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OFFICIAL COPY

April 24, 2019

BY US MAIL

North Carolina Utilities Commission 430 North Salisbury Street Dobbs Building 5th Floor Raleigh, NC 27603-5918 FILED APR 3 0 2019

Clerk's Office N.C. Utilities Commission

Dear Sir or Madam:

As required under 18 C.F.R. §366.7(a) of the Federal Energy Regulatory Commission's ("FERC") regulations, enclosed is a copy of the Notice of Self-Certification of Exempt Wholesale Generator status that Wilkinson Solar LLC filed (on the same date of this letter) with the FERC pursuant to FERC's rules under the Public Utility Holding Company Act of 2005.

Sincerely,

Laura V. Szabo

Counsel for Wilkinson Solar LLC

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UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Wilkinson Solar LLC)	Docket No. EG19	000

NOTICE OF SELF-CERTIFICATION OF EXEMPT WHOLESALE GENERATOR STATUS

Pursuant to Section 366.7(a) of the Federal Energy Regulatory Commission's (the "Commission") rules¹ implementing the Public Utility Holding Company Act of 2005 ("PUHCA 2005"), enacted by the Energy Policy Act of 2005 §§ 1261 et seq.,² Wilkinson Solar LLC ("Wilkinson") hereby submits this notice of self-certification that it is an exempt wholesale generator ("EWG") as defined in Section 366.1 of the Commission's rules.³

I. CORRESPONDENCE AND COMMUNICATIONS

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

Laura V. Szabo Crowell & Moring LLP 590 Madison Ave. 20th Floor New York, NY 10022-2524 Phone: (212) 895-4271 Lszabo@crowell.com

¹ 18 C.F.R. § 366.7(a).

² Pub. L. No. 109-58, 119 Stat. 594 (2005).

³ 18 C.F.R. § 366.1.

II. DESCRIPTION OF WILKINSON

A. Wilkinson's Ownership Structure

Wilkinson is an indirect subsidiary of Invenergy Renewables LLC ("Invenergy"), which is in the business of developing or acquiring, through subsidiaries, electric generation facilities and related interconnection facilities.⁴

B. Wilkinson's Existing and Potential Proposed Activities

1. Wilkinson Project and Power Sales

Wilkinson is constructing and will own and operate an approximately 74 MW solar generation project that will be located in Beaufort County, North Carolina (the "Wilkinson Project"). Wilkinson will sell electric energy, capacity and/or ancillary services exclusively at wholesale.⁵ The Wilkinson Project is estimated to begin test power operations in the future.

The Wilkinson Project will include limited electric interconnection facilities necessary to effectuate wholesale power sales from the Wilkinson Project.⁶ The Wilkinson Project be interconnected to transmission facilities owned by Virginia Electric and Power Company.

⁴ While Wilkinson is an indirect subsidiary of Invenergy at the time of the filing of this notice, in the future, Wilkinson's upstream ownership may change.

⁵ Such sales will be made to third-parties through bilateral agreements or through a power exchange. The Commission has determined that sales through a power exchange are considered wholesale sales for EWG purposes. See Southern California Edison Co., 80 FERC ¶ 61,262 (1997). Wilkinson may also purchase power and resell it at wholesale to third parties. An EWG is permitted to resell at wholesale power that it has not generated. See CNG Power Services Corp., 71 FERC ¶ 61,378 (1995).

⁶ Wilkinson may occasionally obtain from third-parties back-up power that Wilkinson may need for station power to operate its Wilkinson Project when Wilkinson is not self-supplying its station power load. Such back-up or station power would be delivered to the Wilkinson Project over the interconnection facilities in which Wilkinson will own interests. EWGs may use their interconnection facilities to transmit back-up power to their generation facilities. See Zond Systems, Inc., 81 FERC ¶61,001 (1997).

2. Wilkinson's Other Potential Incidental Activities

In connection with developing, owning and operating the Wilkinson Project, Wilkinson may also engage in the following incidental activities that the Commission has found to be permissible EWG activities:

- sell ancillary services available from the Wilkinson Project which are incidental to, and by-products of, the Wilkinson Project's operations as a wholesale power generator;⁷
- reassign excess transmission capacity consistent with the Commission's requirement that such reassignment of excess transmission capacity be limited to transmission capacity Wilkinson originally obtained for the purpose of affecting a specific wholesale sale of electric energy;⁸
- purchase and sell congestion revenue rights that Wilkinson needs for the Wilkinson Project's power sale operations;⁹
- resell excess fuel supplies or assign its excess fuel transportation capacity provided that such sales be made only if such fuel supplies or transportation were originally contracted by Wilkinson to operate the Wilkinson Project;¹⁰
- trade emission allowances consistent with the Commission's limitation that an EWG may only engage in such trading so long as the emission allowances were originally obtained in the normal course of operating the Wilkinson Project;¹¹
- sell "green" power certificates or 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 Wilkinson Project;¹²
- lease or rent property to third parties but to the extent a lease arrangement is not reasonably necessary to Wilkinson's wholesale power business and a rental fee is

⁷ The ancillary services that Wilkinson may sell would include reactive power and voltage support, regulation and frequency response services, load following, energy balancing services, spinning and supplemental reserves, blackstart capability, and/or any 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).

⁸ See CNG Power Services Corp., 71 FERC ¶ 61,026, at 61,103-04 (1995).

⁹ See Duquesne Power, LP, 106 FERC ¶ 61,104 (2004).

¹⁰ See Selkirk Cogen Partners, L.P., 69 FERC ¶ 61,037, 61,168-69 (1994).

¹¹ See UGI Development Co., 89 FERC ¶ 61,192 (1999).

¹² See Madison Windpower, LLC, 93 FERC ¶ 61,270 (2000).

- received above a nominal amount, Wilkinson will, consistent with EWG precedent, donate or transfer such rental revenues to a non-affiliated entity;¹³
- engage in project development activities associated with the Wilkinson Project. Such project development activities may include, but are not necessarily limited to, the following activities: 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 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 Wilkinson Project and/or additional electric generation facilities that satisfy the criteria for EWG status;¹⁴ and
- engage in other activities incidental to the sale of electric energy at wholesale that are consistent with the Commission's EWG precedent.

III. WILKINSON REPRESENTATIONS REGARDING EXEMPT WHOLESALE GENERATOR STATUS

Wilkinson makes the following representations in order to demonstrate that it meets the Commission's definition of an EWG under Section 366.1 of the Commission's regulations.

A. Wilkinson will be engaged directly and exclusively in the business of owning or operating, or both owning and operating, all or part of one or more Eligible Facilities¹⁵ and selling electric energy at wholesale. The Wilkinson Project, including the interconnection facilities described in Section II.B.1 above, satisfy the definition of Eligible Facilities because they will be used for the generation of electric energy exclusively for sale at wholesale.

Consistent with the Commission's EWG precedent, the activities described in Section II.B. 2

¹³ See, e.g., Duke Energy Hot Spring, LLC, 98 FERC ¶61,287 (2002); PSEG Fossil, LLC, et al., 95 FERC ¶61,405 (2001).

¹⁴ See, e.g., Empresa Valley Hermoso, S.A., 72 FERC ¶ 61,306 at 62,288 (1995). Wilkinson 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 not described herein or EWGs.

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

above that Wilkinson may engage in will be incidental to the wholesale generation business and will not violate the EWG exclusivity requirement.

- B. Wilkinson will not make any foreign sales of power at retail.
- C. Wilkinson will only own or control interconnection facilities that will be necessary to effectuate the Wilkinson Project's wholesale power sales.
- D. No rate or charge for, or in connection with, the construction of the Wilkinson Project or for electric energy produced by the Wilkinson Project was in effect under the laws of any state as of October 24, 1992. Accordingly, no state commission determinations pursuant to Section 32(c) of the Public Utility Holding Company Act of 1935 are required.
- E. Except for other EWGs, no portion of the Wilkinson Project will be owned or operated by an Electric Utility Company that is an Affiliate or Associate Company¹⁶ of Wilkinson.¹⁷

In accordance with Section 366.7(a) of the Commission's regulations, ¹⁸ a copy of this notice of self-certification was concurrently served upon the North Carolina Utilities

Commission.

¹⁶ The terms "Electric Utility Company," "Affiliate" and "Associate Company" have the meanings ascribed to them in Section 366.1 of the Commission's regulations.

¹⁷ See Buffalo Gap 2, supra, at P 13 (interpreting Section 32(d)(1) of PUHCA 1935, incorporated into the definition of "exempt wholesale generator" in Section 366.1 of the Commission's regulations, "as not precluding co-ownership (or joint operation) by affiliated EWGs".)

^{18 18} C.F.R. §366.7(a).

IV. CONCLUSION

For the reasons set forth in this notice of self-certification, Wilkinson satisfies the requirements for EWG status.

Dated: April <u>24</u>, 2019

Respectfully submitted,

Name: Michael Kaplan
Title: Vice President of Wilkinson Solar LLC

CERTIFICATE OF SERVICE

I hereby certify that Wilkinson Solar LLC's foregoing Notice of Self-Certification of Exempt Wholesale Generator Status was served this 21 day of April, 2019, by first-class mail, postage prepaid, upon the following:

North Carolina Utilities Commission 430 North Salisbury Street Dobbs Building 5th Floor Raleigh, NC 27603-5918

Laura V. Szabo