

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Mountain View Solar, LLC
Docket No. ER14-21-001

November 27, 2013

Mr. Joel D. Newton
Senior Attorney
NextEra Energy Resources, LLC
801 Pennsylvania Avenue, N.W., Suite 220
Washington, D.C. 20004

Reference: Market-Based Rate Authorization

Dear Mr. Newton:

On October 3, 2013, as amended on October 23, 2013, you filed on behalf of Mountain View Solar, LLC (Mountain View Solar) an application for market-based rate authority with an accompanying tariff. The proposed market-based rate tariff provides for the sale of energy, capacity, and ancillary services at market-based rates.¹ Mountain View Solar requests waivers commonly granted to similar market-based rate applicants.

Your filings were noticed on October 4, 2013, and October 24, 2013, with comments, protests or interventions due on or before October 24, 2013, and November 13, 2013, respectively. None was filed.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation - West, under 18 C.F.R. § 375.307, your submittal filed in the referenced docket are accepted for filing, effective November 1, 2013, as requested. Based on your

¹ Mountain View Solar requests authorization to sell ancillary services in the markets administered by PJM Interconnection, L.L.C. (PJM), New York Independent System Operator, Inc. (NYISO), ISO New England Inc. (ISO-NE), California Independent System Operator Corp. (CAISO), and Midcontinent Independent System Operator, Inc. (MISO). Mountain View Solar also requests authorization to engage in the sale of certain ancillary services as a third-party provider in other markets.

representations, Mountain View Solar meets the criteria for a Category 2 seller in the Southwest region and a Category 1 seller in all other regions, and is so designated.²

You state that Mountain View Solar will own and operate a 20 megawatt (MW) solar photovoltaic facility located in Clark County, Nevada within the Nevada Power Corporation (Nevada Power) balancing authority area. You add that all of the output will be committed to Nevada Power under a long-term power purchase agreement. You state that Mountain View Solar is a wholly-owned subsidiary of ESI Energy, LLC, who is a wholly-owned subsidiary of NextEra Energy, Inc. (NextEra). You represent that Mountain View Solar is affiliated with NextEra Resources, LLC which owns and operates approximately 17,000 MW across the United States and Canada.

With regard to transmission facilities, you further represent that Mountain View Solar is affiliated with Sagebrush Partnership (Sagebrush), Sky River LLC (Sky River), and Peetz Logan Interconnect, LLC (Peetz Logan) which are entities that own generation tie lines. You state that Sagebrush, Sky River, and Peetz Logan each have an open access transmission tariff (OATT) on file with the Commission for their transmission assets.³ In addition, you further represent that one of Mountain View Solar's affiliates, Florida Power & Light Company (FPL), owns and operates transmission facilities in Florida. You state that FPL has an OATT on file with the Commission for its Florida assets.⁴ Further, you state that an affiliate, New Hampshire Transmission, LLC (NHT), owns a single transmission asset in New England. You state that NHT has a local network service tariff on file with the Commission and its transmission facilities are under the

² *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252, at PP 848-50, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, *clarified*, 124 FERC ¶ 61,055, *order on reh'g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh'g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh'g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010), *aff'd sub nom. Mont. Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011), *cert. denied*, 133 S. Ct. 26 (2012). Mountain View Solar must file an updated market power analysis for all regions in which they are designated as Category 2 sellers in compliance with the regional reporting schedule adopted in Order No. 697.

³ *Sagebrush, a California Partnership*, 130 FERC ¶ 61,093 (2010), *order on reh'g*, 132 FERC ¶ 61,234 (2010). *See also Sagebrush, a California P'ship*, Docket No. ER10-1988-001 (February 28, 2011) (delegated letter order); *Sagebrush, a California P'ship*, Docket No. ER11-2526-000 (February 28, 2011) (delegated letter order); *Sky River, LLC*, 136 FERC ¶ 61,162 (2011); *Peetz Logan Interconnect, LLC*, 136 FERC ¶ 61,075 (2011).

⁴ *Florida Power & Light Company*, 92 FERC ¶ 61,241 (2000).

operational control of ISO-NE and are subject to the ISO-NE OATT.⁵ You also state that Mountain View Solar has several affiliates that have received waiver of the requirements of Order Nos. 888 and 890 with regard to their facilities.⁶ Finally, you affirmatively state that Mountain View Solar has not erected barriers to entry and will not erect barriers to entry into the relevant market.

You state that Mountain View Solar meets the Category 1 criteria in all regions except the Southwest region because in those five regions Mountain View Solar does not own or control generation, does not own or control any transmission facilities (or has been granted waiver of the requirements of Order No. 888), is not affiliated with a franchised public utility in the same region as its generation assets, and does not raise any other vertical market power issues.

Market-Based Rate Authorization

The Commission allows power sales at market-based rates if the seller and its affiliates do not have, or have adequately mitigated, horizontal and vertical market power.⁷

You state that all of Mountain View Solar's generation capacity is fully committed under long-term power purchase agreements and thus it and its affiliates do not have any uncommitted capacity in the Nevada Power balancing authority area. Based on your representations, Mountain View Solar's submittal satisfies the Commission's requirements for market-based rate authority regarding horizontal market power.

Based on your representations, Mountain View Solar's submittal also satisfies the Commission's requirements for market-based rates regarding vertical market power.

Mountain View Solar's request for waiver of Subparts B and C of Part 35 of the

⁵ See *New England Power Pool*, 83 FERC ¶ 61,045 (1998), *reh'g denied*, 95 FERC ¶ 61,074 (2001).

⁶ See *Ashtabula Wind, LLC*, 127 FERC ¶ 61,215 (2009); 134 FERC ¶ 61,056 (2011); *Story Wind, LLC*, 128 FERC ¶ 61,080 (2009); *Crystal Lake Wind, LLC*, 127 FERC ¶ 61,213 (2009); *Langdon Wind, LLC*, 127 FERC ¶ 61,212 (2009); *Peetz Table Wind Energy, LLC*, 123 FERC ¶ 61,192 (2008); *FPL Energy Oliver Wind, LLC*, 123 FERC ¶ 61,246 (2008); *Minco Wind Interconnection Services, LLC*, 137 FERC ¶ 61,224 (2011); *High Majestic Wind Energy Center, LLC*, 139 ¶ FERC 61,220 (2012); *Limon Wind, LLC*, 141 FERC ¶ 61,064 (2012); *Sky River, LLC*, 143 FERC ¶ 61,241 (2012); and *Genesis Solar, LLC*, 145 ¶ FERC 61,142 (2013).

⁷ Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 62, 399, 408, 440.

Commission's regulations requiring the filing of cost-of-service information, except for sections 35.12(a), 35.13(b), 35.15 and 35.16 is granted. Mountain View Solar's request for waiver of Part 41, Part 101, and Part 141 of the Commission's regulations concerning accounting and reporting requirements is granted with the exception of 18 C.F.R. §§ 141.14 and 141.15.⁸ Notwithstanding the waiver of the accounting and reporting requirements here, Mountain View Solar is expected to keep its accounting records in accordance with generally accepted accounting principles.

Mountain View Solar requests blanket authorization under Part 34 of the Commission's regulations for all future issuances of securities and assumptions of liability. A separate notice was published in the Federal Register establishing a period during which protests could be filed. None was filed. Mountain View Solar is authorized to issue securities and assume obligations or liabilities as guarantor, indorser, surety, or otherwise in respect of any security of another person; provided that such issue or assumption is for some lawful object within the corporate purposes of Mountain View Solar, compatible with the public interest, and reasonably necessary or appropriate for such purposes.⁹

Mountain View Solar must file electronically with the Commission Electric Quarterly Reports.¹⁰ Mountain View Solar further must timely report to the Commission any change in status that would reflect a departure from the characteristics the Commission relied upon in granting market-based rate authority in accordance with Order No. 697.¹¹

⁸ *Citizens Energy Corp.*, 35 FERC ¶ 61,198 (1986); *Citizens Power and Light Corp.*, 48 FERC ¶ 61,210 (1989) (*Citizens Power*); *Enron Power Marketing, Inc.*, 65 FERC ¶ 61,305 (1993), *order on reh'g*, 66 FERC ¶ 61,244 (1994) (*Enron*).

⁹ *Citizens Power*, 48 FERC ¶ 61,210; *Enron*, 65 FERC ¶ 61,305.

¹⁰ *Revised Public Utility Filing Requirements*, Order No. 2001, FERC Stats. & Regs. ¶ 31,127, *reh'g denied*, Order No. 2001-A, 100 FERC ¶ 61,074, *reh'g denied*, Order No. 2001-B, 100 FERC ¶ 61,342, *order directing filing*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002), *order directing filing*, Order No. 2001-D, 102 FERC ¶ 61,334 (2003). Attachments B and C of Order No. 2001 describe the required data sets for contractual and transaction information. Public utilities must submit Electric Quarterly Reports to the Commission using the EQR Submission System Software, which may be downloaded from the Commission's website at <http://www.ferc.gov/docs-filing/eqr.asp>.

¹¹ *Reporting Requirement for Changes in Status for Public Utilities with Market-Based Rate Authority*, Order No. 652, FERC Stats. & Regs. ¶ 31,175, *order on reh'g*, 111 FERC ¶ 61,413 (2005); 18 C.F.R. § 35.42 (2013).

This action does not constitute approval of any service, rate, charge, classification, or any rule, regulation, or practice affecting such rate or service provided for in the filed documents; nor shall such action be deemed as recognition of any claimed contractual right or obligation affecting or relating to such service or rate; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against any of the applicant(s).

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R § 385.713.

Questions regarding the above order should be directed to:

Federal Energy Regulatory Commission
Attn: Michelle Barnaby
Phone: (202) 502-8407
Office of Energy Market Regulation
888 First Street, N.E.
Washington, D.C. 20426

Sincerely,

Steve P. Rodgers, Director
Division of Electric Power
Regulation - West