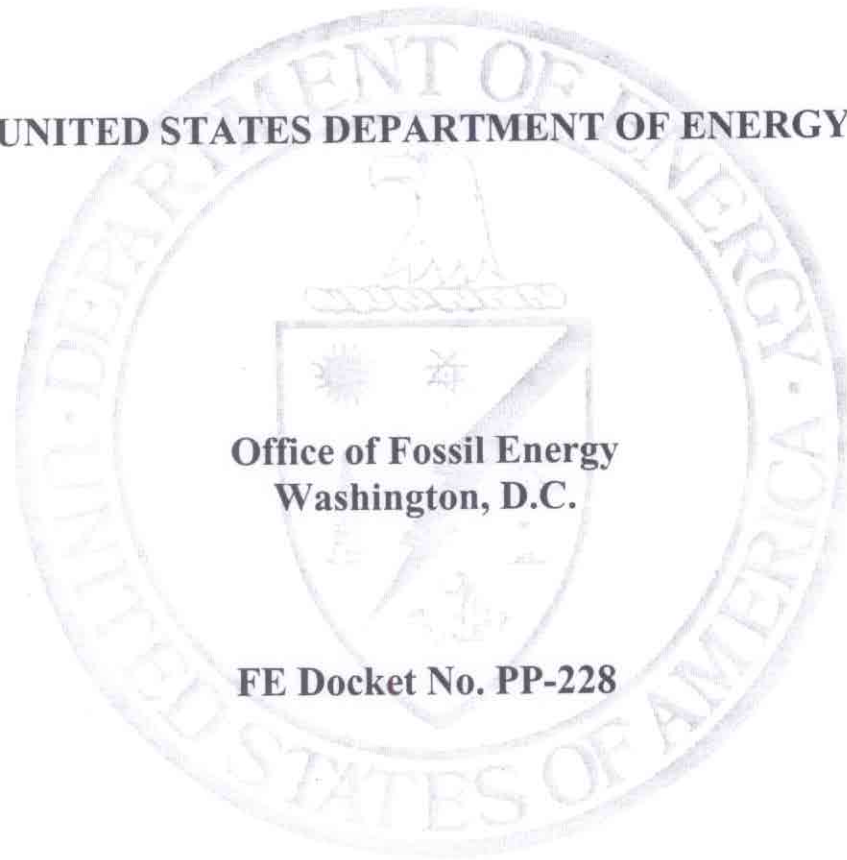


**UNITED STATES DEPARTMENT OF ENERGY**



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

**FE Docket No. PP-228**

**Edison Sault Electric Company**

**Presidential Permit**

**Order No. PP-228**

**February 21, 2001**

**PRESIDENTIAL PERMIT**  
**EDISON SAULT ELECTRIC COMPANY**

**ORDER NO. PP-228**

**I. BACKGROUND**

The Office of Fossil Energy (FE) of the Department of Energy (DOE) has the responsibility for implementing Executive Order (EO) 10485, as amended by EO 12038, which requires the issuance of Presidential permits for the construction, operation, maintenance, and connection of electric transmission facilities at the United States international border.

On August 17, 2000, Edison Sault Electric Company (ESE) applied to FE for a Presidential permit to construct an underground 230,000-volt (230-kV) transmission line from an existing substation located in Sault Ste. Marie, Michigan, to an existing substation located in Sault Ste. Marie, Ontario, Canada, a distance of approximately 6,000 feet. The facilities in Canada will be owned by Great Lakes Power Inc. (GLP), an investor owned utility in Canada. In a related proceeding, FE Docket EA-228, ESE also requested an authorization to export electric energy to Canada using these proposed transmission facilities.

ESE is proposing to develop this project in two phases. Initially, ESE would construct a 230-kV transmission line under the St. Mary's River connecting its existing Portage Road Substation, located in Sault Ste. Marie, Michigan, with GLP's existing F. H. Clergue substation, located in Sault Ste. Marie, Ontario, Canada. In phase one, the 230-kV facilities would be operated at 69-kV and have the ability to transmit 50 megawatts (MW) between the ESE and GLP systems. In phase two, ESE proposes to operate the facilities at 230-kV and increase the transfer capability of the facilities.

Notice of ESE's application for a Presidential permit was published in the *Federal Register* on August 29, 2000, (65 FR 52414) requesting that comments, protests, and petitions to intervene be submitted to DOE by September 28, 2000. None were received.

In the August 29, 2000 *Federal Register* notice of this application, FE referred readers to an administrative proceeding noticed in the *Federal Register* on July 27, 1999 (FE Docket No. 99-1), indicating DOE's intention to condition existing and future Presidential permits, appropriate for third party transmission, on compliance with a requirement to provide non-discriminatory open access transmission services over their international transmission lines. In that notice, DOE requested comments on the appropriateness of applying an open access requirement on the subject ESE facilities. Having received no comments on this issue, DOE determined that the subject facilities are appropriate for third party use and intends to add an open access condition to this Presidential Permit (Order No. PP-228) at the conclusion of DOE's open access proceeding in Docket No. 99-1.

The Secretary of State and the Secretary of Defense have concurred in the issuance of a Presidential permit to ESE for the proposed facility.

## II. FINDING AND DECISION

DOE has assessed the impact that the issuance of this Presidential Permit would have on the reliability of the U.S. electric power supply system. As a result of this review, DOE has determined that the installation of the proposed 230-kV international transmission facilities by ESE and their operation at 69-kV would not adversely impact the reliability of the U.S. electric power supply system. An analysis in support of this finding has been made a part of the record in this docket. Before ESE may operate the subject facilities at 230-kV, ESE must submit an application to amend this permit with the appropriate reliability studies demonstrating operation at the 230-kV level.

DOE has also determined that this action is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement and, therefore, is eligible for categorical exclusion (CX) under Appendix B to Subpart D, paragraph B4.12 of the revised DOE NEPA Guidelines. Specifically, this CX is for the construction of electric powerlines approximately 10 miles in length or less that are not for the integration of major new generation resources into a main transmission system.

## III. ORDER

Pursuant to the provision of EO 10485, as amended by EO 12038, and the Rules and Regulations issued thereunder (Title 10, Code of Federal Regulations, section 205.320 et. seq.), permission is granted to Edison Sault Electric Company to construct, operate, maintain, and connect electric transmission facilities at the international border of the United States and Canada, as further described in Article 2 below, upon the following conditions:

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this permit. This permit may be modified or revoked by the President of the United States without notice, or by DOE after public notice, and may be amended by DOE after proper application thereto.

Article 2. The facilities covered by and subject to this permit shall include the following facilities and all supporting structures within the right-of-way occupied by such facilities:

One underground 230-kV transmission line, operated at 69-kV, extending from the Portage Road Substation, located in Sault St. Marie, Michigan, under the St. Mary's River, and connecting to Great Lakes Power's existing F. H. Clergue substation located in Sault Ste. Marie, Ontario, Canada (a distance of approximately 6,000 feet).

These facilities are more specifically shown and described in the application filed in this docket.

Article 3. The facilities described in Article 2 above shall be designed and operated in accordance with the applicable criteria established by and consistent with that of the North

American Electric Reliability Council or its successor, 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.

Article 4. No change shall be made in the facilities covered by this permit or in the authorized operation of these facilities unless such change has been approved by DOE.

Article 5. ESE shall at all times maintain the facilities covered by this permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 6. The operation and maintenance of the facilities covered by this permit shall be subject to the inspection and approval of a properly designated representative of DOE, who shall be an authorized representative of the United States for such purposes. ESE shall allow officers or employees of the United States, with written authorization, free and unrestricted access into, through, and across any lands occupied by these facilities in the performance of their duties.

Article 7. ESE shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this permit. ESE shall take appropriate action as necessary to mitigate such situations. Complaints from individuals residing within one-half mile of the center of the transmission circuit are the only ones which must be resolved. ESE shall maintain written records of all complaints received and of the corrective actions taken.

Article 8. The United States shall not be responsible or liable: for damages to or loss of the property of, or injuries to, persons; for damages to, or loss of the facilities covered by this permit; or for damages to, or loss of the property of, or injuries to the person of ESE officers, agents, servants or employees or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and ESE shall hold the United States harmless from any and all such claims.

Article 9. ESE shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United States and Canada over the facilities authorized herein. ESE shall make and preserve full and complete records with respect to the electric energy exported to Canada. ESE shall furnish annual reports to DOE, by the 15th of February each year, detailing for each month of the previous year: (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. Annual reports must be filed regardless of current activity and whether or not deliveries of electric energy have been made. If no transactions have been made, a one-sentence report indicating "no activity" for the previous year is sufficient.

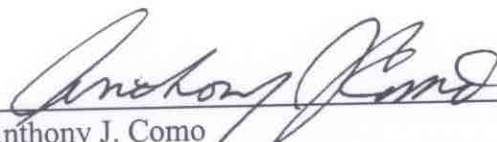
Reports shall be submitted to the U.S. Department of Energy, Office of Fossil Energy, FE-27, 1000 Independence Avenue, SW, Washington, D.C. 20585-0305. Properly identified

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.

Article 10. Neither this permit nor the facilities covered by this permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this permit shall continue in effect for a period of 60 days and then shall terminate unless an application for a new permit pursuant to Title 10, Code of Federal Regulations, section 205.323, has been received by DOE. Upon receipt by DOE of such an application, this existing permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

Article 11. Upon the termination, revocation or surrender of this permit, the 230-kV transmission line which is owned, connected, operated, and maintained by ESE and described in Article 2 of this permit, shall be removed and the land restored to its original condition within such time as DOE may specify and at the expense of ESE. If ESE fails to remove such facilities and/or any portion thereof authorized by this permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of ESE. ESE shall have no claim for damages by reason of such possession, removal or repair. However, if certain facilities authorized herein are useful for other utility operations within the bounds of the United States, DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

Issued in Washington, D.C. on February 21, 2001.



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