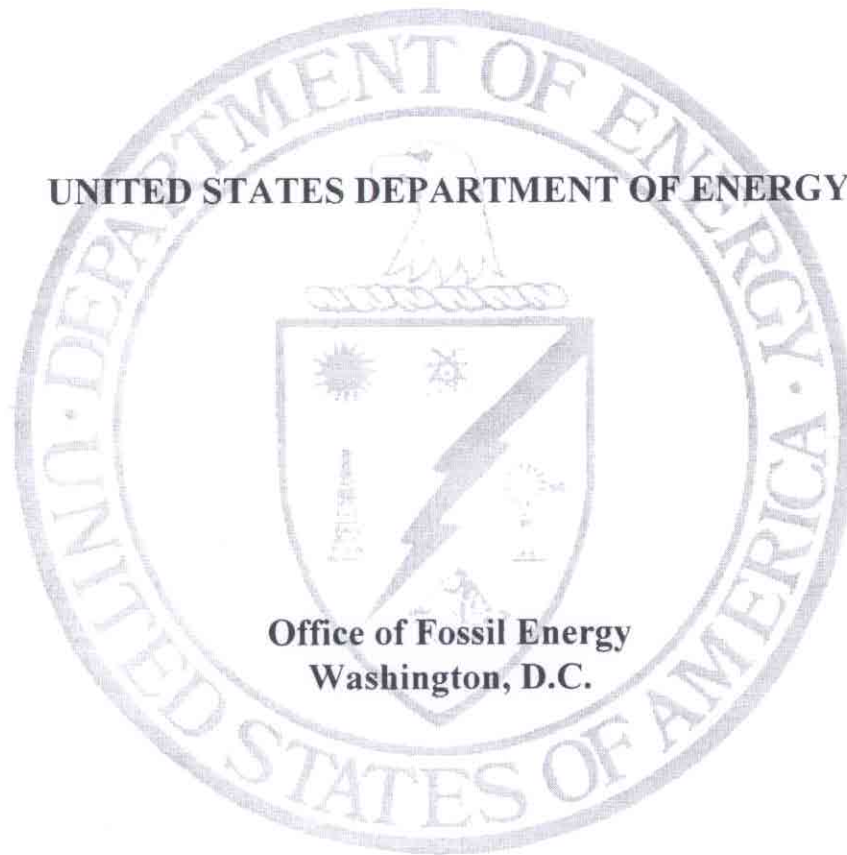


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**UNITED STATES DEPARTMENT OF ENERGY**



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

**FE Docket No. EA-186-A**

**New England Power Pool**

**Order Authorizing Emergency Electricity Exports to Canada**

**Order No. EA-186-A**

**April 25, 2002**

## New England Power Pool

Order No. EA-186-A

### **I. 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 (FPA) (16 U.S.C. §824a(e)).

On August 26, 1998, in Order EA-186, the Office of Fossil Energy (FE) of the Department of Energy (DOE) authorized New England Power Pool (NEPOOL)<sup>1</sup> to export electric energy to Canada at a maximum rate of 200 megawatts (MW) in response to requests from Hydro Quebec for emergency assistance and only over the 345,000-volt (345-kV; operated at 120,000 volts) international transmission line authorized by Presidential Permit PP-82. On January 25, 2002, FE received an application from NEPOOL for additional authority to export emergency electric energy to New Brunswick, Canada, at a maximum rate of 700 MW using the existing 345-kV transmission line owned by Maine Electric Power Company (MEPCO) at Houlton, Maine, and authorized by Presidential Permit PP-43. On April 9, 2002, NEPOOL amended its request and proposed to limit exports to New Brunswick to 500 MW.

Notice of the NEPOOL export application was placed in the *Federal Register* on March 11, 2002, (67 FR 12003) requesting that comments, protests, and petitions to intervene be submitted to the DOE by April 17, 2002. None were received.

### **II. DISCUSSION and ANALYSIS**

Before an electricity export authorization is granted, DOE must find that the proposed export will not impair the sufficiency of electric supply within the U.S. and that it will not impede the coordinated use of regional transmission facilities. DOE has always used a flexible approach in determining the information necessary to evaluate reliability impacts for specific export proposals. In determining reliability impact for exports by third parties over existing international transmission lines, DOE has used a combination of established industry guidelines, operating procedures and/or infrastructure, as well as technical studies supporting export authorizations issued to the entities operating the cross-border facilities. Allowing these existing technical studies to suffice in this docket is sound and, thus, DOE need not perform additional reliability assessments here, provided the maximum rate of transmission for all exports through the PP-43 and PP-82 facilities does not exceed the previously authorized limits for those facilities.

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<sup>1</sup>NEPOOL is an association of comprised of electric utilities authorized to operate in Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, and Maine, or are generators or power marketers or other entities that are engaged in, or propose to engage in, the electric power business in New England. At the time of FE issued Order EA-186 there were approximately 130 member companies. The number of member companies changes from time to time; there are currently 215 member companies.

DOE also notes that NEPOOL has formed ISO New England, Inc. (ISO-NE) to administer NEPOOL's transmission arrangements and to direct the dispatch and operation of the bulk power facilities of NEPOOL participants. In its capacity as independent system operator, ISO-NE is charged with operating the regional power grid consistent with the operating reliability guidelines of NEPOOL, the Northeast Power Coordinating Council, and the North American Electric Reliability Organization.

### **III. FINDING**

DOE has determined that the export of electric energy to Canada as requested by NEPOOL and as limited herein 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 subject to the jurisdiction of DOE.

The circumstances described in the NEPOOL application are virtually identical to those for which export authority had previously been granted in FE Order EA-186. Consequently, DOE believes that it has adequately satisfied its responsibilities under the National Environmental Policy Act of 1969 through the documentation of a categorical exclusion in the FE Docket EA-186 proceeding.

### **IV. ORDER**

Based on the above finding, it is hereby ordered that NEPOOL is authorized to export emergency electric energy to Canada under the following terms and conditions:

(A) The electric energy exported by NEPOOL pursuant to this Order may be delivered to Canada only in response to emergency requests for electric supply and over the following existing international transmission facilities for which assessments of the transmission limits for operation in the export mode have been made:

<u>Owner</u>	<u>Location</u>	<u>Voltage</u>	<u>Presidential Permit No.</u>
Joint Owners of Highgate Project	Highgate, VT	120-kV	PP-82
Maine Electric Power Company	Houlton, ME	345-kV	PP-43

(B) Exports authorized herein shall not cause a violation of the terms and conditions contained in existing electricity export authorizations associated with the international transmission facilities identified in paragraph (A) above. Specifically:

(1) Emergency exports by NEPOOL made pursuant to this Order shall not cause the total exports on the facilities authorized by Presidential Permit PP-82 (issued to the Joint Owners of the Highgate Project) to exceed an instantaneous transmission rate of 200 MW nor cause a violation of the following security constrained export limits:

<u>Vermont Total Load (MW)</u>	<u>Security Constrained Maximum Export (MW)</u>
1000	0
900	40
800	90
700	125
600	150
500	170

(2) Emergency exports made by NEPOOL pursuant to this Order shall not cause the total, simultaneous exports over the facilities authorized by Presidential Permits PP-82 and PP-76, as amended, to exceed the maximum instantaneous transmission rate contained in Order EA-76-C, presently 2000 MW.

(3) Emergency exports by NEPOOL made pursuant to this Order shall not cause the total exports on the facilities authorized by Presidential Permit PP-43 (issued to Maine Electric Power Company) to exceed an instantaneous transmission rate of 500 MW.

(C) Amendment of the export authorizations from which the export limits contained in subparagraphs (B)(1) through (B)(3) were derived shall result in a concomitant change to the export limits contained in those subparagraphs. Notice will be provided to NEPOOL of any amendments to existing export authorizations that would impact on this Order.

(D) In scheduling the delivery of electricity exports to Canada, NEPOOL shall comply with all reliability criteria, standards, and guides of the North American Electric Reliability Council, Regional Councils, or independent system operators, as appropriate, on such terms as expressed therein, and as such criteria, standards, and guides may be amended from time to time.

(E) NEPOOL 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 thereunder, including the comparable open access provisions of FERC Order No. 888, as amended.

(F) The authorization herein granted may be modified from time to time or terminated by further order of the DOE, but in no event shall such authorization extend beyond the date of termination or expiration of the Presidential permits referred to in paragraph (A).

(G) 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.


(H) NEPOOL shall make and preserve full and complete records with respect to the electric energy exported to Canada. Within 5 days of the conclusion of an emergency export, NEPOOL shall submit a report to DOE providing (1) the gross amount of electricity delivered, in kilowatt hours; (2) the consideration received for such energy; and (3) the maximum hourly rate of transmission, in kilowatts. If no transactions have been made during a calendar year, a one-sentence report indicating "no activity" for the previous year, filed by February 15, is sufficient.

Reports shall be submitted to the U.S. Department of Energy, Office of Fossil Energy, FE-27, 1000 Independence Avenue, SW, Washington, D.C. 20585-0305. Properly identified quarterly reports will also be accepted via facsimile at (202) 287-5736 to meet time requirements, but original copies should still be filed at the above address.

(I) In accordance with 10 C.F.R. §205.305, this authorization is not transferable or assignable, except in the event of the involuntary transfer of this authority by operation of law. Provided written notice of the involuntary transfer is given DOE within 30 days, this authorization shall continue in effect temporarily. This continuance also is contingent on the filing of an application for permanent authorization within 60 days of the involuntary transfer; the authorization shall then remain effective until a decision is made 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 jointly an application for a new export authorization, together with a statement of reasons for the transfer.

(J) Exports 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 system.

Issued in Washington, D.C., on April 25, 2002.

  
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