

FILED

MAY - 1 2015

**MISS. PUBLIC SERVICE
COMMISSION**

BEFORE THE MISSISSIPPI PUBLIC SERVICE COMMISSION

**MISSISSIPPI POWER COMPANY
EC-120-0097-00**

MS SOLAR 2, LLC

DOCKET NO. '15-UA- 072

IN RE: JOINT PETITION OF MISSISSIPPI POWER COMPANY AND MS SOLAR 2, LLC FOR APPROVAL OF A POWER PURCHASE AGREEMENT AND FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT, OPERATE, AND MAINTAIN SOLAR GENERATING FACILITIES IN LAMAR COUNTY, MISSISSIPPI

**JOINT PETITION FOR CERTIFICATE
OF PUBLIC CONVENIENCE AND NECESSITY**

COMES NOW, Petitioners Mississippi Power Company (“MPC” or the “Company”), and MS SOLAR 2, LLC (“MS Solar”), by and through their undersigned counsel and pursuant to RP 7 of the Commission’s Public Utilities Rules of Practice and Procedure jointly file with the Mississippi Public Service Commission (the “Commission”) this their Joint Petition for Certificate of Public Convenience and Necessity (the “Petition”) and approval of a power purchase agreement, and would show unto the Commission the following:

INTRODUCTION

1. MPC is a public utility as defined in Section 77-3-3(d)(i) of the *Mississippi Code of 1972, as amended*, and is engaged in the business of providing electric service to and for the public for compensation in twenty-three (23) counties of southeastern Mississippi, having its principal place of business at Gulfport, Mississippi. MPC’s mailing address is Post Office Box 4079, Gulfport, Mississippi, 39502-4079.

2. MPC holds a Certificate of Public Convenience and Necessity issued in Docket No. U-99, as supplemented from time to time, authorizing its operations in certain areas in the

twenty-three (23) counties of southeastern Mississippi and is rendering service in accordance with its service rules and regulations and in accordance with schedules of rates and charges, all of which are a part of its tariff that has been previously approved by order of this Commission.

3. MPC is a Mississippi corporation. A copy of its corporate charter, articles of incorporation, the names and addresses of its board of directors and officers, the name of all persons owning fifteen percent (15%) or more of its stock, and a copy of its current balance sheet and income statement are on file with the Commission and are hereby incorporated by reference.

4. MS SOLAR 2, LLC, a Delaware limited liability company, is a special purpose entity created solely for the purpose of owning and operating the facilities proposed for certification in this proceeding. MS Solar is a wholly owned, direct subsidiary of Origis International, Ltd. (“Origis”). Neither MS Solar nor Origis has previously operated in Mississippi. Neither entity is a public utility and neither intends to become a public utility under the laws of the State of Mississippi.

5. MS Solar is, however, an “other person” within the meaning of Miss. Code Ann. § 77-3-14. Pursuant to that section it is thus seeking, to the extent required, a Certificate of Public Convenience and Necessity for construction of the solar electric generation project described below. All required information and documentation required for a certificate proceeding relating to MS Solar is provided as attachments to the testimony filed herewith.

PROJECT DESCRIPTION AND CERTIFICATE REQUEST

6. MS Solar hereby requests Commission approvals related to a 52 MW solar generating facility located in Sumrall, Mississippi (“the Project”), to be owned, operated, and maintained by MS Solar. The Project is being constructed in association with a Power Purchase Agreement (“PPA”) negotiated between MPC and MS Solar.

7. The Project will generate solar power through solar panels mounted directly on the ground, via east to west rotating steel support structures, and will be built to the highest industry standards. The estimated construction cost of the project is \$102,000,000. The Project's current schedule requires that construction begin no later than the end of the third quarter of 2015, and the Project's commercial operation must be before December 31, 2016, in order to receive the full benefit of federal tax credits necessary for MS Solar to finance and own the Project.

8. The cost of the Project will be funded entirely by MS Solar, and MS Solar will be responsible for the costs of all facilities and transmission system upgrades that are required to interconnect the Project to the MPC electric system (without reimbursements, refunds, or credits to MS Solar). Thus, construction of the Project will not have an impact on MPC's rate base. The Company projects that the purchase of the Project's energy by MPC will put downward pressure on rates over the term of the PPA.

9. The solar array will be constructed on approximately 485 acres of land in Lamar County, and the solar array will cover approximately 400 of those acres.

POWER PURCHASE AGREEMENT

10. MPC is seeking Commission approval to include in rates the cost of the PPA with MS SOLAR. Pursuant to the proposed agreement, MPC will take the entire output of solar energy produced by the Project as it is generated and will pay a rate per megawatt-hour of energy delivered, according to a fixed price schedule. MS Solar will deliver wholesale power directly into MPC's 115kV transmission grid. The PPA will have a 25 year term, commencing in the fourth quarter of 2016, and will deliver affordable energy to MPC below the Company's solar-

weighted avoided cost of energy over the term of the PPA. MPC proposes to account for the energy cost and benefits associated with the PPA in MPC's Fuel Cost Recovery clause.

11. If the Project is timely certified, it is expected to put downward pressure on MPC's rates while providing MPC with the ability to (1) serve its customers (at-large) with the renewable energy generated, (2) use the renewable energy generated for any future program wherein MPC provides renewable energy to a customer(s) interested in purchasing the same, or (3) resell the renewable energy (or the associated and unbundled renewable energy credits) to third parties. Delay in certifying the Project will jeopardize its underlying economics; the time-sensitive nature of certain tax incentives relevant to the Project, as well as the economic benefits to MPC's customers associated with the Project, are discussed in greater detail in the testimony filed herewith.

12. As with other purchased energy, the costs of the PPA would be included in and recovered through MPC's Fuel Cost Recovery Clause (FCR-1), as amended. Moreover, since the PPA does not include a capacity payment for which MPC could request a return on capacity, approvals under Miss. Code Ann. Sections 77-3-91 through -95 are not required.

SUPPORTING DOCUMENTATION AND INFORMATION

13. In support of this Joint Petition, the Petitioners hereby submit the following information on which they will rely at any hearing on this request, all of which is incorporated herein by reference as if fully set forth herein:

- a. The sworn pre-filed direct testimony and exhibits of Mr. P.A. (Tony) Smith, Air Quality Programs Manager, Mississippi Power Company; and
- b. The sworn pre-filed direct testimony and exhibits of Johan Vanhee, Operations Manager, MS SOLAR 2.

14. The Petitioners further submit the following information and data pursuant to RP 7.102(2) and in satisfaction of the filing requirements listed in Schedule 3 of Appendix A of the Commission's Rules:

a. Exhibit "A" to the Joint Petition which is a draft copy of the Notice of Filing to be sent to all interested persons pursuant to the Commission's Rules; and

b. Exhibit "B" to the Joint Petition which is a list of the names and addresses of all interested persons as defined in RP 2.115.

c. In addition, in light of the initial decision of the Mississippi Supreme Court in Cause No. 2012-UR-01108-SCT, MPC is providing Notice of Filing (as demonstrated in Exhibit A) to each of its retail customers, out of an abundance of caution.

15. Pursuant to Mississippi law and the Rules, the petitioners are only attaching the non-confidential portions of the exhibits for filing in the public records of the Commission. Copies of such exhibits that contain confidential, commercial and financial information or information that constitutes a trade secret have been appropriately marked and are being filing under separate cover in accordance with RP 4.100(3) and 4.101(3) of the Commission's Rules. Petitioners request that the Commission and Staff maintain this information as confidential and that, to the fullest extent permitted by law, it not be disclosed to any third parties.

16. The name, address and telephone number of the MPC employee responsible for the Joint Petition and from whom information may be obtained is:

Mr. Billy F. Thornton
Vice President, Regulatory and Governmental Affairs
Mississippi Power Company
2992 West Beach Boulevard
Post Office Box 4079
Gulfport, MS 39502-4079
Phone: (228) 865-5295
bfthornt@southernco.com

with copy to:

Ben H. Stone, Esq.
Balch & Bingham LLP
1310 25th Avenue
Post Office Box 130
Gulfport, MS 39501
Phone: (228) 864-9900
bstone@balch.com

17. The name, address and telephone number of the MS SOLAR employee responsible for the Joint Petition and from whom information may be obtained is:

Johan Vanhee
Operations Manager
MS Solar 2, LLC
1200 Brickell Avenue
Suite 1800
Miami, FL 33131
Mob: (404) 731-2193
Email: johan.vanhee@origisenergy.com

with copy to:

Alfredo Gracian, Esq.
Origis Energy USA, Inc.
1200 Brickell Avenue
Suite 1800
Miami, FL 33131
Email: alfredo.gracian@origisenergy.com

18. Petitioners have provided herewith all the information relevant to the Joint Petition and, therefore, request a waiver of each and every other filing requirement that may be prescribed by the Commission's Rules.

WHEREFORE, PREMISES CONSIDERED, Mississippi Power Company and MS SOLAR 2 pray that this Joint Petition be received and filed; that notice thereof be given by the Commission in the manner and form prescribed by law, returnable to a date certain; that this Commission consider the same as soon after that date as reasonably possible; and that after having fully considered all the relevant evidence, this Commission enter an order granting the Certificate of Public Convenience and Necessity to MS Solar and approving Mississippi Power Company's Power Purchase Agreement as requested in this Petition.

RESPECTFULLY SUBMITTED, this the 1ST day of MAY, 2015.

MISSISSIPPI POWER COMPANY

BY: BALCH & BINGHAM LLP

BY: 
BEN H. STONE

MS SOLAR 2, LLC

BY: KUTAK ROCK LLP

BY: _____
TODD J. GUERRERO
PRO HAC VICE PENDING

BY: BAKER, DONELSON,
BEARMAN, CALDWELL &
BERKOWITZ, PC

BY: _____
ROBERT M. ARENTSON, JR.

WHEREFORE, PREMISES CONSIDERED, Mississippi Power Company and MS SOLAR 2 pray that this Joint Petition be received and filed; that notice thereof be given by the Commission in the manner and form prescribed by law, returnable to a date certain; that this Commission consider the same as soon after that date as reasonably possible; and that after having fully considered all the relevant evidence, this Commission enter an order granting the Certificate of Public Convenience and Necessity to MS Solar and approving Mississippi Power Company's Power Purchase Agreement as requested in this Petition.

RESPECTFULLY SUBMITTED, this the ____ day of _____, 2015.

MISSISSIPPI POWER COMPANY

BY: BALCH & BINGHAM LLP

BY: _____
BEN H. STONE

MS SOLAR 2, LLC

BY: KUTAK ROCK LLP

BY: _____
TODD J. GUERRERO
PRO HAC VICE PENDING

BY: BAKER, DONELSON,
BEARMAN, CALDWELL &
BERKOWITZ, PC

BY: 
ROBERT M. ARENTSON, JR.

BEN H. STONE
Mississippi Bar No. 7934
RICKY J. COX
Mississippi Bar No. 9606
LEO E. MANUEL
Mississippi Bar No. 101985
MICHAEL P. MALENFANT
Mississippi Bar No. 104590
BALCH & BINGHAM LLP
1310 25th Avenue
P. O. Box 130
Gulfport, MS 39502-0130
Tel: (228) 864-9900
Fax: (228) 864-8221

TODD J. GUERRERO
KUTAK ROCK LLP
220 South 6th Street, Suite 1750
Minneapolis, MN 5402
Tel: (612) 334-5000
Fax: (612) 334-5050

ROBERT M. ARENTSON, JR.
Mississippi Bar No. 1612
BAKER, DONELSON, BEARMAN, CALDWELL
& BERKOWITZ, PC
Meadowbrook Office Park
4268 I-55 North
Jackson, MS 39211
Tel: (601) 351-8916
Fax: (601) 974-8916

STATE OF MISSISSIPPI

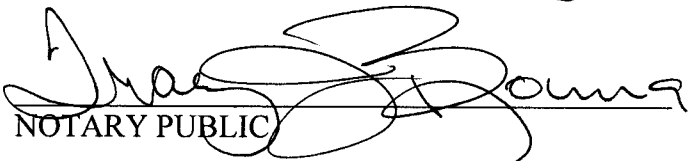
COUNTY OF HARRISON

PERSONALLY appeared before me, the undersigned authority in and for the said County and State, within my jurisdiction, the within named BEN H. STONE, who after being duly sworn on oath acknowledged that he is Attorney for MISSISSIPPI POWER COMPANY and that for and on behalf of the said MISSISSIPPI POWER COMPANY and as its act and deed, he signed and delivered the above and foregoing instrument of writing for the purposes mentioned on the day and year therein mentioned, after first having been duly authorized by said MISSISSIPPI POWER COMPANY so to do, and that the statements contained in the foregoing instrument are true and correct to the best of his knowledge, information and belief.



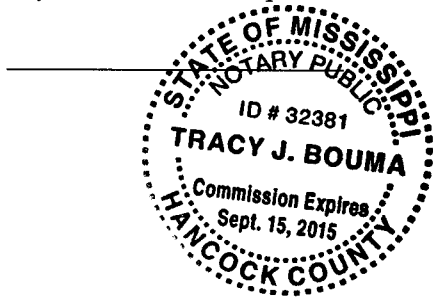
BEN. H. STONE

SWORN TO AND SUBSCRIBED BEFORE ME, this the 15 day of May, 2015.



NOTARY PUBLIC

My Commission Expires:



STATE OF MISSISSIPPI

COUNTY OF LAMAR

PERSONALLY appeared before me, the undersigned authority in and for the said County and State, within my jurisdiction, the within named JOHAN VANHEE, who after being duly sworn on oath acknowledged that he is Attorney-in-Fact and has Power of Attorney to bind and execute any and all documents necessary for MS SOLAR 2, LLC and that for and on behalf of the said MS SOLAR 2, LLC he attests that the statements contained in the foregoing instrument, to the extent they relate to MS SOLAR 2, LLC, and the statements in his attached testimony, are true and correct to the best of his knowledge, information and belief.

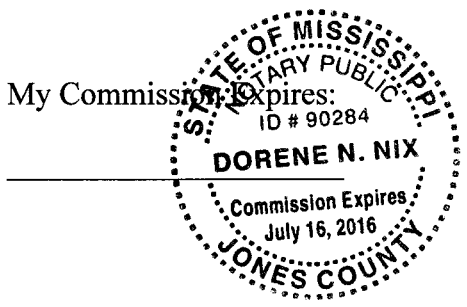
[Handwritten Signature]

JOHAN VANHEE

SWORN TO AND SUBSCRIBED BEFORE ME, this the 1st day of May, 2015.

[Handwritten Signature]

NOTARY PUBLIC



CERTIFICATE OF SERVICE

I, Ben H. Stone, counsel for Mississippi Power Company in the Joint Petition filed with the Mississippi Public Service Commission (the "Commission") of even date herewith do hereby certify that in compliance with Rule 6 of the Commission's Public Utilities Rules of Practice and Procedure (the "Rules"):

(1) An original and twelve (12) copies of the filing have been filed with the Commission by U.S. Mail to:

Ms. Katherine Collier
Executive Secretary
Mississippi Public Service Commission
501 North West Street, Suite 201A
Jackson, MS 39201


(2) An electronic copy of the filing has been filed with the Commission via e-mail to the following address:

efile.psc@psc.state.ms.us

(3) A copy of the Notice of Filing has been served upon each "interested person" listed in Exhibit B to this Petition via U.S. Mail, postage prepaid.

(4) Petitioners have complied with or requested a waiver of all other requirements of this Commission's Rules.

THIS, the 1st day of May, 2015.



Ben H. Stone