



DEPARTMENT OF ENERGY

[GDO Docket No. EA-509]

Application for Authorization to Export Electric Energy; Merelec USA LLC

AGENCY: Grid Deployment Office, Department of Energy.

ACTION: Notice of application.

SUMMARY: Merelec USA LLC (the Applicant or Merelec USA) has applied for authorization to transmit electric energy from the United States to Mexico pursuant to the Federal Power Act.

DATES: Comments, protests, or motions to intervene must be submitted on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Comments, protests, motions to intervene, or requests for more information should be addressed by electronic mail to *Electricity.Exports@hq.doe.gov*.

FOR FURTHER INFORMATION CONTACT: Janessa Zucchetto, (240) 474-8226, *Electricity.Exports@hq.doe.gov*.

SUPPLEMENTARY INFORMATION: The United States Department of Energy (DOE) regulates electricity exports from the United States to foreign countries in accordance with section 202(e) of the Federal Power Act (FPA) (16 U.S.C. 824a(e)) and regulations thereunder (10 CFR 205.300 *et seq.*). Sections 301(b) and 402(f) of the DOE Organization Act (42 U.S.C. 7151(b) and 7172(f)) transferred this regulatory authority, previously exercised by the now-defunct Federal Power Commission, to DOE.

Section 202(e) of the FPA provides that an entity which seeks to export electricity must obtain an order from DOE authorizing that export (16 U.S.C. 824a(e)). On April 10, 2023, the authority to issue such orders was delegated to the DOE's Grid Deployment Office (GDO) by Delegation Order No. S1-DEL-S3-2023 and Redellegation Order No. S3-DEL-GD1-2023.

On January 29, 2024, Merelec USA filed an application with DOE (Application or App.) to transmit electric energy from the United States to Mexico for a term of five-years. App. at 1.

According to the Application, Merelec USA is a limited liability corporation, validly existing and in good standing under the laws of the State of Texas. App. at Exhibit B. Merelec USA represents it is 95% owned by MECSA Holding LLC, and 5% owned by an individual, Geibi Menjivar. *Id.* at 3. Merelec USA further states “MECSA Holding LLC is wholly-owned by four individuals, each with a 25% ownership share: Gustavo Napoleón Chávez, Carolina Beatriz Chávez Díaz, Gustavo Enrique Chávez Díaz, and Carlos Guillermo Chávez Díaz.” *Id.*

According to the application, “Merelec USA is a power marketer authorized by the Federal Energy Regulatory Commission (“FERC”) to make sales of electric power at wholesale in interstate commerce at market-based rates.” *Id.* at 2. The Applicant further states it “will purchase the energy to be exported from wholesale generators, electric utilities, and federal power marketing agencies. The instant application relates to Merelec USA as a marketer of electric energy only.” *Id.* at 2-3.

The Applicant asserts it “does not own or control any transmission facilities and does not have a franchised service area” App. at 2. The Applicant represents that it “will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to carry out any electricity exports[,]” including: “(1) scheduling each transaction with the appropriate balancing authority area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation and the relevant Regional Entities (collectively, “NERC”) in effect at the time of export, and (2) obtaining all necessary transmission access over approved export facilities.” *Id.* at 3. Merelec USA notes it will purchase the electricity that it may export, on either a firm or an interruptible basis, from wholesale generators, electric utilities, federal power marketing agencies, and affiliates through negotiated agreements that have been voluntarily executed by the selling parties after considering their own need for any such electricity. *Id.* at 2-3. For these reasons, the Applicant asserts that “proposed electricity exports will not impair or tend to impede the sufficiency of electric power supplies in the United States or the regional coordination of electric utility planning or operations.” *Id.* at 3.

The existing international transmission facilities to be utilized by the Applicant have been previously authorized by Presidential permits issued pursuant to Executive Order 10485, as amended, and are appropriate for open access transmission by third parties. *See App.* at Exhibit C.

Procedural Matters: Any person desiring to be heard in this proceeding should file a comment or protest to the Application at *Electricity.Exports@hq.doe.gov*. Protests should be filed in accordance with Rule 211 of Federal Energy Regulatory Commission's (FERC's) Rules of Practice and Procedure (18 CFR 385.211). Any person desiring to become a party to this proceeding should file a motion to intervene at *Electricity.Exports@hq.doe.gov* in accordance with FERC Rule 214 (18 CFR 385.214).

Comments and other filings concerning Merelec USA's Application should be clearly marked with GDO Docket No. EA-509. Additional copies are to be provided directly to Gustavo Enrique Chávez Díaz, Merelec USA LLC, 3000 Wilcrest Drive, Houston, TX 77042, *gechavez@grupomerelec.com*, and Frederick G. Jauss IV, Husch Blackwell LLP, 1801 Pennsylvania Avenue, NW, Suite 1000, Washington, DC 20006-3606, *fred.jauss@huschblackwell.com*.

A final decision will be made on the requested authorization after the environmental impacts have been evaluated pursuant to DOE's National Environmental Policy Act Implementing Procedures (10 CFR part 1021) and after DOE evaluates whether the proposed action will have an adverse impact on the sufficiency of supply or reliability of the United States electric power supply system.

Copies of this Application will be made available, upon request, by accessing the program website at <https://www.energy.gov/gdo/pending-applications-0> or by emailing *Electricity.Exports@hq.doe.gov*.

Signing Authority: This document of the Department of Energy was signed on May 9, 2024, by Maria Robinson, Director, Grid Deployment Office, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE.

For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC on May 9, 2024.

Treena V. Garrett,

Federal Register Liaison Officer,

U.S. Department of Energy.

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