170 FERC ¶ 61,129 (2020).

or any rule, regulation, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against any of the applicant(s).

This action is taken pursuant to the authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R § 385.713.

Issued by: Amery S. Poré, Director, Division of Electric Power Regulation – West