

UNITED STATES DEPARTMENT OF ENERGY

**Office of Fossil Energy
Washington, D.C.**

FE Docket No. EA-108

Arizona Public Service Company

Electricity Export Authorization

Order Authorizing Electricity Export to Mexico

Order No. EA-108

December 5, 1995

ELECTRICITY EXPORT AUTHORIZATION

ARIZONA PUBLIC SERVICE COMPANY

ORDER NO. EA-108

BACKGROUND:

Exports of electricity from the United States to a foreign country are regulated and require authorization under section 202(e) of the Federal Power Act.

On June 22, 1995, the Arizona Public Service Company (APS) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE) for authorization to transmit electric energy from the United States to Mexico. Specifically, APS is seeking authority to export up to 20 megawatts (MW) of emergency power and associated energy to the Comision Federal de Electricidad (CFE), the national electric utility of Mexico.¹

The DOE also has the responsibility for implementing Executive Order 10485, as amended by Executive Order 12038, which requires the issuance of Presidential permits for the construction, connection, operation and maintenance of electric transmission facilities at the U.S. international border. On September 14, 1995, in related Docket PP-108, APS requested authority to construct 2.8 miles of new 34.5-kilovolt (kV) transmission line from a point in San Luis, Yuma County, Arizona, to the international boundary adjacent to San Luis, Sonora, Mexico. These transmission facilities will be used to deliver the electric energy authorized for export by this Order. On December 5, 1995, in Order PP-108, DOE granted a Presidential permit to APS for the construction of these facilities (San Luis - Canal Line).

¹ Upon receipt of this application FE assigned Docket number EA-109. After further consideration, FE determined that the export authority requested was inextricably linked to the 34.5-kV international transmission facility constructed to link San Luis, Yuma County, Arizona, and San Luis, Sonora, Mexico (Presidential Permit PP-108) and therefore has renumbered the docket to more closely comport with the associated Presidential permit.

Notice of the APS export application was placed in the Federal Register on August 2, 1995, (60 FR 39375) soliciting comments, protests, and petitions to intervene. One intervention was submitted by El Paso Electric Company on September 1, 1995.

El Paso Electric Company Petition for Intervention

In its intervention petition, EPE claimed an interest in this proceeding since it is an electric utility company directly interconnected with APS. However, EPE did not protest the application nor did it raise any issues regarding the issuance of an export authorization.

DECISION

The DOE has also assessed the impact that the proposed export would have on the reliability of the U.S. electric power supply system. As a result of this review, the DOE has determined that the export of electric energy to Mexico as requested by APS would not impair the sufficiency of electric supply within the United States and would not impede or tend to impede the coordination in the public interest of facilities in accordance with section 202(e) of the Federal Power Act. An analysis in support of this finding has been made a part of the record in this Docket.

The DOE has assessed the potential environmental impacts associated with the authorizing of the proposed exports and has determined that this action is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement, and, therefore, is eligible for categorical exclusion under Appendix B to Subpart D, paragraph B4.2 of the revised DOE Regulations implementing the National Environmental Policy Act of 1969. Documentation of the use of this categorical exclusion has been placed in this Docket.

ORDER:

Based on the above finding, it is hereby ordered that:

(A) The Arizona Public Service Company (APS) is authorized to export electric energy to the Comision Federal de Electricidad (CFE) only in response to requests for emergency assistance by CFE. The electricity exports authorized herein shall be delivered to CFE only over the facilities authorized by Presidential Permit PP-108 issued to APS by DOE on December 5, 1995.

(B) Exports authorized herein shall be limited to a maximum rate of transmission of 20 megawatts (MW). However, the rate of transmission as authorized herein shall be reduced as required in order that the simultaneous rate of transmission on a combination of the PP-106 (Industrial Park Line) and PP-108 facilities shall not cause the load on the 69/34.5 kV transformer at the APS San Luis substation to exceed: (1) its continuous rating during normal operating conditions on the APS system; or (2) to exceed 125% of its continuous rating during emergency conditions on the APS system.

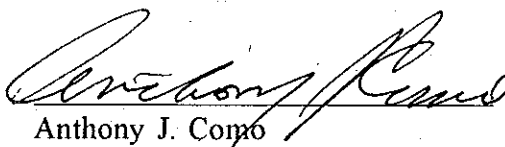
(C) APS shall conduct all operations pursuant to the authorization hereby granted in accordance with the provisions of the Federal Power Act and pertinent rules, regulations and orders adopted or issued by the DOE.

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

(E) APS shall make and preserve full and complete records with respect to the electric energy exported to Mexico. APS shall furnish a report to the DOE annually by February 15, detailing for each month of the previous calendar year, the gross amount of electricity delivered, the consideration received, and the peak hourly rate of transmission.

(F) Exports to CFE authorized herein shall be reduced or suspended, as appropriate, whenever a continuation of those exports would impair or tend to impair the reliability of the U.S. electric power supply systems.

Issued in Washington, D.C., on December 5, 1995.



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