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EA-64

DEPARTMENT OF ENERGY
ECONOMIC REGULATORY ADMINISTRATION

Basin Electric Power Cooperative) ERA Docket No. IE-78-5

Order Authorizing Transmission of
Electric Energy to Canada

(Issued March 6 , 1980)

Basin Electric Power Cooperative (Basin) filed an application with the Economic Regulatory Administration (ERA) in ERA Docket No. IE-78-5 on July 24, 1978 for authorization, pursuant to section 202(e) of the Federal Power Act, to transmit electric energy from the United States to Canada. In addition, by separate application also filed on July 24, 1978, Basin sought permission, pursuant to Executive Order No. 10485, as amended by Executive Order No. 12038, to construct, connect, operate and maintain at the international border between the United States and Canada certain facilities hereinafter described for the transmission of electric energy between the United States and Canada. On November 30, 1979 the Administrator of ERA signed the Presidential Permit authorizing Basin to construct, connect, operate and maintain the international interconnection. Authority to consider applications filed pursuant to section 202(e) of the Federal Power Act was delegated from the Secretary of Energy to the Administrator of ERA and then further delegated by the Administrator to the Assistant Administrator for Utility Systems.

The electric energy proposed to be transmitted to Canada by Basin will be sold to the Saskatchewan Power Corporation (Saskatchewan) in accordance with the terms and at the rates set forth in the application and the Interconnection and Transaction Agreement, dated April 13, 1978, as amended on February 19, 1979 and July 27, 1979.

The electric energy proposed to be exported by Basin will be delivered to Saskatchewan by means of a 230 kilovolt overhead electric transmission line owned by Basin and located at a point on the United States-Canadian border forty-five miles due north of Tioga, North Dakota. The transmission line, which is approximately 135 miles in length, will interconnect with a similar transmission line owned and operated by Saskatchewan.

According to the application, the electric energy purchased and received from Basin will be sold by Saskatchewan to its ultimate consumers.

Notice of the application to export electric energy was given by publication in the Federal Register on December 19, 1979 (44 F.R. 75205) stating that any person desiring to be heard or to make any protest with reference to the application should, on or before January 15, 1980, file with ERA petitions to intervene or protests in accordance with the Rules of Practice and Procedure (18 C.F.R. 1.8, 1.10). No petition or protest or request to be heard in opposition to the granting of the application was received by ERA.

ERA Finds:

(1) The proposed transmission of electric energy from the United States to Canada as limited herein and as herein-after authorized will not impair the sufficiency of electric supply within the United States and will not impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of ERA, since Basin will be exporting energy which is surplus to its needs. Furthermore, Basin proposes to import a similar amount of electric energy from Saskatchewan which will be generated at Saskatchewan's Boundary Dam generating station.

(2) The period of public notice given in this matter is reasonable.

ERA Orders:

(A) Basin is hereby authorized to transmit electric energy from the United States to Canada in accordance with the terms and conditions set forth in the application and attachments and subject to the provisions of this Order.

(B) The electric energy which Basin is hereby authorized to transmit from the United States to Canada shall be transmitted over facilities specified in the Basin Presidential Permit signed by the Administrator of ERA on November 30, 1979 in ERA Docket No. PP-64.

(C) The authorization herein granted may be modified from time to time or terminated by further order of ERA, but in no event shall such authorization extend beyond the date of termination or expiration of the Permit signed by the Administrator of ERA, referred to in paragraph (B) above.

(D) Basin shall conduct all operations pursuant to the authorization herein granted in accordance with the provisions of the Federal Power Act and pertinent rules, regulations or orders adopted or issued by ERA.

(E) Basin shall provide for the installation and maintenance of adequate metering equipment to measure the flow of all electric energy transmitted over its interconnection with Saskatchewan Power Corporation; and shall make, keep and preserve full and complete records with respect to the movement of such energy.

(F) This authorization to transmit electric energy from the United States to Canada shall not be transferable or assignable, but in the event of the involuntary transfer of the facilities used for such transmission by operation of law (including such transfers to receivers, trustees, or purchasers under foreclosure or judicial sale) said authorization shall continue in effect temporarily thereafter, pending the making of an application for permanent authorization and decision thereon, provided notice is given to ERA in writing within thirty days accompanied by a statement that the physical facts relating to sufficiency of supply, rates, and nature of use remain substantially the same as before the transfer.

(G) Exports Authorized

1. Terms and Conditions for Export of Peaking Power. The definition and characteristics of peaking power are given in Article 1.02.20 of the Interconnection and Transaction Agreement, dated the 13th day of April, 1978 as amended on the 19th day of February, 1979 and July 27, 1979, between Saskatchewan Power Corporation and Basin and filed as Attachment A to the application. The following terms and conditions apply:

(a) The power to be exported hereunder shall be only winter peaking capacity and its associated energy, as described in Articles 6.01 and 6.02 of the Interconnection and Transaction Agreement.

(b) The quantity of capacity that may be exported hereunder shall not exceed 100 megawatts.

(c) Basin may export power at a rate momentarily in excess of that set forth in Condition (b) above if such excess is caused by:

(i) an electrical short circuit or other uncontrollable circumstances; or

(ii) the inability to control precisely the actual rate of transfer.

(d) The quantity of energy that may be exported hereunder shall not exceed 438,000 megawatt hours in any calendar year.

(e) In each calendar year exports of peaking capacity shall be made only during the six-month period commencing on the 1st day of November and ending on the 30th day of April.

(f) The price for the peaking capacity and its associated energy exported hereunder shall be not less than the price set forth in Articles 6.01 and 6.02 of the Interconnection and Transaction Agreement referred to above.

(g) Basin, before exporting electricity hereunder in excess of 15,000 MWH in any one month:

(i) shall offer such energy for sale to all accessible electrical utilities in the United States at the same price as that of the export, plus an adjustment for any differences in the cost of delivery; and

(ii) shall export hereunder only that amount of such energy which has not been accepted by those electrical utilities in the United States to which an offer was made in accordance with subcondition (i) above.

Basin shall not, without the prior approval of ERA, amend, enter into any agreement in substitution for or in addition to, or terminate the Interconnection and Transaction Agreement or its Amendments.

(2) Terms and Conditions for Export of Non-Peaking Power. Non-peaking power shall include participation power, seasonal participation power, emergency energy and scheduled outage energy, operating reserve, economy energy, tertiary energy, operational control energy, and short-term power, as defined in Article 1 of the Interconnection and Transaction Agreement. The following terms and conditions apply:

(a) The total quantity of capacity that may be exported hereunder shall not at any time exceed the lesser of:

(i) 150 megawatts; or

(ii) the capacity that is surplus to the maximum foreseeable requirements of the Basin's system after allowing for maintenance and required reserve.

(b) The quantity of energy that may be exported hereunder, when combined with the amounts of exported peaking energy during the same period shall not exceed 900,000 MWH in any consecutive twelve-month period.

(c) Basin shall not export energy hereunder unless it is surplus to the firm energy requirements of economically accessible markets in the United States at the time it is exported.

(d) Basin shall interrupt or curtail the delivery of energy hereunder whenever and to whatever extent such energy is required to supply:

(i) any firm load within the United States; or

(ii) any electrical utility in the United States willing to buy part or all of the energy at the same price as that of the export, adjusted for any differences in the cost of delivery. This provision does not apply to Seasonal Diversity or Emergency Energy as defined in Article 1.02.9 of the Interconnection and Transaction Agreement.

(H) Basin shall file with the ERA annually on or before February 15th a report in such form and detail as the ERA may specify, setting forth for each such month of the preceding year:

(1) the quantity of energy exported hereunder, classified as to types of transfer;

(2) the price and resulting revenue for energy of each type;

(3) all energy imports over the international power lines used to export power hereunder; and

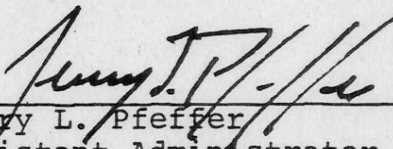
(4) the current month-end balance in each energy exchange account maintained by Basin with a utility in Canada.

Such information will become part of the public record.

(I) Basin's exports of electric energy to Canada as herein authorized shall not result in increased oil consumption

over what would be a normal and reasonable oil usage as determined by ERA on the basis of its total system oil consumption prior to the interconnection authorized herein.

Issued in Washington, D.C., March 6, 1980.



Jerry L. Pfeffer
Assistant Administrator
for Utility Systems
Economic Regulatory Administration