

EA-239-A
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US Department of Energy
US Department of Energy
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Electricity, Delivery and Energy Reliability
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May 12, 2009

Mr. Anthony Como
The Department of Energy
Office of Electricity Delivery and Energy Reliability
OE-20, Room 6H-034
1000 Independence Avenue, S.W.
Washington, DC 20585

Re: *Application to Voluntarily Transfer Boralex Fort Fairfield LP's Authority to Export Electric Energy to Boralex Ashland LP, Docket No. EA-239-A*

Dear Mr. Como:

Please find enclosed an original and fifteen (15) copies of the Application to Voluntarily Transfer Boralex Fort Fairfield LP's Authority to Export Electric Energy to Boralex Ashland LP. Pursuant to Section 205.309 of the Department of Energy's regulations, 10 C.F.R. § 205.309 (2008), a copy of this application was served on the following:

Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Administrative Director
Maine Public Utilities Commission
242 State Street
State House Station 18
Augusta, ME 04333-0018

**UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY**

Boralex Fort Fairfield LP

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Docket No. EA-~~239-A~~ 353

**APPLICATION TO VOLUNTARILY TRANSFER
BORALEX FORT FAIRFIELD LP'S AUTHORITY TO
EXPORT ELECTRIC ENERGY TO BORALEX ASHLAND LP**

Pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824a(e) (2006), Section 205.305(b) of the Department of Energy's ("DOE") regulations, 10 C.F.R. § 205.305(b) (2008), and Order No. EA-239,¹ which authorized Boralex Fort Fairfield LP ("Boralex Fort Fairfield"), formerly known as Aroostook Valley Electric Company,² to export electric energy from the United States to Canada, Boralex Fort Fairfield and its affiliate, Boralex Ashland LP ("Boralex Ashland"), hereby propose to voluntarily transfer Boralex Fort Fairfield's authority to export 31 MW of electric energy to Boralex Ashland. In addition to such transfer, Boralex Ashland requests that the DOE increase the amount of electric energy that it can export from 31 MW to 34 MW along the same transmission path.

In Order No. EA-239, the DOE granted Boralex Fort Fairfield authority to deliver 31 MW of electrical energy to the New England Power Pool ("NEPOOL") by transmitting the

¹ *Aroostook Valley Elec. Co.*, Order Authorizing Electricity Exports to Canada, Order No. EA-239 (June 29, 2001) ("Order No. EA-239").

² By letter dated February 22, 2002, Boralex Inc. informed the DOE of the name change from Aroostook Valley Electric Company to Boralex Fort Fairfield Inc. In 2006, Boralex Fort Fairfield was converted from a Maine corporation to a Delaware limited partnership pursuant to Section 17-217 of the Delaware Revised Uniform Limited Partnership Act and Section 954 of the Maine Business Corporation Act.

energy across the Maine Public Service Company's ("MPSC") transmission system into Canada, where the power is wheeled through the New Brunswick Power Corporation's ("NBPCo") transmission system, and transmitted back into the United States over the international electric transmission lines of Maine Electric Power Company, Inc. ("MEPCO") to NEPOOL.³ Boralex Fort Fairfield assigned the transmission rights described above to Boralex Ashland and Boralex Ashland began exporting the same amount of electric energy to Canada and back into the United States to NEPOOL using the same transmission path. Boralex Ashland has been relying on Boralex Fort Fairfield's export authorization and has not independently requested authorization to export electricity to Canada. However, Boralex Ashland now desires to increase its exports of electric energy from 31 MW to 34 MW using the same transmission path. Therefore, pursuant to 10 C.F.R. § 205.305(b) and ordering paragraph (H) of Order No. EA-239, Boralex Fort Fairfield and Boralex Ashland hereby propose to voluntarily transfer Boralex Fort Fairfield's authority to export 31 MW of electric energy to Boralex Ashland, and jointly file this request for export authorization of up to 34 MW of electric energy by Boralex Ashland.

I. CONTENTS OF APPLICATION

In accordance with 10 C.F.R. § 205.302, Boralex Ashland states the following:

A. Legal Name of Applicant

The legal name of the applicant is Boralex Ashland LP.

B. Legal Name of All Partners

Boralex Ashland is a Delaware limited partnership. The sole general partner of Boralex Ashland is Boralex Biomass GP LLC. The sole limited partner of Boralex Ashland is Boralex

³ Order No. EA-239 at 4.

Biomass Holdings LP. Boralex Biomass GP LLC and Boralex Biomass Holdings LP are both indirect subsidiaries of Boralex Inc.

C. Persons to Whom Correspondence Shall Be Addressed

All correspondence and communications regarding this application should be addressed to the following individuals:

Sylvain Aird
Vice President, Legal Affairs and
Corporate Secretary
Boralex Inc.
770 Sherbrooke Street West, Suite 160
Montreal, Quebec H3A 1G1
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D. State or Territory of Incorporation

Boralex Ashland is a limited partnership incorporated in Delaware with its principal place of business at 770 Sherbrooke Street West, Suite 160, Montreal, Quebec, H3A 1G1, Canada.

E. Government Agencies Having Jurisdiction

Pursuant to Section 202(e) of the FPA, the DOE has jurisdiction over the activity for which authorization is sought in this application. No other federal, state, or local government agency has jurisdiction over the activity to be conducted in accordance with the authorization received pursuant to this application except to the extent that Boralex Ashland must comply with the regulations of the Federal Energy Regulatory Commission ("FERC") in making wholesale sales of electric energy in the United States. FERC exercises regulatory authority under Part II of the FPA over the rates for the transmission and sale of electric energy at wholesale in the United States.

F. Description of Transmission Facilities

Boralex Ashland will export electric energy to Canada over the 69 kV and 138 kV interconnections between MPSC and NBPCo described in Presidential Permit Nos. 12 and 29. These are the same MPSC transmission facilities that the DOE approved for use by Boralex Fort Fairfield to export electric energy to Canada in Order No. EA-239.

G. Technical Discussion of the Proposed Export of Electricity

Boralex Ashland owns a generating facility in northern Maine that delivers electric output to NEPOOL. To accomplish delivery to NEPOOL, Boralex Ashland must transmit its electric output across the MPSC transmission system into Canada, where the power is wheeled through NBPCo's transmission system, and is transmitted back into the United States over the international electric transmission lines of MEPCO to NEPOOL. In this application, Boralex Ashland seeks the transfer of Boralex Fort Fairfield's authority to engage in the export of 31 MW of electric energy through Canada to NEPOOL. In addition, Boralex Ashland's output can reach 34 MW from time-to-time and, as a result, it requests the DOE's authorization to increase such exports through Canada to NEPOOL from 31 MW to 34 MW.

Before granting an export authorization, the DOE must find that the proposed export 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 jurisdictional facilities.⁴ The DOE concluded in Order No. EA-239 that Boralex Fort Fairfield's export of electricity over the same transmission path "would not impair the sufficiency of electric power supply within the United States and would not impede or tend to impede the coordination in the public interest of facilities

⁴ 16 U.S.C. § 824a(e).

within the meaning of section 202(e) of the FPA.”⁵ The DOE’s conclusion in Order No. EA-239 will not change as a result of the transfer of the export authorization from Boralex Fort Fairfield to Boralex Ashland or the increase in such export authorization of electric energy from 31 MW to 34 MW. No impairment in the sufficiency of electric supply within the United States will occur because Boralex Ashland is an independent generator that does not have a franchised service area or a native load obligation like a traditional local distribution utility. With no native load obligations, Boralex Ashland is free to sell its output on the open market domestically or as an export. Further, Boralex Ashland’s transmission of 34 MW of electric energy to NEPOOL will not impair the sufficiency of electric supply within the United States because the electric energy will only pass through Canada for delivery back into the United States.

Moreover, the transfer will not impede or tend to impede the coordination in the public interest of facilities subject to the DOE’s jurisdiction because Boralex Ashland will make all necessary commercial arrangements, satisfy all regulatory requirements, and obtain sufficient transmission capacity to implement any exports of electric energy. Boralex Ashland will obtain the necessary transmission access and schedule each transaction over the applicable transmission facilities with the Northern Maine Independent System Administrator, Inc. (“NMISA”), the New Brunswick System Operator (“NBSO”) and ISO New England, Inc. (“ISO-NE”) in compliance with good utility practice and the appropriate market rules.⁶ Boralex Ashland will use domestic transmission facilities for which open-access transmission tariffs have been approved by FERC. Boralex Ashland must also make reservations for transmission service in accordance with an Open-Access Same-Time Information System (“OASIS”) approved by FERC and must schedule

⁵ Order No. EA-239 at 2.

⁶ NMISA administers the transmission facilities owned by MPSC; NBSO administers the transmission facilities owned by NBPCo; and ISO-NE administers the transmission facilities owned by MEPCO.

delivery of the export with the appropriate Regional Transmission Organization (“RTO”), Independent System Operator (“ISO”) or balancing authority. The posting of transmission capacity on OASIS indicates that the transmission capacity is available. Further, it is the responsibility of the RTO, ISO or balancing authority to schedule the delivery of the export consistent with established operational reliability criteria. Previously, the DOE has determined that “the existing industry procedures for obtaining transmission capacity on the domestic transmission system provide adequate assurances that a particular export will not cause an operational reliability problem.”⁷

The DOE also has relied on traditional technical studies that were performed in support of electricity export authorizations issued to traditional local utilities located along the border. As previously stated, Boralex Ashland will use the same MPSC transmission facilities (Presidential Permit Nos. 12 and 29) that the DOE approved for use by Boralex Fort Fairfield to export electric energy to Canada in Order No. EA-239. For the transmission lines authorized by Presidential Permits Nos. 12 and 29, the DOE has relied upon such technical studies to authorize exports not to exceed a coincident, instantaneous transmission rate of 97.8 MW.⁸ Thus, the proposed increase by Boralex Ashland of exports from 31 MW to 34 MW across the same MPSC transmission facilities would not impair the operational reliability of the domestic electric transmission system.

H. Verification

The signed verification of Sylvain Aird, Vice President, Legal Affairs and Corporate Secretary of Boralex Inc., is attached to this application as Exhibit G.

⁷ *EPCOR Energy Marketing (US) Inc.*, Order Authorizing Electricity Exports to Canada, Order No. EA-260-C (Apr. 8, 2009).

⁸ *Id.* at 9.

II. REQUIRED EXHIBITS

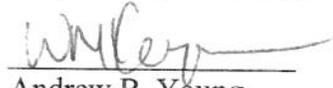
Pursuant to 10 C.F.R. § 205.303, Boralex Ashland provides the following exhibits in support of its request for authority to export electric energy to Canada.

- Exhibit A:** Agreement or Proposed Agreement Under Which Electricity Is to Be Transmitted
- Exhibit B:** Opinion of Counsel
- Exhibit C:** Map Showing Applicant's Electric System and Facilities Used for the Transmission and Generation of Electric Energy to Be Exported
- Exhibit D:** Power of Attorney for Applicants Residing Outside of the United States
- Exhibit E:** Existing Relationship or Existing Contracts Relating to Control or Fixing of Rates
- Exhibit F:** Operating Procedures Relating to Available Capacity and Energy
- Exhibit G:** Verification by Sylvain Aird, Vice President, Legal Affairs and Corporate Secretary of Boralex Inc.

III. CONCLUSION

For the reasons set forth above, Boralex Fort Fairfield and Boralex Ashland respectfully request that the DOE expeditiously consider and approve this request to voluntarily transfer from Boralex Fort Fairfield to Boralex Ashland the authority to export 31 MW of electric energy from the United States to Canada and this request by Boralex Ashland to export up to 34 MW of electric energy along the same transmission path.

Respectfully submitted,



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*Attorneys for Boralex Ashland LP and
Boralex Fort Fairfield LP*

Dated: May 12, 2009