

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

Desert Stateline LLC

)

Docket No. EG15-_____

**NOTICE OF SELF-CERTIFICATION OF
EXEMPT WHOLESALE GENERATOR STATUS**

Pursuant to section 1266 of the Public Utility Holding Company Act of 2005 (“PUHCA 2005”)¹ and section 366.7 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), as promulgated in the Commission’s Order No. 667-A, 115 FERC ¶ 61,096 (2006), Desert Stateline LLC (“Stateline” or “Applicant”) hereby submits this notice of self-certification as an exempt wholesale generator (“EWG”), as defined in section 366.1 of the Commission’s regulations. 18 C.F.R. § 366.1.

**I.
COMMUNICATIONS**

All service and correspondence concerning this Application should be sent to:

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¹ Pub. L. No. 109-58, 119 Stat. 594, § 1266 (August 8, 2005).

II. DESCRIPTION OF CAMPO VERDE

A. Stateline's Ownership Structure

Stateline is a Delaware limited liability company engaged exclusively in the business of owning, operating and supplying at wholesale capacity, energy and ancillary services from a 300 MW alternating current solar power plant in eastern San Bernardino County, California, approximately two miles from the California-Nevada border (the "Facility"). Stateline's principal place of business located in Atlanta, Georgia. Stateline is a subsidiary of Southern Renewable Partnerships, LLC ("SRP"), which owns 100 percent of the Class A Membership Interests, which interests grant managerial and operational control over Stateline and the Facility. The balance of ownership interest in Stateline are passive in nature (granting only limited consent rights substantially similar to those of the passive tax equity investors in *AES Creative Resources, L.P.*, 129 FERC ¶ 61,239, P 26 (2009)) and are held by unaffiliated investors as Class B Membership Interests. SRP is a wholly-owned subsidiary of Southern Power Company, a wholly owned subsidiary of Southern Company, a public utility holding company subject to the Commission's regulations.

B. Stateline's Activities

Stateline's sole and exclusive purpose is to own and operate the Facility (including appurtenant generation interconnection facilities) and engage in the sale of capacity, energy and ancillary services exclusively at wholesale. The Facility, which is now under construction, will interconnect to the Southern California Edison service area and delivery energy to the 220 kV Ivanpah Substation in the balancing authority area of

the California Independent System Operator Corporation (“CAISO”) via its 2.7 mile generator owned interconnection line. Stateline does not own or control transmission facilities beyond its interest in the referenced generator-owned interconnection tie line and associated interconnection facilities.

All of the Facility’s output is contractually committed to Southern California Edison for a period of 20 years pursuant to a long-term, firm power purchase agreement (the “PPA”). Stateline has pending an application under Section 205 of the Federal Power Act for market-based rate tariff authority. *See Desert Stateline LLC*, Docket No. ER15-2593-001 (filed September 2, 2015 (accession 20150902-5182))

In connection with operating the Facility and selling the full output to Southern California Edison or other wholesale customers, Stateline may engage in the following incidental activities that the Commission has found permissible EWG activities:

- Obtain, acquire, and trade emission allowances consistent with the Commission’s limitation that an EWG only may engage in such trading if the emission allowances originally were obtained in the normal course of operating the Facility;²
- 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 Facility;³ and
- Engage in other activities incidental to the sale of electric energy at wholesale that are consistent with the Commission’s EWG precedent.

² *See UGI Development Co.*, 89 FERC ¶ 61,192 (1999).

³ *See, e.g., Madison Windpower, LLC*, 93 FERC ¶ 61,270 (2000).

III.
REPRESENTATIONS REGARDING
EXEMPT WHOLESALE GENERATOR STATUS

Stateline 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 for its energy sales from the Facility.

A. Stateline is engaged directly and exclusively in the business of owning and operating the Facility and selling electricity at wholesale. Consistent with the Commission's EWG precedent, the associated activities described in Part II above are incidental to the wholesale generation business and will not violate the EWG exclusivity requirement. The Facility, as described above, will satisfy the definition of Eligible Facilities as defined in Section 32(a)(2) of the Public Utility Holding Company Act of 1935 and as incorporated by reference in 18 C.F.R. § 366.1, because it will be used for the generation of electric energy exclusively for sale at wholesale.

B. The Facility includes no transmission or distribution facilities other than those interconnecting transmission facilities necessary to permit the Facility to engage in sales at wholesale.

C. Stateline does not make sales of power at retail.

D. No rate or charge for, or in connection with, the construction of the Facility, or for any electric energy produced thereby, was in effect under the laws of any state on October 24, 1992. As such, no determination of certification by any state commission is necessary prior to acceptance of this self-certification as an EWG.

D. No portion of the Facility will be owned or operated by an electric utility company that is an affiliate or associate company of Stateline, as those terms are defined in Section 366.1 of the Commission's regulations.

E. There are no lease arrangements involving the Facility and any public utility company or any affiliate or associate company of any public utility company.

In accordance with Section 366.7(a) of the Commission's regulations, a copy of this notice of self-certification is being concurrently served upon the Public Utilities Commission of California.

III. CONCLUSION

Based on the facts, representations, and statements set forth herein, Desert Stateline hereby requests that the Commission accept this self-certification of EWG status.

Respectfully Submitted,

/s/ Lyle D. Larson

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Counsel for Desert Stateline, LLC

Dated: September 24, 2015

CERTIFICATE OF SERVICE

I, Lyle D. Larson, hereby certify that I have this day caused the foregoing Notice of Self-Certification of Exempt Wholesale Generator Status of Desert Stateline LLC to be served by first-class mail upon the State of California Public Utilities Commission.

Dated at Birmingham, Alabama, this 24th day of September, 2015.

/s/ Lyle D. Larson
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Document Content(s)

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