

Control Number: 50415



Item Number: 5

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353 N. Clark Street 30th Floor Chicago, IL 60654 U.S.A. www.rwe.com



May 7, 2020

Public Utilities Commission of Texas 1701 N. Congress Avenue, P.O. Box 13326 Austin, TX 78711

RE: Additional Information in PGC Control No. 50415: Cranell Wind Farm, LLC

To Whom it May Concern:

In control number 50415 Cranell Wind Farm, LLC, which is owned by RWE Renewables Americas, LLC ("RWERA"), submitted a Power Generation Company (PGC) application which was approved by the PUCT on February 4, 2020.

We have recently noticed that the facility's Exempt Wholesale Generator (EWG) certification at the Federal Energy Regulatory Commission (FERC), which is included with each new PGC application, is not visible in the PUCT Interchange System. The EWG attachment was either not in the mailed hard-copy filing or was not scanned into the docketing system.

Therefore, we are submitting here a courtesy copy of the EWG certification so that it is publicly visible in Cranell Wind Farm's PUCT docket as well as at FERC. This does not require any action from the Commission. Thank you.

Sincerely,

/s/ Paul Varnado Paul Varnado Assistant General Counsel

UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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NOTICE OF SELF-CERTIFICATION OF EXEMPT WHOLESALE GENERATOR STATUS

Pursuant to Section 366.7(a) of the Federal Energy Regulatory Commission's ("Commission") regulations, implementing the Public Utility Holding Company Act of 2005 ("PUHCA 2005"), Cranell Wind Farm, LLC ("Cranell Wind") hereby submits this notice of self-certification of its status as an exempt wholesale generator ("EWG") as defined in Section 366.1 of the Commission's regulations.

I. COMMUNICATIONS

All correspondence and communications regarding this notice should be sent to the following persons who are authorized to receive service:

Paul Varnado RWE Renewables Americas, LLC 353 N. Clark Street, 30th Floor Chicago, IL 60654 (312) 358-9873 paul.varnado@rwe.com

Alison Gardner RWE Renewables Americas, LLC 701 Brazos St., Suite 1400 Austin, TX 78701 (512) 482-4009 Alison.gardner@rwe.com

¹ 18 C.F.R. § 366.7(a) (2018).

² Enacted pursuant to the Energy Policy Act of 2005, §§ 1261-77, Pub. L. No. 109-58, 119 Stat. 594, 972-78 (2005).

³ 18 C.F.R. § 366.1.

II. DESCRIPTION OF CRANELL WIND

Cranell Wind is a Delaware limited liability company and indirect, wholly-owned subsidiary of RWE Renewables Americas, LLC ("RWERA"), f/k/a E.ON Climate & Renewables North America, LLC, which is an exempt holding company in the business of developing or acquiring, through subsidiaries, electric generation facilities in the United States. RWERA is an indirect, wholly-owned subsidiary of RWE AG, a German company.

Cranell Wind is constructing and will own and operate a wind-powered electric generation facility of approximately 220 MW located in Refugio County, Texas (the "Cranell Facility"). The Cranell Facility is expected to commence commercial operations in April 2020 and will be comprised of wind turbine generators and associated facilities and equipment necessary for the generation of power at wholesale. The Facility will include Interconnection Customer Interconnection Facilities ("ICIF") necessary to effectuate Cranell Wind's wholesale power sales. Cranell Wind will own and operate ICIF consisting of radial electric generator tie lines, step-up transformers, substations and related equipment to the point of interconnection. The Cranell Facility will be interconnected with the transmission system owned by AEP Texas Inc. and operated by the Electric Reliability Council of Texas ("ERCOT").

III. REPRESENTATIONS REGARDING EWG STATUS

The Commission has consistently granted EWG status to entities that were formed to own and/or operate all or part of one or more Eligible Facilities.⁴ Consistent with Section 366.1 of the

⁴ Section 366.1 of the Commission's regulations adopts by reference Section 32(a)(2) of the Public Utility Holding Company Act of 1935 (as amended, "PUHCA 1935"), 15 U.S.C. § 79a-5a(a)(2), which defines the term eligible wholesale facilities. The term "Eligible Facilities" as used herein has the meaning ascribed to it in Section 32(a)(2) of PUHCA 1935.

Commission's regulations, Cranell Wind makes the following representations in order to certify that it satisfies the requirements for EWG status:

- 1. Cranell Wind will be engaged directly, or indirectly through one or more affiliates as described in Section 366.1 of the Commission's regulations, and exclusively in the business of owning and/or operating the Cranell Facility, which is an Eligible Facility, because it will be used for the generation of electric energy exclusively for sale at wholesale.
- 2. The Cranell Facility will be interconnected with the transmission facilities of xxx and does not include any transmission or distribution facilities other than the limited ICIF (described in Section II) necessary to effectuate the Cranell Facility's wholesale power sales.
 - 3. Cranell Wind will not make any sales of power at retail.
- 4. No rate or charge for, or in connection with, the construction of the Cranell Facility, or for electric energy produced by the Cranell Facility, was in effect under the laws of any State on October 24, 1992. As such, no determination or certification by a state commission is necessary prior to certification of the Cranell Facility as an EWG.
- 5. No portion of the Cranell Facility will be owned or operated by an "electric utility company" that is an "affiliate" or "associate company" of Cranell Wind that is not itself an EWG, as defined in Section 366.1 of the Commission's regulations.
- 6. There are no leasing arrangements involving the Cranell Facility and any public utility company or any affiliate or associate company of any public utility company.

IV. OTHER POTENTIAL INCIDENTAL ACTIVITIES

Cranell Wind may engage in activities incidental to its wholesale sale of electric generation from an Eligible Facility, which do not violate the EWG exclusivity requirement under Commission precedent, including some or all of the following:

- Sell ancillary services from the Cranell Facility which are incidental to, and by-products of, the Cranell Facility's operations as a wholesale power generator;⁵
- Reassign excess transmission capacity consistent with the Commission's requirement that such reassignment of excess transmission capacity be limited to transmission capacity Cranell Wind originally obtained for the purpose of affecting a specific wholesale sale of electric energy;⁶
- Purchase and sell congestion revenue rights that Cranell Wind needs for the Cranell Facility's wholesale power sales;⁷
- Trade emission allowances consistent with the Commission's limitation that an EWG may engage in such trading so long as the emission allowances were originally obtained in the normal course of operating the Cranell Facility; 8
- Sell "green" power certificates or renewable energy credits consistent with the Commission's limitation that an EWG may sell such certificates or credits where they are associated with power produced by the Facility;⁹
- Lease or rent property to third parties, but to the extent a lease arrangement is not reasonably related to Cranell Wind's generation business and a rental fee is received above a nominal amount, Cranell Wind will, consistent with EWG precedent, donate or transfer such rental revenues to a non-affiliated entity; 10
- Engage in project development activities associated with the Cranell Facility. Such project development activities may include: due diligence; site investigations; feasibility studies; preliminary design and engineering; licensing and permitting; negotiation of asset and land acquisitions; negotiation of contractual commitments with lenders, equity investors, governmental authorities and other project participants and such other activities as may be necessary to financially close on eligible facilities; negotiation of power sales

⁵ The Commission has recognized that the sale of the following ancillary services are consistent with EWG status: reactive power and voltage support, regulation and frequency response services, load following, energy balancing services, spinning and supplemental reserves, and blackstart capability, and other ancillary services consistent with the Commission's rules or as otherwise permitted by the Commission. See, e.g., Duke Energy Oakland, LLC, 83 FERC ¶ 61,304 (1998); Sithe Framingham, LLC, 83 FERC ¶ 61,106 (1998).

⁶ See CNG Power Services Corp., 71 FERC ¶ 61,026 at 61,103-04 (1995).

⁷ See Duquesne Power, LP, 106 FERC ¶ 61,104 (2004).

⁸ See UGI Development Co., 89 FERC ¶ 61,192 (1999).

⁹ See Madison Windpower, LLC, 93 FERC ¶ 61,270 (2000).

 $^{^{10}}$ See, e.g., Duke Energy Hot Spring, LLC, 98 FERC ¶ 61,287 (2002); PSEG Fossil, LLC, et al., 95 FERC ¶ 61,405 (2001).

contracts; equipment purchases; fuel supply: engineering, construction, interconnection, and related matters; preparation and submission of bid proposals; and development of financing programs related to owning or operating the Cranell Facility and/or additional electric generation facilities that satisfy the criteria for EWG status;¹¹

Pursuant to Section 366.7(a) of the Commission's regulations, ¹² a copy of this Notice of Self-Certification of Exempt Wholesale Generator Status is being concurrently served upon the Public Utility Commission of Texas.

IV. CONCLUSION

For the reasons set forth in this notice of self-certification, Cranell Wind satisfies the Commission's requirements for EWG status.

Respectfully submitted,

/s/ Paul Varnado

Paul Varnado Counsel for RWE Renewables Americas, LLC

¹¹ See, e.g., Empresa Valley Hermosa, S.A., 72 FERC ¶ 61,306 (1995). Cranell Wind will, to the extent required by the Commission, file a new notification of EWG status if it acquires ownership and/or operating interests in any additional Eligible Facilities or EWGs not described herein.

¹² 18 C.F.R. § 366.7(a).

UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

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NOTICE OF SELF-CERTIFICATION OF EXEMPT WHOLESALE GENERATOR STATUS

(_____, 2020)

Take notice that on January 3, 2020, Cranell Wind Farm, LLC ("Applicant") filed a Notice of Self-Certification demonstrating that the Applicant is an exempt wholesale generator within the meaning of section 366.1 of the Commission's regulations.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. §§ 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate, pursuant to 18 C.F.R. § 385.214. Anyone filing an intervention or protest must serve a copy of that document on the Applicant. Anyone filing an intervention or protest on or before the intervention or protest date need not serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the "eFiling" link at http://www.ferc.gov. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission. 888 First Street, N.E., Washington, D.C. 20426.

This filing is accessible on-line at http://www.ferc.gov, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, D.C. There is an "eSubscription" link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Kimberly D. Bose Secretary

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Notice of Self-Certification of Exempt Wholesale Generator Status was served this 3rd day of January 2020, by first-class mail, postage prepaid, upon the Public Utility Commission of Texas.

/s/ Paul Varnado

Paul Varnado Counsel for RWE Renewables Americas, LLC