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**GUIDE TO
AUTHORIZATION
PROCEDURES
FOR
THE INTERNATIONAL
EXPORT OF ELECTRICITY
AND
ELECTRIC POWER LINES
CROSSING INTERNATIONAL
BORDERS**

R406

November 1980

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GUIDE TO AUTHORIZATION PROCEDURES

FOR

THE INTERNATIONAL EXPORT OF ELECTRICITY

AND

ELECTRIC POWER LINES CROSSING INTERNATIONAL BORDERS

November 1980

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GUIDE TO AUTHORIZATION PROCEDURES FOR THE INTERNATIONAL EXPORT OF ELECTRICITY AND ELECTRIC POWER LINES CROSSING INTERNATIONAL BORDERS

STATEMENT OF ERA FUNCTION

The Economic Regulatory Administration (ERA), created by the Department of Energy (DOE) Organization Act, implements certain Federal laws in the field of international electricity exchanges. Pursuant to DOE Delegation Order 0204-4, the ERA exercises control over electricity exports by jurisdictional utilities and issues Presidential Permits required by Executive Order 10485, as amended by Executive Order 12038, for the construction, connection, operation, or maintenance of electrical energy transmission facilities between the United States and a foreign country.

INTRODUCTION

Purpose of Booklet

The ERA has prepared this guide to assist utilities and other entities in filing applications for; (1) Authorizations to export electricity and (2) Presidential Permits. The guide is not intended to be all inclusive; however, it will provide an applicant with the type of information required in the application, define lead times, and direct an applicant to the proper source documents for preparing a complete application.

Format of Booklet

The booklet is organized into two sections. The first part outlines the procedures for preparing an application for authorization to export electricity. The second part outlines the procedures for applying for a Presidential Permit to construct, connect, operate, or maintain electric transmission facilities at international boundaries. The complete regulations pertaining to these applications are found in 10 CFR Sections 205.300-205.309 and 205.320-205.327, respectively. These regulations and other sources of information which would be helpful in preparing applications are listed in the Appendix on page 11.

APPLICATION FOR AUTHORIZATION TO EXPORT ELECTRICITY

General Application Information

Who Must File

All electric utilities or other entities subject to Part II of the Federal Power Act must obtain an authorization from the ERA prior to exporting any electricity. Public utilities (Federal, State, or municipal) are not within the jurisdiction of Part II of the Federal Power Act and may export electricity without an authorization from ERA.

When Filing is Required

Applications for an authorization to export electricity must be filed in the following instances:

1. A new export of electricity is planned that has not been authorized by the ERA.
2. Modified amounts or types of exports are planned where the authorization currently granted by the ERA does not cover the new arrangement.
3. An authorization to export electricity is proposed to be transferred from one utility to another.

A change in the tariff arrangement under which electricity is exported does not require filing a new application provided the change does not increase the amount of electricity to be exported beyond the limits in the authorization or add a new category of service. Tariff changes however, must be filed with the ERA, the Canadian National Energy Board or Mexico Comision Federal de Electricidad (as appropriate) and the appropriate state regulatory agency prior to their taking effect. All other supplements, notices of succession in ownership or operation, notices of cancellation and certificates of concurrence also must be filed prior to the effective date of any change unless specific authorization is obtained for a different procedure.

When to File

Applications for electricity export authorization should be filed as promptly as possible and at least six months prior to the anticipated initiation of the proposed electricity export.

Filing Fee

The filing fee for an application for an Export Authorization is \$500.00.

The appropriate fee payment must accompany the application when it is submitted to the ERA. Payment must be by check, draft, or money order made payable to the Treasurer of the United States.

Number of Copies

The ERA filing must contain an original application signed and verified under oath by an officer of the applicant and two copies of the application including all required documents and exhibits. Copies of the applications and notifications of rate changes must also be furnished to the Federal Energy Regulatory Commission and all affected State public utility regulatory agencies.

Where to File

Applications should be submitted to the ERA at the following address:

Department of Energy
System Reliability and Emergency Response Branch
Office of Utility Systems
Economic Regulatory Administration
2000 M Street, N.W.
Washington, D.C. 20461

What to Submit

The following is a list of essential items that an application for authorization to export electricity must contain. (See 10 CFR sections 205.302-303)

General Information:

1. Legal name of the applicant and all partners.
2. Name, title, address and telephone number of a person whom the ERA may contact in regard to the application.
3. The state(s) or territory(ies) under the laws of which the applicant is organized or authorized to operate.
4. Name and address of any Federal, State or local government agency that also has authority over the proposed export and a description of this authority.

Technical Information:

1. A description of the transmission facilities to be used for delivering this electricity.
2. A technical discussion of the effects this export will have on the applicant's system reliability (including stability effects) and an explanation of why this will not impair the sufficiency of electric supply.

Exhibits:

1. Copy of contracts under which the electricity is to be transmitted.
2. If an applicant resides outside the United States, an irrevocable power of attorney designating an agent residing inside the United States.
3. A statement of any corporate relationship or contract which relates to controlling rates for the purchase, sale or transmission of electric energy.
4. Copy of a procedure by which the applicant will offer non-firm surplus capacity to economically accessible United States markets before delivery to a foreign purchaser. This procedure will not be required for the delivery of diversity or emergency power.
- *5. Proof that the export of electricity is within the corporate power of the applicant and that all pertinent Federal and State laws have been or will be complied with.
- *6. A general map of the applicant's overall system and a detailed map showing the location of the facilities to be used to generate and transmit the exported energy.

* These items are not required if the application requests authorization to export less than 1,000,000 kilowatt hours annually.

APPLICATION FOR PRESIDENTIAL PERMIT TO CONSTRUCT, CONNECT, OPERATE OR MAINTAIN ELECTRIC TRANSMISSION FACILITIES AT INTERNATIONAL BOUNDARIES

General Application Information

Who Must File

Any electric utility or other entity or person must obtain a Presidential Permit prior to constructing, operating or maintaining an electric transmission facility(ies) across an international boundary. This applies whether the facility(ies) will be used for import or export and regardless of the proposed voltage level.

When Filing is Required

Any electric utility or other entity must file an application for a Presidential Permit if:

1. A new electric power transmission facility crossing an international border is proposed.
2. An existing facility is proposed to be modified.
3. An existing properly permitted facility is proposed to change ownership.

When to File

When an applicant applies for a Presidential Permit, DOE will make an environmental determination of the impact of the line. If it is determined by the DOE that the facility could have a significant impact on the human environment, an Environmental Impact Statement (EIS) must be prepared. The overall processing time for an application including the preparation of an EIS could range from 18 to 24 months. This processing time could be reduced to about six months if no EIS or environmental assessment (EA) is necessary. Processing time for an application requiring an EA will range between the above cases.

It is suggested that applicants for Presidential Permits initiate any State or local application simultaneously with the Federal applications in order to coordinate the actions. The ERA staff will try to establish a joint and concurrent approval process with the State agencies.

Filing Fee

The fee for an application for a Presidential Permit is \$150.00

The appropriate fee payment must accompany the application when it is submitted to the ERA. Payment must be by check, draft or money order made payable to the Treasurer of the United States.

Number of Copies

The ERA filing must contain an original application signed and verified under oath by an officer of the applicant and two copies of the application including all required accompanying documents and exhibits. Copies of the applications must also be furnished to the Federal Energy Regulatory Commission and all affected State public utility regulatory agencies.

Where to File

Applications should be submitted to the ERA at the following address:

Department of Energy
System Reliability and Emergency Response Branch
Office of Utility Systems
Economic Regulatory Administration
2000 M Street, N.W.
Washington, D.C. 20461

What to Submit

The following is a list of essential items that an application for authorization to construct and operate electric transmission facilities at international boundaries must contain. (See 10 CFR Section 205.322)

General Information:

1. Legal name of applicant and all partners.
2. Name, title, address and telephone number of person whom the ERA may contact in regard to the application.
3. A statement of whether the applicant or its transmission lines are owned wholly or in part by any foreign government.
4. Proof that the construction, connection, operation or maintenance of the facility is within the corporate powers of the applicant and that the applicant has or will comply with all pertinent Federal and State laws.

Technical Information:

In addition to the information specified below, clarifying technical diagrams should be included as necessary.

1. For all facilities the following information is required:
 - a) number of circuits and whether they are overhead, underground or submarine.
 - b) operating voltage and frequency.
 - c) conductor size, type and number of conductors per phase.
2. For overhead transmission lines the following information is required:
 - a) wind and ice loading design parameters.
 - b) description and drawing of a typical supporting structure including strength specifications.
 - c) structure spacing with typical ruling and maximum spans.
 - d) conductor (phase) spacing.
 - e) designed line to ground and conductor side clearance.
3. For underground or submarine cables the following information is required:
 - a) burial depth.
 - b) type of cable and a description of any required supporting equipment (insulation medium pressurizing, forced cooling, etc.).
 - c) cathodic protection scheme.
4. A general map of the applicant's overall system and a detailed map showing the exact physical location of the facility on the international border. Proposed as well as existing facilities should be clearly distinguished.

Applications for facilities operating at 138 kV or higher must contain the following additional information:

1. Power transfer capability, both normal and short time emergency ratings.
2. System power flow plots for heavy summer and light spring load periods, with and without the proposed facility, for the year the line is scheduled for service and the fifth year thereafter.
3. Design features to minimize television and/or radio interference.
4. Description of the relay protection scheme.

Environmental Information:

1. Environmental impacts expected including any lists of the following that may be affected:
 - a) floodplains.
 - b) wetlands.
 - c) critical wildlife habitats.
 - d) navigable waterway crossings.
 - e) Indian lands.
 - f) historic sites.
2. List of any known historic places which may be eligible for the National Register of Historic Places.
3. Details regarding the minimum right-of-way width and the rationale for selecting it.
4. List of threatened or endangered wildlife or plant life which may be impacted by the proposed project.
5. Description of all reasonable alternatives to the proposed project and a discussion of their environmental impacts.

If an EIS is required the ERA will inform the applicant of the necessary information required to prepare the document. Rules governing the preparation of an EIS can be found in "Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act" by the Council on Environmental Quality, 40 CFR, Parts 1500-1508.

APPENDIX

Further Details

While not required, an informal meeting with the ERA staff may be helpful to a utility or other entity when considering filing an application. The ERA staff is available to answer questions, explain procedures and provide an approximate time schedule for processing the application. If such a meeting is desired, contact the ERA as described on page 11.

The public is given opportunities to comment on export authorization and Presidential Permit applications and on environmental impact statements prepared pursuant to such applications. If warranted, hearings also are held.

In the case of export authorization applications, after considering all available information, the ERA will deny, grant, or grant with conditions the authorization. There is no set term for the authorization, and it may be modified by the ERA as it finds necessary.

Upon careful review of the Presidential Permit application and after completion of the EIS, if it is required, the ERA will weigh the technical, environmental, and economic considerations and make a decision to issue a Permit, issue it with conditions or reject the application. The ERA also will request recommendations from the Secretaries of State and Defense. If a difference between Departments arises, the matter is referred to the President for a final decision as required by Executive Order 10485.

Documents Needed to Make Application

The following is a list of documents which an applicant will need in order to prepare a proper application.

1. Regulations on Application for Authorization to Transmit Electric Energy to a Foreign Country, 10 CFR Sections 205.300-205.309.
2. Regulations on Application for Presidential Permits Authorizing the Construction, Connection, Operation, and Maintenance of Facilities for Transmission of Electric Energy at International Boundaries, 10 CFR Sections 205.320-205.327.

The following is a list of documents that provide additional information on some of the applicable laws and regulations the ERA will follow in processing an application.

1. Federal Power Act, Part II, Section 202(e).
2. Executive Order No. 10485, Performance of Functions Respecting Electric Power and Natural Gas Facilities Located on United States Borders.
3. Executive Order No. 12038, Relating to Certain Functions Transferred to the Secretary of Energy by the Department of Energy Organization Act.
4. Administrative Procedures and Sanctions, 10 CFR Sections 205.4-205.11.
5. Compliance with the National Environmental Policy Act, 10 CFR Part 208.
6. Council on Environmental Quality, Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act, 40 CFR, Parts 1500-1508 (GPO No. 041-011-00042-4).
7. Executive Order No. 12144, Environmental Effects Abroad of Major Federal Actions.
8. Executive Order No. 11988, Floodplain Management.
9. Executive Order No. 11990, Protection of Wetlands.

These documents can be obtained by writing to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

For further information or assistance contact:

Chief, System Reliability and Emergency Response Branch
Office of Utility Systems
Economic Regulatory Administration
2000 M Street, N.W.
Washington, D.C. 20461

Telephone: (202) 653-3825

Violations

The requirements contained in 10 CFR Sections 205.300-205.309 and 205.320-205.327 must be adhered to by any party prior to constructing, connecting, operating or maintaining any facility for the transmission of electricity at any international border and by any entity subject to Part II

of the Federal Power Act prior to exporting any electricity to a foreign country. If these requirements are not met, a show cause order may be issued and any existing permits or authorizations may be revoked.

ERA Docket System

A docket number of the form PP-XX (where XX is a sequential number) will be assigned to an application for a Presidential Permit when filed with ERA. If approved, this docket number will become the Presidential Permit number for the life of the Permit. Revisions to the Permit will be noted by appending a -X to the Permit Number. (Example: PP-90-2 would indicate a second revision of the Permit originally issued as PP-90.)

An authorization to export electricity, when issued, will be associated with a facility having a valid Presidential Permit. This authorization will be identified by appending an alphabetic character to the Presidential Permit Number. (Example: PP-90A would indicate the first authorization approved for the facility identified by PP-90.) A new export authorization would be assigned the next letter. More than one export authorization can be in effect for a facility concurrently.