

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY - OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

Nov 20 2019

Engelhart CTP (US) LLC

Docket No. EA - 482

**APPLICATION OF ENGELHART CTP (US) LLC FOR
AUTHORIZATION TO TRANSMIT ELECTRICITY TO CANADA**

Pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824a(e), and Section 205.300 of the regulations of the Department of Energy, 10 C.F.R. § 205.300, et seq., Engelhart CTP (US) LLC ("ECTP" or "Applicant") hereby submits this application to the Department of Energy, Office of Electricity ("DOE"), for blanket authorization to transmit electric energy from the United States to Canada ("Application"). ECTP respectfully requests authorization to transmit electric energy from the United States to Canada for a period of five (5) years. ECTP further respectfully requests that this application be made effective no later than April 1, 2020.

I. DESCRIPTION OF APPLICANT

ECTP is a global diversified merchant and client solutions provider in the commodities space covering a range of agricultural, industrial, and energy products. Applicant's predecessor, BTG Pactual Commodities (US) LLC received FERC market-based rate authorization in Docket No. ER14-120. In 2016, Applicant received FERC approval in Docket No. ER16-1891 for its revised market-based rate tariff reflecting the name change from BTG Pactual Commodities (US) LLC to Engelhart CTP (US) LLC. The FERC orders (i) granting BTG Pactual Commodities (US) LLC market-based rate authorization and (ii) granting the name change to Engelhart CTP (US) LLC are attached to this application as Exhibit G.

II. INFORMATION REQUIRED BY 10 C.F.R. § 205.302

a. Exact legal name of Applicant.

The exact legal name of Applicant is Engelhart CTP (US) LLC.

b. Exact legal name of all partners.

Not applicable. ECTP is a single-member limited liability company.

c. The name, title, post office address, and telephone number of the person to whom correspondence in regard to the application shall be addressed.

Mr. Changjae Lee
Head of Legal for the Americas
Engelhart CTP (US) LLC
Attention: Legal Department
400 Atlantic St. 11th Floor.
Stamford, CT 06901
CJ.Lee@ectp.com

Jennifer Brough
Partner
Locke Lord LLP
701 8th St., N.W., Suite 700
Washington, DC 20001
(202) 220-6965
jbrough@lockelord.com

d. The state or 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.

The Applicant is a limited liability company organized in the state of Delaware, and operates and maintains offices in Connecticut and Texas.

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

Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. § 824a(e) and DOE's regulations, 10 C.F.R. § 205.300, et seq., any party 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 proposed transmission of electric energy to Canada as described in this Application.

- f. A 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.**

Applicant seeks authorization to transmit electric energy to Canada over the existing authorized electric transmission facilities listed in Exhibit C attached hereto. Applicant's request for authorization qualifies for a categorical exclusion under the regulations implementing the National Environmental Policy Act of 1969 ("NEPA"), 10 C.F.R. § 1021.410,¹ as the authorization requested is limited to the use of transmission facilities for which a Presidential Permit has been issued.

- g. A 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 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.**

DOE is statutorily obligated under Section 202(e) of the FPA 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."² With regard to the sufficiency of electric supply, DOE has held that wholesale energy markets are sufficiently robust to make supplies available to exporters and other market participants serving regions of the United States along the Canadian and Mexican borders.³ Accordingly, "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

¹ See Appendix B4.2 providing a categorical exclusion for the export of electric energy.

² See *Idaho Power Co.*, Order No. EA-475 at 2 (2019).

³ *Id.* at 3.

not impair the sufficiency of electric supply within the United States.”⁴ DOE has further held that power marketers such as Applicant, “do not have an obligation to serve a franchised territory” and, accordingly, “the sufficiency of supply inquiry became unnecessary when applied to power marketers[.]”⁵

From a reliability perspective, DOE has found that the North American Electric Reliability Corporation (“NERC”) reliability standards and 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.”⁶

Regarding the coordination of the electric grid, DOE has recognized that NERC reliability standards applied to Regional Transmission Organizations are sufficient to ensure coordination with respect to moving electricity both to and through a border system.⁷

Applicant has demonstrated that the proposed export would not negatively impact either (i) the sufficiency of electric supply or (ii) the coordination of the electric grid. Applicant is a power marketer that does not own or operate an integrated transmission or distribution system. The electric energy that Applicant would export on a firm or interruptible basis would be surplus energy purchased in wholesale markets using bilateral, voluntary transactions. Any such energy would be surplus to the needs of the relevant transmission or distribution system and the export of the electric energy would not impair

⁴ *Id.*

⁵ *Dynasty Power, Inc.*, Order No. EA-385-A at 5 (2019).

⁶ *Id.*

⁷ *Id.* at 6-7.

the adequacy of electric power supply within the United States by adversely impacting native load customers or other market participants.

The requested authorization will not impede or tend to impede regional coordination of electric utility planning or operations. Applicant's export transactions will be completed using the relevant procedures and/or market structures, and coordinated with all parties as required pursuant to the applicable market rules, as well as the reliability standard implemented by NERC.

Applicant agrees to abide by the export limits contained in the relevant authorization of any transmission facility over which it exports energy to Canada. Therefore, the proposed 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.**

A verification as required by 10 C.F.R. § 205.302(h) is enclosed with this Application.

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

In accordance with 10 C.F.R. § 205.303, the following exhibits are attached to this Application:

Exhibit A	Transmission Agreements	Not applicable. Applicant will purchase transmission services from regulated transmission providers under applicable tariff terms and conditions.
Exhibit B	Opinion of Counsel	Attached.

Exhibit C	Transmission Facilities	The name, location, voltage, and Presidential Permits under which the relevant border transmission facilities are constructed and maintained is included in Exhibit C.
Exhibit D	Designation of Agent	Not applicable. Applicant has a principal office located in Houston, Texas.
Exhibit E	Statement of Corporate Relationship	Not applicable. There is no corporate relationship or existing contract between 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.
Exhibit F	Operating Procedures	Not applicable. Applicant is not a franchised public utility with captive customers. Any export of electric energy from the United States to Canada by Applicant will be completed using all applicable procedures and market structures and coordinated with relevant parties as required pursuant to the reliability standards and market rules as defined and implemented by NERC, FERC and all relevant balancing authorities and transmission operators.

IV. REQUIRED COPIES AND FILING FEE

An original and two (2) conformed copies of this Application are being provided to DOE in accordance with 10 C.F.R. § 205.307. As required by 10 C.F.R. § 205.309, a copy of the Application will be provided to the Secretary of FERC and a check in the amount of \$500.00 made payable to the Treasurer of the United States is enclosed with this Application in payment of the filing fee.

V. CONCLUSION

ECTP respectfully requests that DOE grant this Application for blanket authorization to transmit electric energy from the United States to Canada for a period of five (5) years, with such authorization to be effective as of April 1, 2020. ECTP will abide by the terms and conditions of the requested authorization consistent with the DOE's previous grants of authorization to power marketers.

Respectfully submitted,

/s/ Jennifer Brough
Jennifer Brough
Partner
Locke Lord LLP
701 8th St., N.W., Suite 700
Washington, DC 20001
(202) 220-6965
jbrough@lockelord.com

Counsel to Engelhart CTP (US) LLC

Dated: November 19, 2019

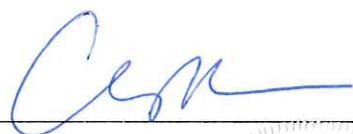
VERIFICATION

VERIFICATION

County of Fairfield

State of Connecticut

BEFORE ME, the undersigned authority, on this day personally appeared CHANGJAE LEE, who, having been by me first duly sworn, on oath says that he is the Head of Legal for the Americas of Engelhart CTP (US) LLC and is duly authorized to make this Verification on behalf of Engelhart CTP (US) LLC; that he has read the foregoing Application for Authorization to Transmit Electricity to Canada and that the facts therein stated are true and correct to the best of his knowledge, information and belief.



SWORN TO AND SUBSCRIBED before me on:



Notary Public

OLGA MISTRY
NOTARY PUBLIC OF CONNECTICUT
I.D. # 177372
My Commission Expires 9/30/2023

EXHIBIT B

OPINION OF COUNSEL

November 14, 2019

U.S. Department of Energy
Office of Electricity
OE-20, Room 6H-034
Forrestal Building
1000 Independence Avenue, S.W.
Washington, DC 20585

RE: Engelhart CTP (US) LLC
Application for Authorization to Transmit Electricity to Canada
Opinion of Counsel

Ladies and Gentlemen:

This opinion of counsel is submitted pursuant to Section 205.303(b) of the regulations of the U.S. Department of Energy, 10 C.F.R. § 205.303(b) (2019). The undersigned is counsel to Engelhart CTP (US) LLC ("ECTP"). I have reviewed the corporate documents of ECTP and it is my opinion that the proposed export of electricity as described in the application filed by ECTP is within the limited liability company powers of ECTP. Furthermore, to the best of my knowledge, information and belief, ECTP has complied or will comply with all pertinent Federal and State laws.

Respectfully submitted,



Changjae Lee

EXHIBIT C

TRANSMISSION FACILITIES

The table below lists the international transmission facilities located at the United States border with Canada that are currently authorized by Presidential Permit and available for open access transmission.

NAME	LOCATION	VOLTAGE	PRESIDENTIAL PERMIT NO.
Bangor Hydro-Electric Co.	Baileyville, ME	345-kV	PP-89
Basin Electric Power Cooperative	Tioga, ND	230-kV	PP-64
Bonneville Power Administration	Blaine, WA	2-500-kV	PP-10
Bonneville Power Administration	Nelway, WA	230-kV	PP-36
Bonneville Power Administration	Nelway, WA	230-kV	PP-46
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
International Transmission Company	Detroit, MI	230-kV	PP-230
International Transmission Company	Marysville, MI	230-kV	PP-230
International Transmission Company	St. Claire, MI	230-kV	PP-230
International Transmission Company	St. Claire, MI	345-kV	PP-230
ITC Lake Erie Connector	Erie County, PA	320-kV	PP-412
Joint Owners of the Highgate Project	Highgate, VT	120-kV	PP-82
Long Sault, Inc.	Massena, NY	2-115-kV	PP-24

NAME	LOCATION	VOLTAGE	PRESIDENTIAL PERMIT NO.
Maine Electric Power Company	Houlton, ME	345-kV	PP-43
Maine Public Service Company	Limestone, ME	69-kV	PP-12
Maine Public Service Company	Fort Fairfield, ME	69-kV	PP-12
Maine Public Service Company	Madawaska, ME	138-kV	PP-29
Maine Public Service Company	Aroostook, ME	2-69-kV	PP-29
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
Montana Alberta Tie Ltd.	Cut Bank, MT	230-kV	PP-305
New York Power Authority	Massena, NY	765-kV	PP-56
New York Power Authority	Massena, NY	2-230-kV	PP-25
New York Power Authority	Niagara Falls, NY	2-345-kV	PP-74
New York Power Authority	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
Northern States Power Company	Roseau County, MN	500-kV	PP-63
Northern States Power Company	Rugby, ND	230-kV	PP-231

NAME	LOCATION	VOLTAGE	PRESIDENTIAL PERMIT NO.
Sea Breeze Olympic Converter, LP	Port Angeles, WA	+/- 450-kV	PP-299
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66
Vermont Electric Transmission Co.	Norton, VT	+/- 450-kV	PP-76

EXHIBIT G

FERC MARKET-BASED RATE AUTHORIZATIONS

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
BTG Pactual Commodities (US) LLC
Docket No. ER14-120-001

November 22, 2013

Ms. Amy S. Koch
Attorney for BTG Pactual Commodities (US) LLC
1301 K Street, N.W.
Suite 1100 - East Tower
Washington, D.C. 20005-3373

Reference: Market-Based Rate Authorization

Dear Ms. Koch:

On October 18, 2013, as amended on November 14, 2013, you filed on behalf of BTG Pactual Commodities (US) LLC (BTG Commodities) 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.¹ BTG Commodities requests waivers commonly granted to similar market-based rate applicants.

Your filings were noticed on October 18, 2013 and November 15, 2013, with comments, protests or interventions due on or before November 7, 2013 and November 21, 2013, respectively. None was filed.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307, your submittal filed in the referenced docket is accepted for filing, effective November 18, 2013, as requested. Based on your

¹ BTG Commodities requests authorization to sell ancillary services in the markets administered by PJM Interconnection, L.L.C. (PJM), New York Independent System Operator, Inc. (NYISO), ISO New England Inc. (ISO-NE), California Independent System Operator Corp. (CAISO), and Midcontinent Independent System Operator, Inc. (MISO). BTG Commodities also requests authorization to engage in the sale of certain ancillary services as a third-party provider in other markets.

representations, BTG Commodities meets the criteria for a Category 1 seller in all regions and is so designated.²

You state that BTG Commodities is a Delaware-based limited liability corporation, and intends to act as a power marketer. You further represent that BTG Commodities is a wholly-owned subsidiary of BTG Pactual Commodities Holding (US) LLC, and ultimately owned by Banco BTG Pactual S.A. You state that BTG Commodities is not affiliated with any entity that owns or controls generation or transmission facilities. Further, you affirmatively state that BTG Commodities has not erected barriers to entry and will not erect barriers to entry into the relevant market.

You state that BTG Commodities meets the criteria for a Category 1 seller in all regions because it does not own or control generation or transmission facilities in any region; it is not affiliated with anyone that owns, operates, or controls generation or transmission facilities; it is not affiliated with a franchised public utility; and it does not raise any vertical market power issues.

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.³

Based on your representations, BTG Commodities submittal satisfies the Commission's requirements for market-based rate authority regarding horizontal and vertical market power.

BTG Commodities' 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. BTG Commodities' request for waiver of Part 41, Part 101, and Part 141 of the Commission's regulations concerning accounting and reporting requirements is granted with the exception of 18 C.F.R. §§

² *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252, at PP 848-50, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, *clarified*, 124 FERC ¶ 61,055, *order on reh'g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh'g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh'g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010), *aff'd sub nom. Mont. Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011), *cert. denied*, 133 S. Ct. 26 (2012).

³ Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 62, 399, 408, 440.

141.14 and 141.15.⁴ Notwithstanding the waiver of the accounting and reporting requirements here, BTG Commodities is expected to keep its accounting records in accordance with generally accepted accounting principles.

BTG Commodities 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. BTG Commodities 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 BTG Commodities, compatible with the public interest, and reasonably necessary or appropriate for such purposes.⁵

BTG Commodities must file electronically with the Commission Electric Quarterly Reports.⁶ BTG Commodities 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 in accordance with Order No. 697.⁷

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

⁴ *Citizens Energy Corp.*, 35 FERC ¶ 61,198 (1986); *Citizens Power and Light Corp.*, 48 FERC ¶ 61,210 (1989) (*Citizens Power*); *Enron Power Marketing, Inc.*, 65 FERC ¶ 61,305 (1993), *order on reh'g*, 66 FERC ¶ 61,244 (1994) (*Enron*).

⁵ *Citizens Power*, 48 FERC ¶ 61,210; *Enron*, 65 FERC ¶ 61,305.

⁶ *Revised Public Utility Filing Requirements*, Order No. 2001, FERC Stats. & Regs. ¶ 31,127, *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 (2003). Attachments B and C of Order No. 2001 describe the required data sets for contractual and transaction information. Public utilities must submit Electric Quarterly Reports to the Commission using the EQR Submission System Software, which may be downloaded from the Commission's website at <http://www.ferc.gov/docs-filing/eqr.asp>.

⁷ *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, FERC Stats. & Regs. ¶ 31,175, *order on reh'g*, 111 FERC ¶ 61,413 (2005); 18 C.F.R. § 35.42 (2013).

Docket No. ER14-120-001

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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 applicants.

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.

Questions regarding the above order should be directed to:

Federal Energy Regulatory Commission
Attn: Debra Irwin
Phone: (202) 502-6253
Office of Energy Market Regulation
888 First Street, N.E.
Washington, D.C. 20426

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation - West

Document Content(s)

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FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Engelhart CTP (US) LLC
Docket Nos. ER16-1714-000
ER16-1891-000

July 14, 2016

Mr. Michael A. Yuffee
Counsel to Engelhart CTP (US) LLC
Reed Smith LLP
1301 K Street N.W.
Suite 1000
Washington, D.C. 20005

Reference: Notice of Succession, Refiling of Baseline Market-Based Rate Tariff, and
Notice of Cancellation

Dear Mr. Yuffee:

On May 16, 2016, as supplemented on June 20, 2016, you filed on behalf of Engelhart CTP (US) LLC a revised market-based rate tariff reflecting the name change of BTG Pactual Commodities (US) LLC to Engelhart CTP (US) LLC. On June 6, 2016, as supplemented on June 20, 2016, you filed a new baseline market-based rate tariff with Tariff ID 83 in order to correct the tariff title.

Your filings were noticed on May 16, 2016, and June 7, 2016, with comments or protests due by June 6, 2016 and June 28, 2016, respectively. None were filed.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307, your submittals filed in the referenced dockets are accepted for filing, effective May 9, 2016, as requested. In addition, Engelhart CTP (US) LLC's Tariff ID 68 is administratively cancelled.

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

Docket Nos. ER16-1714-000
ER16-1891-000

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the Commission in any proceeding now pending or hereafter instituted by or against any of the applicant(s).

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.

Questions regarding the above order should be directed to:

Federal Energy Regulatory Commission
Attn: Melissa Lozano
Phone: (202) 502-6267
Office of Energy Market Regulation
888 First Street, N.E.
Washington, D.C. 20426

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation – West

Document Content(s)

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