

EL PASO ELECTRIC COMPANY

ORDER No. EA-48-N

I. BACKGROUND

On April 16, 1992, in Docket EA-48-I, the Office of Fossil Energy (FE) of the Department of Energy (DOE) issued an electricity export authorization to El Paso Electric Company (EPE) pursuant to section 202(e) of the Federal Power Act (FPA) (16 U.S.C. §824a(e)). That Order authorized EPE to transmit electric energy to Comision Federal de Electricidad (CFE), the national electric utility of Mexico, at a maximum allowable rate of transmission of 200 megawatts (MW).

Due to an emergency on the CFE system, EPE filed a letter application on February 25, 1998, with FE requesting that EPE's electricity export authorization be amended to increase the allowable level of exports to Mexico from 200 MW to 220 MW. The emergency, due to fuel transportation and supply problems, prompted CFE to request an additional 20 MW of emergency assistance from EPE. The increased exports will be delivered to CFE over EPE's two existing 115-kV international transmission lines previously authorized by Presidential Permits PP-48 and PP-92.

Since EPE's current electricity export authorization (Order EA-48-I) permits a maximum transmission rate of 200 MW, EPE is seeking permission to exceed the previously authorized rate of export in order to comply with CFE's request for emergency assistance.

II. DISCUSSION and ANALYSIS

Previously, in Docket EA-48-J, and in response to a July 30, 1996, emergency on the CFE system, EPE performed power flow simulations that analyzed the EPE system under two scenarios where: (1) EPE provided CFE with 200 MW of a combination of firm and economy power; and (2) EPE provided CFE with the 200 MW described in the first scenario and an additional 35 MW of emergency assistance. These studies were prepared to support EPE's assertion that it could respond to CFE's 1996 emergency requirement of 235 MW without adversely impacting the reliability of the EPE system.

In its instant letter application, EPE asserts that the existing system conditions are substantially the same as those upon which the July 1996 power flow simulations were based and, consequently, responding to CFE's present request for emergency assistance would not adversely impact the reliability of the EPE system. EPE also has asserted that it has sufficient generating resources (including purchased power) to provide the requested emergency assistance. Therefore, based on this analysis and the technical analysis in Docket EA-48-J, this Order

authorizes EPE to export at a maximum rate of transmission of 235 MW in order to provide greater flexibility in meeting CFE's request for emergency assistance.

However, because of repeated requests by EPE to export at increased power levels to Mexico due to emergencies on the CFE system, FE requests EPE to file, prior to the 1998 peak load season, an application to amend its existing export authorization to permanently allow an increase in the rate of transmission or simply add a provision allowing an increased rate of transmission to cover future emergency situations.

III. FINDING and DECISION

The electric reliability impacts associated with this instant application are similar to those assessed by DOE in the temporary emergency authorization issued in Docket EA-48-J and DOE finds that it need not prepare further reliability documentation.

Similarly, DOE finds that it has adequately satisfied its responsibility under the National Environmental Policy Act of 1969 through adoption of the Finding of No Significant Impact dated April 15, 1992, and contained in FE Docket EA-48-I.

IV. ORDER

Based on the above discussion and findings, DOE grants EPE authorization to export electric energy to CFE on an emergency basis at a maximum rate of transmission of 235 MW. To better serve CFE, this authorization is effective until April 30, 1998, or until EPE is notified by CFE that an emergency no longer exists on the CFE system, whichever occurs first.

Within 15 working days following the end of this emergency on the CFE system, EPE shall submit a report to DOE providing the duration of the emergency and the peak rate of transmission during the emergency.

Issued in Washington, D.C., on February 25, 1997.

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UNITED STATES DEPARTMENT OF ENERGY

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

FE Docket No. EA-48-N

El Paso Electric Company

**Emergency Order
Authorizing Electricity Exports to Mexico**

Order No. EA-48-N

February 25, 1998