

7-12-76  
UNITED STATES OF AMERICA  
FEDERAL POWER COMMISSION

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*Export Order to be issued*

(EXPORT ORDER)  
(EXPORT RATE SCHEDULE-FILING)

Before Commissioners: Richard L. Dunham, Chairman;  
Don S. Smith, John H. Holloman III,  
and James G. Watt.

Northern Electric Cooperative Association )  
Docket No. E-9554 )

ORDER AUTHORIZING TRANSMISSION OF ELECTRIC  
ENERGY TO CANADA AND ACCEPTING EXPORT RATE SCHEDULE  
FOR FILING

(Issued July 12, 1976)

Northern Electric Cooperative Association (NEC) filed an application on April 9, 1976, in Docket No. E-9554 for an order, pursuant to Section 202(e) of the Federal Power Act, authorizing the transmission of electric energy from the United States to Canada in an amount not to exceed 500,000 Kwh annually at an aggregate rate of transmission not to exceed 200 Kw. The energy will be sold and delivered by NEC to Canadian Sandpoint Power Association, Province of Ontario, Canada, in accordance with the terms and conditions and at the rates set forth and included in the contract for electric service dated January 22, 1976.

The contract and rate schedule were included as part of the application and will be collectively treated as one initial export rate schedule tendered for filing by NEC pursuant to Part 35 of the Commission's Regulations under the Act (18 CFR 35.0 et seq.), particularly Sections 35.12 and 35.20 thereof. In its application NEC also seeks permission, pursuant to Executive Order No. 10485, dated September 3, 1953, to construct, operate, maintain and connect at the international border between the United States and Canada certain electric transmission facilities hereinafter described for the purpose of accomplishing the proposed exportation of energy.

The electric energy proposed to be exported by NEC will be transmitted by it from St. Louis County, Minnesota to the Canadian Sandpoint Power Association in Ontario, Canada, by means of two 14,400 volt, 60 cycle lines identified on the map attached hereto and identified as "Exhibit A."

The electric energy purchased and received by Canadian Sandpoint Power Association from NEC will be used to serve a potential of 37 consumers.

The contract and rate schedule referred to above are designated in the Commission's files as NEC's Export Rate Schedule FPC No. 1. The contract is for an initial period of three years from the start of the first billing period and thereafter until terminated by either party giving 12 months' notice in writing to the other party. The rate schedule specifies a rate of 2.55 cents per kilowatt hour delivered at the metering point on the United States side of the border as described in the contract. The rate schedule is based upon Canadian Sandpoint Power Association maintaining a monthly load factor of not less than 50 percent. In the event the monthly load factor is less than 50% the Canadian Sandpoint Power Association will pay \$2.45 per Kw for each Kw in excess of the demand which would produce 50% load factor based on Kwh usage. In accepting NEC's Export Rate Schedule FPC No. 1 for filing hereinafter, we are directing that it shall take effect as of the date of issuance of this order.

Since the construction and operation of the proposed facilities will create only minor short-term effects on the environment, this is not a major Federal action requiring the filing of an environmental impact statement.

Written notice of the application has been given to the Public Service Commission of Minnesota and to the Governor of that State. Notice of the application has also been given by publication in the Federal Register on April 27, 1976, (41 F.R. 17623), stating that any person desiring to be heard or to make any protest with reference to the application should on or before May 10, 1976 file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10). No petition or protest or request to be heard in opposition to the granting of the application has been received.

The Commission 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 the Commission.

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

(3) It is necessary and appropriate for purposes of Part 35 of the Commission's Regulations under the Federal Power Act that NEC's Export Rate Schedule No. 1 be accepted for filing to become effective as of the date of issuance of this order, as hereinafter provided.

(4) Acceptance for filing of NEC's Export Rate Schedule FPC No. 1 and approval of NEC's application filed in Docket No. E-9554 will not constitute major Federal actions significantly affecting the quality of the human environment and, therefore, no detailed environmental impact statement is required with respect to such acceptance and approval.

The Commission orders:

(A) NEC 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, as supplemented, and subject to the provisions of this order.

(B) The electric energy which NEC is hereby authorized to transmit from the United States to Canada shall be in an amount not to exceed 150,000 Kwh per year at a transmission rate not to exceed 200 Kw; the energy to be transmitted over the facilities specified in the Permit signed by the Chairman of the Commission on July 12, 1976, Docket No. E-9554.

(C) NEC's Export Rate Schedule FPC No. 1 is hereby accepted for filing and shall become effective as of the date of issuance of this order.



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

(E) NEC 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 issued by the Commission.

(F) NEC shall provide for the installation and maintenance of adequate metering equipment to measure the flow of all electric energy transmitted from the United States to Canada pursuant to the authority herein granted; shall make, keep and preserve full and complete records with respect to the movement of such energy; and shall furnish to the Commission, with respect to such transmission of energy, a report, in triplicate, annually on or before February 15, showing the Kwh of energy delivered, the maximum Kw rate of transmission, and the consideration received therefor during each month of the preceding calendar year.

(G) This authorization to transmit electric energy from the United States to Canada shall not be transferable or assignable, but shall continue in effect temporarily for a reasonable time thereafter in the event of the involuntary transfer of facilities used thereunder by operation of law (including such transfers to receivers, trustees, or purchasers under foreclosure or judicial sale), pending the making of an application for permanent authorization and decision thereon, provided notice is promptly given in writing to the Commission 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.

(H) 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 the State or State regulatory commission over NEC.

(I) This authorization is without prejudice to the authority of this Commission, or any other regulatory body, with respect to rates, service, accounts, valuation, estimates or determinations of cost, or any other matter whatsoever now pending or which may come before this Commission, or any other regulatory body, and nothing herein shall be construed as an acquiescence by this Commission in any estimate or determination of cost or any valuation of property claimed or asserted.

(J) Acceptance of the rate schedule as referred to in Paragraph (C) above is without prejudice to any findings or orders which have been or may hereafter be made by this Commission in this or any proceeding now pending or hereafter instituted by or against NEC.

(K) Nothing contained in this order shall be construed as constituting approval by this Commission of any service, rate, charge, classification or any rule, regulation, contract or practice affecting such service or rate provided for in the rate schedule referred to in Paragraph (C) above; nor shall this order be deemed as recognizing any claimed contractual right or obligation affecting or relating to such service or rate.

(L) Concurrently with the issuance of this order, the Permit signed by the Chairman of the Commission, referred to in Paragraph (B) above, shall be issued and a copy thereof transmitted by the Secretary to NEC.

By the Commission.

( S E A L )

Kenneth F. Plumb,  
Secretary.