

FEB 15 2019

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY

Electricity Delivery and
Energy Reliability

Dynasty Power, Inc.

Docket No. EA-466

**APPLICATION OF DYNASTY POWER, INC.
FOR AUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO MEXICO**

Pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824a(e), and 10 C.F.R. §§ 205.300 *et seq.*, Dynasty Power, Inc. ("Dynasty Power") hereby files with the Department of Energy ("DOE" or the "Department") an original and two (2) copies of the instant application ("Application") for blanket authority to transmit electric energy from the United States to Mexico. Dynasty Power respectfully requests authorization to transmit electricity from the United States to Mexico for a term of five years.

I. DESCRIPTION OF THE APPLICANT

Dynasty Power is incorporated in the Canadian province of Alberta, with its principal place of business in Calgary, Alberta. Dynasty's sole business is to act as a power marketer in the purchase and sale of wholesale electricity, capacity, and ancillary services at market-based rates in Eastern bilateral markets, as well as in the following Independent System Operators and/or Regional Transmission Organizations: PJM Interconnection, LLC; New York Independent System Operator, Inc.; the Midcontinent Independent System Operator, Inc.; ISO New England Inc.; Southwest Power Pool, Inc.; Electric Reliability Council of Texas, Inc.; and the California Independent System Operator. Dynasty Power has been granted authority by the

Federal Energy Regulatory Commission (“FERC”) to sell electricity at wholesale market-based rates.¹

Dynasty Power is owned by three holding companies, three individuals, and one trust. With respect to the three holding companies, 1713845 AB LTD owns 48.91%; 1691399 AB LTD owns 21.68%; and Quacho Holdings LTD owns 19.31%. In terms of the individual owners, Christopher Quilley owns 5.05%, Kelly Elias owns 2.53%, and Andrew Hoang owns 1.26%. The Todd McRae Living Trust owns 1.26%. None of the owners has any interest in any electric generation, transmission, or distribution facilities, nor do they hold any interest in other companies that participate in, or provide services to, the power industry. Dynasty Power does not own or control any electric power generation or transmission facilities and does not have a franchised electric power service area. Dynasty Power only operates as a power marketing company.

II. COMMUNICATIONS

Communications regarding this Application should be addressed to the following persons:

Dynasty Power

Todd McRae
Risk Manager
Dynasty Power Inc.
200, 638 6th Ave SW
Calgary, AB T2P 0S4, CAN
tmcrae@dynastypower.ca

Suchman Law LLC

Bonnie A. Suchman, Esq.
Suchman Law LLC
8104 Paisley Place
Potomac, Maryland 20854
bonnie@suchmanlawllc.com

¹ FERC has granted Dynasty Power authority to sell energy, capacity, and ancillary services at market-based rates. See *Dynasty Power, Inc.*, Docket No. ER11-3342-000, Letter Order issued May 11, 2011.

III. JURISDICTION

Under Section 202(e) of the FPA, 16 U.S.C. § 824a(e), and DOE's regulations, 10 C.F.R. § 205.300 *et seq.*, any person seeking to transmit electric energy from the United States to a foreign country must first secure an order from DOE authorizing the export. No other known federal, state or local government has jurisdiction over the actions to be taken under the authority set out in this application.

IV. TECHNICAL DISCUSSION OF PROPOSAL

Dynasty Power seeks authority to transmit electric energy to Mexico. Dynasty Power intends to export power over existing transmission interconnections between the United States and Mexico. Exhibit C to this Application provides the location and description of the transmission facilities through which the electric energy may be delivered into Mexico, and includes the name of the facility owners as well as the Presidential Permit numbers.

Dynasty Power will purchase surplus electric energy from electric utilities and other suppliers within the United States and will export this energy to Mexico over the international electric transmission facilities. The present owners of the transmission facilities are listed in Exhibit C. Because this electric energy will be purchased from others voluntarily, it will be surplus to the needs of the selling entities. Dynasty Power's export of power will not impair the sufficiency of electric power supply in the U.S.

Dynasty Power will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effect any power exports. This will include: (1) scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation ("NERC") and applicable Regional Entities in effect at the time of export; (2)

obtaining all necessary transmission access over the existing facilities listed in Exhibit C; and (3) providing evidence of the agreements with transmission owners to DOE.

Consistent with past DOE precedent, Dynasty Power requests that DOE use the reliability analyses performed in the most recent export authorization proceedings that rely upon the border transmission facilities referenced in Exhibit C. Dynasty Power agrees to abide by the export limits of these transmission facilities. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by DOE on the referenced transmission facilities are sufficient to ensure that exports by Dynasty Power will not impede or tend to impede the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

V. PROCEDURES

Dynasty Power is willing to accept all conditions imposed by the Department of Energy on its authorization to export power. In particular, if required by DOE, exports made by Dynasty Power will not exceed the export limits for the transmission facilities utilized by Dynasty Power, or otherwise cause a violation of the terms and conditions set forth in the export authorization. When scheduling the delivery of power, Dynasty Power will comply with the applicable NERC reliability criteria, standards, and guidelines. Dynasty Power will provide DOE with all required reports indicating the gross amount of electricity delivered to Mexico, consideration received during each month, and the maximum hourly rate of transmission, as well as any additional annual reports required.

VI. SERVICE AND FEE.

In accordance with the requirements of 10 C.F.R. § 205.309, copies of this application will be provided to the following:

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.W.
Washington, D.C. 20426

A check in the amount of \$500.00 made payable to the U.S. Department of Treasury is enclosed in payment of the fee specified in 10 C.F.R. § 205.309.

VII. VERIFICATION

Verification executed by Applicant's authorized representative, Todd McRae, Risk Manager, in accordance with 10 C.F.R. § 205.302(h) is enclosed with this Application.

VIII. EXHIBITS


In accordance with the requirements of 10 C.F.R. § 205.303, the following exhibits are attached hereto:

- Exhibit A Transmission Agreements
- Exhibit B Opinion of Counsel
- Exhibit C International Transmission Facilities (Submitted in lieu of Maps)
- Exhibit D Power of Attorney
- Exhibit E Statement of Any Corporate Relationship or Existing Contract
- Exhibit F Operating Procedures

IX. CONCLUSION

WHEREFORE, Dynasty Power respectfully requests that this Application for Authorization to Transmit Electric Energy to Mexico be considered and approved.

Respectfully Submitted,



Bonnie A. Suchman, Esq.
Suchman Law LLC
8104 Paisley Place
Potomac, Maryland 20854
bonnie@suchmanlawllc.com

*Attorney for
Dynasty Power, Inc.*

Dated: February 15, 2019

VERIFICATION

I, Todd McRae, Risk Manager, of Dynasty Power, Inc., having knowledge of the matters set forth in the above Application for Authorization to Transmit Energy to Mexico, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

Todd McRae
NAME

SUBSCRIBED AND SWORN before me, a notary public this 7 day of February, 2018.

P. Leveque
Notary Public

My Commission expires on death

PETER R.S. LEVEQUE
Barrister & Solicitor
Notary Public/Commissioner for Oaths
in and for Alberta

EXHIBIT A -- TRANSMISSION AGREEMENTS

Currently, Dynasty Power has no transmission reservations or transmission agreements within the United States.

EXHIBIT B

Statement of Opinion of Counsel

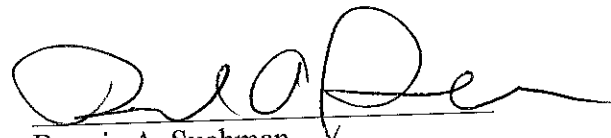
This opinion is rendered in connection with the Application of Dynasty Power, Inc. ("Dynasty Power") for Authorization to Transmit Electric Energy to Mexico, dated February 15, 2019, and pursuant to 10 C.F.R. Section 205.303(b).

Based on my understanding and review of Dynasty Power, my knowledge of the corporate powers of Dynasty Power, and my examination of such documents, records and matters of laws as I have considered to be relevant, it is my opinion that:

1. The proposed exports of electrical power described in the Application are within the corporate powers of Dynasty Power; and
2. Dynasty Power has complied and will comply with all pertinent Federal and State laws.

I am opining herein only as to federal laws of the United States and laws of relevant States within the United States, and I express no opinion as to the laws of any other jurisdiction. I am not assuming any obligation to review or update this opinion should the law or existing facts or circumstances change. This opinion is provided by me as counsel for Dynasty Power solely to you for your exclusive use and is not to be made available to or relied upon by any other person or entity without my prior written consent.

Respectfully Submitted,


Bonnie A. Suchman

Dated: February 15, 2019

EXHIBIT C

International Transmission Facilities At the U.S.-Mexico Border Authorized for Use by Third-Party Transmitters

<u>Present Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No</u>
Comisión Federal de Electricidad	Falcon Dam, Texas	138-kV	NA ²
	Redford, Texas	7.2-kV	PP-51
	Presidio, Texas	13.8-kV	PP-03
Baja California Power, Inc.	Imperial Valley, CA	230-kV	PP-234
Generadora del Desierto – WAPA	San Luis, AZ	230-kV	PP-304
AEP Texas Inc.	Brownsville, Texas	138-kV	PP-425
	Brownsville, Texas	69-kV	PP-425
	Laredo, Texas	138-kV	PP-423
	Laredo, Texas	230-kV	PP-423
	Eagle Pass, Texas	138-kV	PP-424
El Paso Electric Company	Diablo, NM	115-kV	PP-92
	Ascarate, Texas	115-kV	PP-48
San Diego Gas & Electric	Miguel, CA	230-kV	PP-68-2
	Imperial Valley, CA	230-kV	PP-79
Sharyland Utilities	McAllen, Texas	138-kV	PP-285

² The international transmission facilities consisting of a 138-kV line at Falcon Dam were authorized by the treaty between the United States and Mexico titled "Utilization of Waters of Colorado and Tijuana Rivers and of the Rio Grande," signed February 3, 1944, rather than by Presidential Permit.

**EXHIBIT D – POWER OF ATTORNEY
WITH AGENT RESIDING WITHIN THE UNITED STATES**

IRREVOCABLE LIMITED POWER OF ATTORNEY

This IRREVOCABLE POWER OF ATTORNEY is made this 7 of February 2019, by Dynasty Power, Inc., a company incorporated under the laws of the Alberta, with its executive offices in Calgary, Alberta, Canada.

1. Appointment. The Principal does hereby appoint Bonnie Suchman, whose principal place of business is Suchman Law LLC, 8104 Paisley Place, Potomac, Maryland 20854, as the Principal's true and lawful agent and attorney-in-fact (Attorney-in-Fact) for the limited purpose hereinafter set out.
2. Scope of Authority. The Attorney-in-Fact shall have the limited power and authority to receive service of process for any and all matters relating to Principal's reporting requirements to the Department of Energy pursuant to Principal's authority to transmit electric energy to Mexico.
3. Irrevocability. This Power of Attorney is irrevocable by the Principal for the five year term of the authorization to export electric energy to Mexico.

IN WITNESS WHEREOF, the Principal has caused this Power of Attorney to be duly executed this 7 day of Feb, 2019.

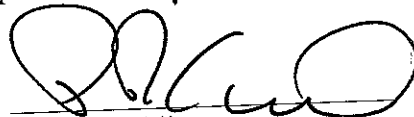
Dynasty Power, Inc.

By: Todd McRae

Name: Todd McRae

Title: Risk Manager

SUBSCRIBED AND SWORN before me, a notary public this 7 day of February, 2018.



Notary Public

My Commission Expires: on death

EXHIBIT E
Statement of Any Corporate Relationship or Existing Contract

Not Applicable.

EXHIBIT F -- OPERATING PROCEDURES

Not Applicable