
United States
Department of Energy

Office of Electricity Delivery and Energy Reliability

MATL LLP

OE Docket No. PP-399



Presidential Permit
No. PP-369

January 30, 2015

PRESIDENTIAL PERMIT
MATL LLP
Order No. PP-399

I. BACKGROUND

The Office of Electricity Delivery and Energy Reliability (OE) of the Department of Energy (DOE) has responsibility for implementing Executive Order (EO) 10485, as amended by EO 12038, which requires the issuance of a Presidential permit for the construction, operation, maintenance, and connection of electric transmission facilities at the international borders of the United States.¹ DOE may issue such a permit if, after obtaining favorable recommendations from the Secretary of State and the Secretary of Defense, it determines that the issuance of the permit is in the public interest.

On November 17, 2008, the DOE authorized Montana Alberta Tie Ltd. to construct, operate, maintain and interconnect a single-circuit 230-kV electric transmission line originating at NorthWestern Energy's 230-kV Switchyard in Great Falls, Montana, and extending north approximately 130 miles to a point on the U.S.-Canada border north of Cut Bank, Montana.

On April 17, 2014, Montana Alberta Tie Ltd. (Montana Alberta Tie) and MATL LLP (MATL) jointly filed an application with DOE requesting, as an alternative to amending the existing Presidential permit, rescission of the amended Presidential Permit No. PP-305 issued to Montana Alberta Tie and a simultaneous issuance of a Presidential permit to MATL for the same international transmission facilities.

The rescission and reissuance is being requested for business reasons so that the transmission facilities can be jointly owned and operated by both Montana Alberta Tie and MATL. MATL, which is a U.S. entity organized under the laws of the state of Montana, will own and operate the transmission facilities on the U.S. side the border, and Montana Alberta Tie, which is a Canadian entity, will remain the owner and operator of the portion of the facilities in Canada.

Notice of the joint Montana Alberta Tie and MATL application was placed in the *Federal Register* on May 14, 2014 (79 FR 27586) requesting that comments, protests, or petitions to intervene be submitted to DOE by June 13, 2014. None was received.

¹ The authority to grant Presidential permits for electric transmission lines at the U.S. international border pursuant to EO 10485 was transferred from the Federal Power Commission to DOE by EO 12038, dated February 3, 1978, and made effective as of October 1, 1977, the effective date of the Department of Energy Organization Act (Public Law 95-91). The Secretary of Energy delegated the authority to administer the International Electricity Regulatory Program through the regulation of electricity exports and the issuance of Presidential permits to the Assistant Secretary for the Office of Electricity Delivery and Energy Reliability in Redelegation Order No. 00-006.05 issued on November 17, 2014.

II. DISCUSSION

The Department of State and the Department of Defense have concurred on the rescission and reissuance of the Presidential permit.

DOE has consistently expressed its expectation that owners of international transmission facilities provide access across the border in accordance with the principles of comparable open access and non-discrimination contained in the Federal Power Act and articulated in the Federal Energy Regulatory Commission's Order No. 888, *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities*.² MATL will continue to operate the permitted facilities in this fashion.

III. FINDING AND DECISION

DOE has determined that the rescission and reissuance of the Presidential permit, which reflects a change in ownership rather than a change to the existing facilities, is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement and, therefore, is eligible for categorical exclusion (CX) under Appendix B to Subpart D; paragraph B4.6 of the revised DOE Regulations implementing NEPA. Specifically, this CX is for the addition or modifications to electric power transmission facilities that would not affect the environment beyond the previously developed facility area. Documentation of the use of this CX has been placed in this Docket.

Based upon the above, DOE has determined that issuing Presidential Permit No. PP-399, and simultaneously rescinding Presidential Permit No. PP-305, as amended, is consistent with the public interest.

IV. DATA COLLECTION AND REPORTING

The responsibility for the data collection and reporting under Presidential permits authorizing electric transmission facilities at the U.S. international border and orders authorizing electricity exports to a foreign country has been transferred from OE to DOE's Energy Information Administration (EIA). MATL is required to submit Form EIA-111 "Quarterly Electricity Imports and Exports Report" as specified by EIA. MATL is instructed to follow EIA instructions in utilizing the Data xChange Community Portal.

² *Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, 61 Fed. Reg. 21,540 (May 10, 1996), FERC Stats. & Regs. ¶ 31,036 (1996), *order on reh'g*, Order No. 888-A, 62 Fed. Reg. 12,274 (Mar. 14, 1997), FERC Stats. & Regs. ¶ 31,048 (1997), *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000) (*TAPS v. FERC*), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002).

Questions regarding the data collection and reporting requirements can be directed to EIA by email at EIA4USA@eia.gov or by phone at 1-855-342-4872.

V. ORDER

Pursuant to the provisions of EO 10485, as amended by EO 12038, and the regulations issued thereunder (Title 10, Code of Federal Regulations, Part 205), permission is granted to MATL to construct, operate and maintain, and connect electric transmission facilities at the international border of the United States and Canada, as further described in Article 2 below, upon the following conditions:

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this Permit. This Permit may be modified or revoked by the President of the United States without notice, or by DOE after public notice, and may be amended by DOE after proper application thereto.

Article 2. The facilities covered by and subject to this Permit shall include the following facilities and all supporting structures within the right-of-way occupied by such facilities:

a single-circuit 230-kV electric transmission line originating at NorthWestern Energy's 230-kV Switchyard in Great Falls, Montana, and extending north approximately 130 miles to a point on the U.S.-Canada border north of Cut Bank, Montana, constructed in accordance with the route identified as the preferred alternative in the Final EIS (DOE/EIS-0399).

These facilities are more specifically shown and described in the application filed in this docket, as amended.

Article 3. The facilities described in Article 2 above shall be designed and operated in accordance with the applicable reliability criteria established by the Western Electricity Coordinating Council (WECC) and the regional balancing authority, and consistent with that of the North American Electric Reliability Corporation or their successors. The maximum non-simultaneous rate of transmission over the permitted facilities shall not exceed 300 MW northbound (from the United States to Canada) and 325 MW southbound (from Canada to the United States). Furthermore, MATL must mitigate potential overloads on the two autotransformers identified in the contingency analysis contained in the *System Impact Study* submitted to DOE in support of MATL's Presidential permit application, and operate its shunt capacitor facilities in such a way so as to avoid high voltages during all electric system operating conditions.

MATL shall implement the mitigation plan described in the WECC *Phase 2 Study Report* provided to DOE, including development and implementation of a remedial action scheme and related operating procedures and nomograms and all other operating requirements that may be prescribed by WECC and/or NorthWestern Energy.

Article 4. No change shall be made in the facilities covered by this Permit or in the authorized operation or connection of these facilities unless such change has been approved by DOE.

Article 5. MATL shall at all times maintain the facilities covered by this Permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 6. The operation and maintenance of the facilities covered by this Permit shall be subject to the inspection and approval of a properly designated representative of DOE, who shall be an authorized representative of the United States for such purposes. MATL shall allow officers or employees of the United States, with written authorization, free and unrestricted access into, through, and across any lands occupied by these facilities in the performance of their duties.

Article 7. MATL shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this Permit. MATL shall take appropriate action as necessary to mitigate such situations. Complaints from individuals residing within one-half mile of the centerline of the transmission line are the only ones which must be resolved. MATL shall maintain written records of all complaints received and of the corrective actions taken.

Article 8.

The United States shall not be responsible or liable for damages of any kind which may arise from or be incident to the exercise of the privileges granted herein. MATL shall hold the United States harmless from any and all such claims.

Article 9. MATL shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between the United States and Canada over the facilities authorized herein. MATL shall make and preserve full and complete records with respect to the electric energy transactions between the United States and Canada. MATL shall collect and submit the data to EIA as required by and in accordance with the procedures of Form EIA-111, "Quarterly Electricity Imports and Exports Report" or its successor form.

Article 10. Neither this Permit nor the facilities covered by this Permit, or any part thereof, shall be transferable or assignable, unless specifically authorized by DOE in accordance with Title 10, Code of Federal Regulations, Part 205.

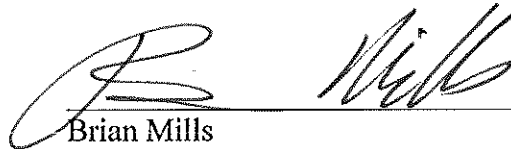
Article 11. Upon the termination, revocation or surrender of this Permit, the permitted facilities which are owned, operated, maintained, and connected by MATL and described in Article 2 of this Permit, shall be removed and the land restored to its original condition within such time as DOE may specify and at the expense of MATL. If MATL fails to remove such facilities and/or any portion thereof authorized by this Permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of

the land associated with the facilities at the expense of MATL. MATL shall have no claim for damages by reason of such possession, removal or repair. However, if certain facilities authorized herein are useful for other utility operations within the bounds of the United States, DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

Article 12. MATL has a continuing obligation to give DOE written notification as soon as practicable of any prospective or actual changes of a substantive nature in the circumstances upon which this Order was based, including but not limited to changes in authorized entity contact information.

Article 13. Presidential Permit No. PP-305, as amended, is hereby rescinded.

Issued in Washington, D.C., on January 30, 2015

A handwritten signature in black ink, appearing to read "Brian Mills", is written over a horizontal line. The signature is stylized and cursive.

Brian Mills
Director, Permitting and Siting
Office of Electricity Delivery and
Energy Reliability