Department of Energy
Washington, DC 20585

April 12, 2016

Ainsworth James
Director
Engineering & Construction
ReEnergy Holdings LLC
30 Century Hill Dr., Suite 101
Latham, NY 12110

RE: OE Docket No. EA-353, Boralex Ashland LP

Dear Mr. James:

On July 27, 2001, the U.S. Department of Energy (DOE) issued Order No. EA-239 to Aroostook Valley Electric Cooperative (Aroostook) authorizing electricity exports to Canada. On February 22, 2002, DOE was informed that Aroostook changed its name to Boralex Fort Fairfield Inc. On May 12, 2009, Boralex Fort Fairfield Inc and Boralex Ashland LP jointly applied to transfer the electricity export authorization issued to Aroostook in Order No. EA-239 to Borelax Ashland LP. On September 9, 2009, the DOE issued Order No. EA-353 granting Boralex Ashland LP an electricity export authorization pursuant to section 202(e) of the Federal Power Act (FPA). This authorization allows Boralex Ashland LP to export electricity over the U.S. border from its biomass-fueled generation facility in Fort Fairfield, ME.

On March 17, 2016, the National Electricity Delivery Division (NEDD) was informed by the Energy Information Administration (EIA) that ReEnergy Holdings (the current owners of Boralex) was not in compliance with the terms and conditions of Order No. EA-353. Specifically, EIA reported that ReEnergy Holdings has, on an ongoing basis, failed to furnish quarterly reports detailing: (1) the gross amount of electricity delivered; (2) the consideration received for such energy; and (3) the maximum hourly rate of transmission.

On April 4, 2016, a teleconference between DOE staff and representatives of ReEnergy was conducted in order to clarify and address issues relating to the status of the export authorization granted in Order No. EA-353. During the teleconference ReEnergy asserted that:

(1) although upstream ownership of the entity that owns Boralex Ashland LP has changed, Boralex Ashland LP's structure has remained legally unchanged independent of the company name change; and

(2) because ReEnergy is only wheeling power through Canada back into Maine that there are no exports since these are "net zero" transactions.

Please be advised that the DOE believes ReEnergy may be in breach of the terms and conditions specified in section 202(e) of the FPA and Order No. EA-353 and that additional information is required by the DOE in order to determine whether the existing export authorization is still valid

or if a new application for an export authorization will be required. Please provide documentation demonstrating that the transaction precipitating the transfer of ownership of Boralex Ashland LP to ReEnergy was only a name change without any associated changes in the structure of the company.

Additionally, DOE rejects ReEnergy's assertion that a wheeling transaction is exempt from the quarterly reporting requirements of Order No. EA-353 section V(G). The physical exchange of electricity is separate from any commercial arrangement that ReEnergy has made to sell power into the southern Maine market. Thus, any export of energy from the Fort Fairfield generation facility into Canada must be reported to the DOE. DOE directs ReEnergy to amend any and all quarterly reports to the DOE, in conformance with Form EIA-111, that do not reflect: (1) the gross amount of electricity delivered; (2) the consideration received for such energy; and (3) the maximum hourly rate of transmission.

A response to this letter must be filed with the DOE within 30 days of the date of this letter by providing the documentation regarding the corporate name change and amending all quarterly reports. We appreciate your cooperation in resolving this matter.

Sincerely,

Eli L. Massey
Director, Transmission Development
National Electricity Delivery Division
Office of Electricity Delivery and Energy Reliability

CC: Sylvain Aird
William M. Keyser