



PERMIT EPE-177

IN THE MATTER OF sections 20 and 119.03 of the *National Energy Board Act* (the Act) and the Regulations made thereunder, and

IN THE MATTER OF an application by the Independent Electricity Market Operator (IMO or the Applicant) of Ontario for authorization to export electricity, filed with the National Energy Board (the Board) under File 6200-J027-1

BEFORE the Board on 5 July 2001.

WHEREAS in an application dated 15 December 2000 the IMO requested an authorization to export electricity for the purpose of providing emergency assistance to neighbouring jurisdictions in the United States of America;

AND WHEREAS the IMO is not in the business of selling energy and is not contemplating energy sales to the United States of America;

AND WHEREAS the IMO published a notice of its application in the Canada Gazette on 13 January 2001;

AND WHEREAS no submissions were received from interested parties regarding the application;

AND WHEREAS the Board is satisfied that the proposed exports will not cause any unacceptable effects on provinces other than those from which exports will occur;

AND WHEREAS the Board finds that the proposed exports will be generated by and transmitted over previously approved existing facilities which are subject to the relevant federal and provincial standards or guidelines for their operation;

AND WHEREAS the Board is satisfied that the parties interested in buying electricity for consumption in Canada will be given fair market access to any electricity proposed for export under this permit as appropriately conditioned;

AND WHEREAS the Board may pursuant to section 12 (b) of the Act, and in the public interest, issue directions to the Applicant to ensure compliance with the Act.

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THE BOARD HEREBY DIRECTS THAT:

- (a) The IMO shall obtain from any person in Canada seeking to wheel electricity over facilities over which the IMO has operational control, a copy of the export permit or licence issued by the Board to the exporter, prior to providing transmission facilities to facilitate the export, and
- (b) The IMO shall not provide the facilities or otherwise facilitate the export of electricity from Canada without first obtaining a copy of the exporter's permit or licence issued by the Board.

IT IS ORDERED THAT the IMO be and is hereby authorized to export emergency power and energy at points on the international boundary between Ontario and the United States of America, subject to the following terms and conditions:

1. The term of this permit shall commence on 10 July 2001 and shall end on 9 July 2006.
2. The class of transfer authorized hereunder shall be the sale transfer of emergency power and energy.
3. The power and energy to be exported hereunder may be transmitted over any of the international power lines located in Ontario, for which the Board has issued or will issue a Certificate of Public Convenience and Necessity, or a Permit.
4. The quantity of power that may be exported hereunder shall not exceed 4 000 MW.
5. The quantity of energy that may be exported hereunder shall not exceed 23 360 GW.h in any consecutive twelve-month period.
6. The IMO shall file copies of any agreements, and amendments, it enters into for the provision of emergency assistance, as described in its application, with the Board.
7. The IMO shall make available any of the agreements referred to in Condition 6, on request, to interested parties.
8. The IMO shall not export power and energy hereunder without first:
 - (i) informing those who have declared an interest in buying electricity for consumption in Canada of the quantities and classes available for sale; and

- (ii) giving an opportunity to purchase electricity on terms and conditions as favorable as the terms and conditions which apply to the proposed exports, to those who, within a reasonable time after being so informed, demonstrate an intention to buy electricity for consumption in Canada.

9. The IMO shall:

- (i) for exports of less than one month duration, subsequent to the commencement of an export, inform all accessible Canadian purchasers, upon request, of the terms and conditions under which a particular export was made, and upon request, file the terms and conditions with the Board.
- (ii) for exports of one month or more in duration, or a series of similar consecutive exports of less than one month in duration to the same customer which together exceed one month or more in duration, file with the Board, within fifteen consecutive days of execution, a copy of any specific contractual arrangements associated with an export and, upon request, serve a copy thereof on requesting accessible Canadian purchasers.

The IMO shall, within fifteen days after the end of each month during the term of this permit, pursuant to section 8 of the *National Energy Board Export and Import Reporting Regulations*, file with the Board a report in such form and detail as the Board may specify, setting forth for that month information pertaining to transactions under the permit.

NATIONAL ENERGY BOARD



Michel L. Mantha
Secretary