
United States
Department of Energy

Office of Electricity Delivery and Energy Reliability

Lehman Brothers Commodity Services, Inc.

OE Docket No. EA-311-A



Rescission of Electricity Export Authorization to Canada

Order No. EA-311-A

July 20, 2009

Lehman Brothers Commodity Services, Inc.

Order No. EA-311

I. BACKGROUND

Exports of electricity from the United States to a foreign country are regulated by the Department of Energy (DOE) pursuant to sections 301(b) and 402(f) of the Department of Energy Organization Act (42 U.S.C. 7151(b), 7172(f)) and require authorization under section 202(e) of the Federal Power Act (FPA) (16 U.S.C. 824a(e))¹.

On June 28, 2006, DOE issued Order No. EA-311 to Lehman Brothers Commodity Services, Inc. (Lehman Brothers). That Order authorized Lehman Brothers to export electric energy to Canada as a power marketer for a five-year term. That order will expire on June 28, 2011.

On June 26, 2009, DOE was informed that Lehman Brothers had ended its power marketing operations and would no longer be exporting electricity to Canada. Therefore, Lehman Brothers asked DOE to rescind Order No. EA-311.

II. COMPLIANCE

Upon issuance of this Rescission Order, Lehman Brothers shall no longer have authority to export electricity to Canada. However, this Rescission Order is being issued without prejudice and does not preclude Lehman Brothers, upon proper application, from requesting authority to export electric energy again in the future. It should be noted that DOE requires at least sixty days to adequately process an application to export electric energy.

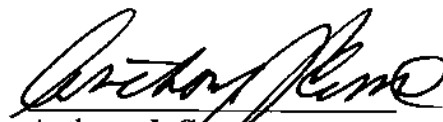
Obtaining a valid Order from DOE authorizing the export of electricity under section 202(e) of the FPA is a necessary condition before engaging in an export. Therefore, Lehman Brothers must obtain a new authorization from DOE before engaging in the further export of electricity. Failure to obtain such an order before exporting may subject Lehman Brothers to sanctions and penalties under the FPA. Lehman Brothers should implement appropriate internal procedures to monitor the status of its electricity trading activities to ensure that it does not cause electricity to be exported in the absence of a valid order.

¹ The authority to administer the International Electricity Regulatory Program through the regulation of electricity exports and the issuance of Presidential permits has been delegated to the Assistant Secretary for the Office of Electricity Delivery and Energy Reliability in Redlegation Order No. 00-002.10C issued on May 29, 2008.

III. ORDER

Pursuant to section 202(e) of the FPA and the Rules and Regulations issued thereunder (Title 10, Code of Federal Regulations, sections 205.300-309), the electricity export authorization issued to Lehman Brothers on June 28, 2006, in Order No. EA-311, is hereby rescinded.

Issued in Washington, D.C., on July 20, 2009.

A handwritten signature in black ink, appearing to read 'Anthony J. Como', written over a horizontal line.

Anthony J. Como
Director, Permitting and Siting
Office of Electricity Delivery
And Energy Reliability