

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D.C. 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:
Plainfield Renewable Energy, LLC
Docket No. ER13-1734-000

September 25, 2013

Mr. G. Philip Nowak
Attorney for Plainfield Renewable Energy, LLC
Akin Gump Strauss Hauer & Feld LLP
1333 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Reference: Market-Based Rate Authorization

Dear Mr. Nowak:

On June 20, 2013, as amended on August 6, 2013, you filed on behalf of Plainfield Renewable Energy, LLC (Plainfield Renewable) 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 Plainfield Renewable requests waivers commonly granted to similar market-based rate applicants.

Your filings were noticed on June 20, 2013 and August 7, 2013, with comments, protests or interventions due on or before July 11, 2013 and August 16, 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 submittals filed in the referenced docket are accepted for filing, effective July 1, 2013, as requested. Based on your

¹ Plainfield Renewable 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). Plainfield Renewable also requests authorization to engage in the sale of certain ancillary services as a third-party provider in other markets.

representations, Plainfield Renewable meets the criteria for a Category 2 seller in the Northeast region and a Category 1 seller in all other regions and is so designated.²

You state that Plainfield Renewable is constructing and will own and operate a 37.5 megawatt (MW) biomass-fueled electric generation facility located in Plainfield, Connecticut. You add that Plainfield Renewable is wholly owned by Plainfield Renewable Energy Holdings, LLC and is affiliated with entities that own generation facilities in the ISO-NE, CAISO, and NYISO markets. Further, you affirmatively state that Plainfield Renewable has not erected barriers to entry and will not erect barriers to entry into the relevant market.

You state that Plainfield Renewable meets all of the Category 1 seller criteria in the Southeast, Central, Southwest Power Pool, Southwest, and Northwest regions because Plainfield Renewable and its affiliates own or control less than 500 MW of generation in aggregate in these regions, are not affiliated with any entity that owns transmission facilities, are not affiliated with any franchised public utilities, and do 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.³

You state that Plainfield Renewable relies on Baltimore Gas and Electric Company's recently accepted market power analyses⁴ to demonstrate that Plainfield Renewable passes both the pivotal supplier and the wholesale market share screens for

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). Plainfield Renewable must file an updated market power analysis for all regions in which it is designated as a Category 2 seller in compliance with the regional reporting schedule adopted in Order No. 697.

³ Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 62, 399, 408, 440.

⁴ *Baltimore Gas and Electric Company*, Docket No. ER10-2172-007 (November 1, 2012) (delegated letter order) and *Baltimore Gas and Electric Company*, Docket No. ER10-2172-005 (October 18, 2011) (delegated letter order).

the ISO-NE market and the Connecticut submarket. Accordingly, Plainfield Renewable's submittal satisfies the Commission's requirements for market-based rate authority regarding horizontal market power.

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

Plainfield Renewable's request for waiver of Subparts B and C of Part 35 of the 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. Plainfield Renewable'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 141.15.⁵ Notwithstanding the waiver of the accounting and reporting requirements here, Plainfield Renewable is expected to keep its accounting records in accordance with generally accepted accounting principles.

Plainfield Renewable 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. Plainfield Renewable 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 Plainfield Renewable compatible with the public interest, and reasonably necessary or appropriate for such purposes.⁶

Plainfield Renewable must file electronically with the Commission Electric Quarterly Reports.⁷ Plainfield Renewable further must timely report to the Commission

⁵ *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*).

⁶ *Citizens Power*, 48 FERC ¶ 61,210; *Enron*, 65 FERC ¶ 61,305.

⁷ *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>.

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. 697.⁸

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 Plainfield Renewable.

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: Melissa Lozano
Phone: (202) 502-6267
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

⁸ *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).

Document Content(s)

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