UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Pio Pico Energy Center, LLC	)	Docket Nos. ER16-711-___
Sunshine Gas Producers, LLC	)	ER14-1317-___
Panoche Energy Center, LLC	)	ER10-2538-___

COMBINED NOTICE OF CHANGE IN STATUS UNDER ORDER NO. 652 AND TRIENNIAL COMPLIANCE FILING UNDER ORDER NO. 697

Pursuant to Order No. 697,[1] Pio Pico Energy Center, LLC ("Pio Pico"), Sunshine Gas Producers, LLC ("Sunshine Gas"), and Panoche Energy Center, LLC ("Panoche", together "Applicants") each respectfully requests that the Federal Energy Regulatory Commission ("Commission") reauthorize its market-based rate authority, together with the waivers of and blanket authorizations under the Federal Power Act ("FPA") granted to each Applicant in the above-captioned dockets ("MBR Authority," as defined under Order No. 697). Additionally, pursuant to Sections 205 and 206 of the FPA and Section 35.42 of the Commission's regulations,[2] Applicants also submit a notice of non-material change in status to inform the Commission that Pio Pico plans to enter into wholesale power service in early July, 2016.[3] As explained below, none of the characteristics on which the Applicants or the Commission relied in connection with the eligibility of the Applicants for MBR Authority has changed and each Applicant remains fully eligible for MBR Authority.

[1] *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, Docket No. RM04-7-000, 72 Fed. Reg. 39,904 (Jul. 20, 2007), FERC Stats. & Regs. ¶ 31,252 (2007) (Final Rule); Order on Reh'g and Clarification, Order No. 697-A, Docket No. RM04-7-001 (April 21, 2008); Order on Reh'g and Clarification, Order No. 697-B, Docket No. RM04-7-005 (December 19, 2008); Order on Reh'g and Clarification, Order No. 697-C, Docket No. RM04-7-006 (June 18, 2009), 127 FERC ¶ 61,284 (2009); Order on Reh'g and Clarification, Order No. 697-D, Docket No. RM04-7-008 (Mar. 18, 2010), 130 FERC ¶ 61,206 (2010) (all collectively, "Order No. 697"). Applicants note that they are in Seller Category 2, and are subject to triennial filing requirements.

[2] 18 C.F.R. § 35.42 (2016).

[3] *See Astoria Energy LLC*, Docket No. ER01-3103-015, delegated letter order, Sept. 15, 2008 (accepting combined Order No. 652 notice of change in status and Order No. 697 triennial compliance filing).

In this filing, Applicants address the issues set by the Commission for holders of MBR Authority in Order No. 697. Applicants and their affiliates (a) have *de minimis* uncommitted electric capacity (which is treated as uncommitted for study purposes, as a simplifying assumption) and no franchised electric facilities or distribution services or captive customers[4] in the Southwest geographic region and the balancing authority area ("BAA")[5] operated by the California Independent System Operator (the "CAISO", or the "relevant market")[6], nor (b) have erected nor will erect barriers to entry into the electricity market relevant to this application. Applicants likewise lack vertical market power in the relevant geographic market: they do not have market power in transmission, and cannot erect barriers to entry to competing supplies through the control of inputs to electric power production or sale.

Applicants submit that Pio Pico, Sunshine Gas and Panoche each fully satisfies the Commission's requirements for renewed MBR Authority. Together with the application, Applicants submit the following:

- A generation market power study addressed to the Order No. 697 requirements (the "Market Power Study"), demonstrating that Applicants - taken together with all of their affiliates in the relevant market - easily continue to satisfy the Commission's horizontal market-power screen requirements in the sole relevant market for study purposes; and

- As required by 18 C.F.R. § 35.42, asset appendices in workable file format listing (1) all affiliates that have MBR authority and identifying all generation assets owned by Applicants or its affiliates or from which there are long-term firm purchases by BAA and geographic region; and (2) all electric transmission and

[4] Sunshine Gas is affiliated with DTE Energy Company ("DTE Energy") and through it DTE Electric Company ("DTE Electric"), a franchised electric utility located in the Central geographic region and MISO market. However, as explained herein this affiliation is not relevant for the instant filing.
[5] *See* Order 697 n. 217. (Where a generator is interconnecting to a non-affiliate owned or controlled transmission system, there is only one relevant market (*i.e.*, the balancing authority area in which the generator is located.))
[6] *See* Order No. 697 at P 235 (if an applicant's generation is located in an independent system operator ("ISO") or regional transmission organization ("RTO") market, the applicant may consider the relevant geographic area to be that of the ISO/RTO in which it is physically located.) In the case of generation wholly located within a RTO/ISO such as CAISO, the Commission accepts the RTO/ISO as the relevant geographic market for completing the horizontal analysis. Order No. 697 at ¶ 231. Additionally, where the applicant does not own transmission, the applicant is required only to provide the analysis for the balancing authority to which the generation is interconnected. *Id.* at n. 217. *See also*, Order No. 697-A at ¶ 72. As discussed *infra*, the sole relevant market for the Applicants is CAISO.

natural gas intrastate pipelines and/or storage facilities owned or controlled by Applicants or its affiliates.[7]

I. COMMUNICATIONS

All notices, correspondence, and communications regarding this Application should be addressed and directed to the following individuals:

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*Persons denoted with an asterisk are those designated for service pursuant to section 385.2010 of the Commission's regulations.[8] The Commission is respectfully asked to permit the inclusion of more than two persons on the Applicants' service lists, given the joint nature of this submission.

II. APPLICANTS' MBR AUTHORITY

A. Basis for the Instant Filing

Each Applicant filed its individual eTariff in the captioned dockets. Pio Pico submitted its initial application for MBR Authority on January 11, 2016, as amended February 11, 2016, which the Commission accepted on March 23, 2016.[9] Pio Pico has not submitted any notices of change in status.

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[7] 18 C.F.R. § 35.42(c)*; see also Final Rule*, Order No. 816, Docket No. RM14-14-000, *Refinements to Policies and Procedures for Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, 153 FERC ¶ 61,065 (2015)(*hereinafter* "Order No. 816"); Order on Rehearing and Clarification, Order No. 816-A, Docket No. RM14-14-001, May 19, 2016 ("Order No. 816-A").

[8] 18 C.F.R. § 385.2010.

[9] *Pio Pico Energy Center, LLC*, delegated letter order, Docket No. ER16-711-001, issued Mar. 23, 2016 ("*Pio Pico MBR Order*").

Panoche received the Commission's order initially granting MBR Authority on July 14, 2009[10] and received reauthorization of its MBR Authority on September 22, 2010.[11] Panoche's most recent Order 697 triennial filing was accepted for filing on March 13, 2014[12] and its most recent notices of change in status have been accepted.[13] On July 3, 2014, the Commission accepted Panoche's filing to conform its eTariff to the currently specified standard text.[14]

Sunshine Gas received the Commission's order initially granting MBR Authority on May 27, 2014. Sunshine Gas' most recent notices of change in status have all been accepted.[15]

Applicants are submitting this application for reauthorization of their MBR Authority in accordance with the regional schedule established by Appendix D-2 to Order No. 816-A for Category 2 Sellers located in the Southwest Geographic Region.

Nearly all of the electrical output of Applicants' and their relevant affiliates is committed to various offtakers as discussed more fully below and no affiliate of Applicants owns or controls electric transmission or distribution facilities in the BAA in which Applicants' facilities are located. However, out of an abundance of caution, and consistent with the simplifying assumptions that the Commission invites of MBR

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[10] *Panoche Energy Center, LLC,* delegated letter order, Docket Nos. ER09-1020-000 and ER09-1020-001, issued Jul. 14, 2009.

[11] *Panoche Energy Center, LLC*, delegated letter order, Docket No. ER09-1020-002, issued Sept. 22, 2010.

[12] *Panoche Energy Center, LLC*, delegated letter order, Docket No. ER10-2538-001, issued Mar. 13, 2014.

[13] *Panoche Energy Center, LLC*, et al., Docket No. ER10-2538-002, Notice of Non-Material Change in Status, delegated letter order, issued Apr. 24, 2014, *Panoche Energy Center, LLC*, et al., Docket No. ER10-2538-003, Notice of Non-Material Change in Status, delegated letter order, issued Mar. 31, 2015, *Panoche Energy Center, LLC*, et al., Docket No. ER10-2538-004, Notice of Non-Material Change in Status, delegated letter order, issued Nov. 17, 2015, *Panoche Energy Center, LLC*, et al., Docket No. ER10-2538-005, Notice of Non-Material Change in Status, delegated letter order, issued Dec. 8, 2015.

[14] *Panoche Energy Center, LLC*, delegated letter order, Docket No. ER14-1324-000, issued Jul. 3, 2014.

[15] *Sunshine Gas Producers, LLC*, et al., Docket No. ER14-1317-002, Notice of Non-Material Change in Status, delegated letter order, issued Apr. 24, 2014, *Sunshine Gas Producers, LLC*, et al., Docket No. ER14-1317-003, Notice of Non-Material Change in Status, delegated letter order, issued Mar. 31, 2015, *Sunshine Gas Producers, LLC*, et al., Docket No. ER14-1317-004, Notice of Non-Material Change in Status, delegated letter order, issued Nov. 17, 2015, *Sunshine Gas Producers, LLC*, et al., Docket No. ER14-1317-005, Notice of Non-Material Change in Status, delegated letter order, issued Dec. 8, 2015.

applicants generally,[16] the capacity of the entities subject to the Market Power Study is presumed solely for study purposes to be uncommitted.

III. DESCRIPTION OF APPLICANTS AND AFFILIATES

The CAISO BAA is the sole relevant geographic market for purposes of FERC's market power analyses, since each Applicant's facility is located in the CAISO BAA.[17] Energy affiliates of Applicants that are located and/or operate in the CAISO BAA are described below.[18] Energy affiliates of Applicants that own or control generation assets located outside of the CAISO BAA are described in Attachment B.

A. Sunshine Gas

Sunshine Gas owns the Sunshine Gas Qualifying Facility ("QF"),[19] an approximately 23.63 MW (gross nameplate)[20] landfill gas facility located in Sylmar, California. All output from the facility is dedicated to Pacific Gas and Electric Company ("PG&E") pursuant to a long-term power sales agreement, which will continue in effect to and through August 31, 2034. The facility has been granted MBR Authority.[21] The Sunshine Gas QF is interconnected to the distribution system of Southern California Edison ("SCE") within the CAISO footprint. The Sunshine Gas QF is not directly interconnected with, nor physically able to deliver its electrical output directly to, any other electrical system.

Sunshine Gas is 50% owned by DTE Biomass Energy, Inc. ("DTE Biomass") and 50% owned by funds managed and controlled by Ares EIF Management, LLC ("EIF," formerly known as EIF Management, LLC). DTE Biomass, the managing partner of

[16] *See, e.g.*, Order No. 697 at PP 308, 321, 324, 337, 1109.
[17] Order No. 697 at P 235.
[18] Pursuant to Order No. 816-A, qualifying facilities that do not hold MBR authority may be disregarded for the purposes of asset reporting and market-power screens. Order No. 816-A at P 23. Out of an abundance of caution and consistent with Commission-permitted simplifying assumptions and consultations with Commission Staff, the Applicants are fully disclosing their affiliation with qualifying facilities in the relevant market, and are including those qualifying facilities in the screen results filed herewith.
[19] *Sunshine Gas Producers, LLC*, Docket No. QF13-530-000, Notice of Self Certification of Qualifying Facility Status, submitted June 25, 2013.
[20] The Sunshine Gas QF's maximum deliverability to the grid is limited to approximately 20 MW pursuant to its Small Generator Interconnection Agreement with SCE. Out of an abundance of caution, the attached study uses the gross nameplate capacity of the Sunshine QF to perform the required analyses.
[21] *Sunshine Gas Producers, LLC,* 147 FERC ¶ 61,143(2014); Docket No. ER14-1317-001.

Sunshine Gas, is an indirect wholly owned affiliate of DTE Energy, a public utility holding company. DTE Biomass is discussed fully *infra*.

B. Panoche

Panoche is the owner and manager of a 432 MW nameplate (412 MW seasonal), gas-fired generating facility located 50 miles west of Fresno, California, within the CAISO BAA. All of the electrical output of the Panoche facility is dedicated to PG&E under a long term, firm power sales agreement which will continue in effect to and through the summer of 2029. The Panoche facility is an exempt wholesale generator ("EWG")[22] and has been granted MBR Authority.[23] The Panoche facility is interconnected to the electrical system of PG&E, at a location under the control of the CAISO. Panoche is not directly interconnected with, nor physically able to deliver its electrical output directly to, any other electrical system. Panoche is an indirect, wholly owned subsidiary of funds managed and controlled exclusively by EIF.

C. Pio Pico

Pio Pico is an EWG as defined in Section 366.1 of the Commission's regulations.[24] The Pio Pico facility is an approximately 318 MW gas-fired simple-cycle electric generating facility located in Otay Mesa, an unincorporated area of San Diego County, California, approximately fifteen (15) miles southeast of downtown San Diego, California. The facility includes limited, discrete, generator-side electric interconnection facilities necessary to effectuate Pio Pico's wholesale power sales from the facility. Pio Pico will own the electric interconnection facilities that consist of generator leads, lengths of wire, step-up transformers, substations and/or other related appurtenant equipment to the point of interconnection. The Pio Pico facility is interconnected to San

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[22] *Panoche Energy Ctr., LLC*, Docket No. EG07-40-000, Notice of Self-Certification of Exempt Wholesale Generator Status (filed Feb. 27, 2007). *See North Wind Cooperative, et al.*, Notice of Effectiveness of Exempt Wholesale Generator or Foreign Utility Company Status, Docket Nos. EG07-36-000, et al.(May 11, 2007) (unpub. letter order).

[23] *Panoche Energy Ctr., LLC*, Docket Nos. ER09-1020-000, et al. (delegated letter order issued July 14, 2009). Triennial market-based rate compliance filing submitted June 27, 2013, as supplemented February 5, 2014, in Docket No. ER10-2538-001; delegated letter order issued March 13, 2014.

[24] 18 C.F.R. § 366.1. *See* Notice of Effectiveness of Exempt Wholesale Generator Status, Docket No. EG15-46-000, *et al.*, issued May 20, 2015.

Diego Gas & Electric Company ("SDG&E") whose transmission system is operated by the CAISO.

Pio Pico was granted MBR Authority on March 23, 2016[25] and expects its facility to be commercially operational by early July of 2016. The Commission found that Pio Pico met the Commission's criteria for MBR Authorization, as Pio Pico's generating capacity will be fully committed under a long-term power purchase agreement and thus Pio Pico does not have any uncommitted capacity.[26] Pio Pico will sell at wholesale electric energy and capacity produced from the facility and plans to start doing so when the facility becomes commercially operational. Pio Pico entered into a 20-year Power Purchase Tolling Agreement, as amended, with SDG&E (the "PPTA") for approximately 318 MW of electric capacity on February 2, 2011. Among other things, the PPTA provides for an "Expected Initial Delivery Date" of June 1, 2017, and extends for a period of 25 years. For a period of several months (the "Pre-PPTA Period"), the facility is required to be operational but the facility's output is to be sold and marketed in the wholesale energy and capacity markets, during that limited Pre-PPTA Period only. Following that preliminary period, all deliveries must be made to SDG&E exclusively. During that Pre-PPTA Period, Pio Pico will procure the fuel necessary for operations. During the Delivery Period, SDG&E will provide the natural gas required as fuel to operate the facility, and will purchase all of the electric capacity and energy generated by the facility and associated ancillary services and environmental attributes.

EIF Pio Pico, LLC ("EIF Pio Pico") owns all of the interests in Pio Pico and is the sole member of Pio Pico. EIF Pio Pico Holdings, LLC ("EIF Pio Pico Holdings") is the sole member of EIF Pio Pico. United States Power Fund III, L.P. ("USPF III") is the sole member of EIF Pio Pico Holdings. EIF manages the assets of (and exercises all rights of control over) USPF III. The foregoing description sets forth 100 percent of the

[25] *Pio Pico Energy Center, LLC*, Docket No. ER16-711-001 (letter order issued Mar. 23, 2016).
[26] *Id.* at p.3

ownership and control of Pio Pico, and demonstrates that EIF is the exclusive ultimate affiliate owner of Pio Pico.

The captioned Applicants notify the Commission that Pio Pico is entering into wholesale power sales service immediately following the June 2016 period established by the Commission for the submission of this triennial filing.

1. Ares EIF Management, LLC

EIF, through certain entities it controls, is the sole manager[27] of certain private equity investment funds that invest in power projects in the United States (collectively, "EIF Funds"). Investors in the EIF Funds hold limited partnership interests in the EIF Funds, which limited partnership interests are in each case purely passive in nature and in no case involve an exercise of control (including voting or equivalent rights in connection with any "jurisdictional facility" under the FPA) by any such unaffiliated investor over EIF, any of the EIF Funds, or any "public utility" in which the EIF Funds holds an interest.[28] EIF is not itself a "public utility" as that term is defined under the FPA; similarly, none of the EIF Funds is a "public utility." Instead, the EIF Funds are investors in various energy-related business entities, a number of which investments are themselves FPA "public utilities."[29] Ares Holdings L.P. ("Ares") controls all of the voting or equivalent interests in EIF.[30]

[27] The EIF principals also from time to time hold non-voting limited partnership interests, in each case in a minority amount, in certain of the EIF Funds which EIF manages.

[28] The limited partner investors in the EIF Funds have previously disclosed, and the Commission has accepted without any exception, the purely passive and non-voting status of the investors. *See Northampton Generating Company, L.P.*, Docket No. EC13-57-000, 142 FERC ¶ 62,065 (2013) at p. 2; *Brooklyn Navy Yard Cogeneration Partners, L.P.*, Docket No. EC13-59-000; 142 FERC ¶ 62,159 (2013) at p.2; *Northampton Generating Company, L.P.*, Notice of Non-Material Change in Status, Docket No. ER12-281-003 (filed Apr. 29, 2013) and accepted via delegated letter order (Aug. 15, 2013); and *Scrubgrass Generating Company, L.P.*, Docket No. ER14-141-000, Notice of Change in Status and Tariff Revisions at p. 6 (filed Oct. 21, 2013) and accepted via delegated letter order (Dec. 19, 2013). The status and rights of these passive, limited partner investors is fully consistent with the facts and findings set forth in (and are not reportable, pursuant to) the Commission's order in *Starwood Energy Group Global, L.L.C., et al.*, Docket No. EL15-87-000, 153 FERC ¶ 61,332 (2015).

[29] The EIF Funds also from time to time make non-voting, purely passive investments in energy projects and companies, customarily in the form of development or other loans or limited partnership investments which convey no voting rights. Such investments do not create "affiliate" relationships for any relevant purpose and involve no management, direction or control over such energy projects and companies. *See gen'lly Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by*

None of Ares, EIF, nor any of the EIF Funds is a "holding company" of any "electric utility" (as that term is defined under Section 3 of the FPA) or any "public utility" which has a franchised retail service territory, has any "captive customers" (as that term is defined under Order No. 697), or which is engaged in the state-regulated sale of electricity at retail. None of Ares, EIF, nor any of the EIF Funds is a "holding company" of any "electric utility" or any "public utility" which owns, operates or controls electric transmission rights or electric transmission facilities (other than the limited facilities used solely for the interconnection of generating facilities to the transmission grid). None of Ares, EIF or any of the EIF Funds owns or controls any essential inputs to electric generation[31] in or into the United States.

B. EIF Affiliates

Applicants are affiliated through EIF with the following entities that own or control generating facilities in the CAISO BAA:

- EIF indirectly wholly owns Burney Forest Products, a Joint Venture ("Burney Forest"), which owns an approximately 31 MW nameplate (31 MW seasonal) biomass wood-fueled generating facility in Shasta County, California, that has fully committed its output to PG&E under a long-term PPA.[32] Burney Forest has been certified as an EWG[33] and as a QF[34] and is fully committed to PG&E through 2020.

- EIF indirectly wholly owns EIF Haypress, LLC, which owns two hydroelectric generation facilities (Middle Haypress Hydroelectric Project and Lower Haypress

Public Utilities, Order No. 697, 72 Fed. Reg. 39904 (July 20, 2007), FERC Stats. & Regs. [Reg. Preambles] ¶ 31,252, PP 176-189 (2007); *see also, AES Creative Resources, L.P., et al.*, 129 FERC ¶ 61,239 (2009).

[30] EIF's ownership and organization was authorized by the Commission in Docket No. EC15-23-000, *Sunshine Gas Producers, LLC, et al.*, 149 FERC ¶ 62,174 (2014).

[31] *See* 18 C.F.R. §33.4(a). Pursuant to section 35.36(a)(4) of the Commission's regulations, essential inputs to generation include intrastate natural gas transportation, intrastate natural gas storage or distribution facilities, sites for generation capacity development, or sources of coal supplies and the transportation of coal supplies.

[32] In Docket No. ER12-1349-000, the Commission accepted Burney Forest's Notice of Withdrawal of the PG&E PPA as it is a non-jurisdictional PURPA agreement that was not required to be filed with the Commission. The PG&E PPA is still in force and the delegated letter order allowed for the removal of the non-jurisdictional agreement from the Commission's records. *Burney Forest Prods.*, Docket No. ER12-1349-000 (delegated order issued May 4, 2012, erratum issued May 16, 2012).

[33] *Burney Forest Prods.*, 71 FERC ¶ 61,359 (1995).

[34] *Burney Forest Prods.*, Notice of Self-Recertification of Qualify Facility Status, Docket Nos. QF88-218-007 (Cogen) and QF12-88-000 (Small Power) (filed Dec. 8, 2011).

Hydroelectric Project) located on the Haypress Creek in Sierra and Nevada Counties, California that have a total capacity of approximately 10 MW. Both projects have been certified as QFs[35] and have fully committed their output to PG&E through 2019 under PURPA contracts.

- EIF indirectly wholly owns two small hydroelectric facilities in the CAISO BAA: Kanaka Hydro Electric Facility and Kekawaka Hydroelectric Facility. Kanaka Hydroelectric Facility is an approximately 1.1 MW run of river facility on Sucker Run Creek in Butte County, California, and has fully committed its output to PG&E through 2018. Kekawaka Hydroelectric Facility, a self-certified QF, is an approximately 4.9 MW run of river facility on the Kekawaka Creek near Garberville, California, and has also fully committed its output to PG&E. Both facilities are self-certified as QFs.[36]

- EIF also indirectly owns an interest in Kiefer Landfill Generating II, LLC ("Kiefer II") that owns an approximately 6.1 MW landfill gas facility in Slough House, California. Keifer II is fully committed to the Sacramento Municipal Utility District ("SMUD").[37] The facility has been self-certified as a QF.[38] DTE Biomass also holds interests in Kiefer II as described *infra*.

In sum, the Applicants are affiliated (including all affiliates of EIF, Sunshine, and Sunshine's affiliates) with approximately 978 MW of generating capacity in the CAISO market, most of which is currently committed to unaffiliated off-takers under long-term agreements (but all of which is treated as uncommitted, as a customary simplifying assumption, in the attached screen analyses). Once the Delivery Period commences, Pio Pico's capacity will be fully committed under the PPTA. The Applicants and their affiliates do not own or control any generation in BAAs that are first-tier to CAISO.[39]

C. EIF Natural Gas and Transmission Affiliates

EIF is affiliated with Starfish Pipeline Company, LLC ("Starfish Pipeline"). Starfish Pipeline owns Stingray Pipeline Company, L.L.C. ("Stingray Pipeline"), which is

[35] *EIF Haypress, LLC*, Docket No. QF85-232-002, Notice of Self-Recertification as a Qualifying Small Power Production Facility (filed Feb. 7, 2008); *EIF Haypress, LLC*, Docket No. QF85-233-002, Notice of Self-Recertification as a Qualifying Small Power Production Facility (filed Feb. 7, 2008).

[36] *EIF Northbrook II, LLC*, Docket No. QF88-409-001, Notice of Self-Recertification of Qualifying Facility Status for the Kanaka Hydroelectric (filed Oct. 17, 2007); *EIF Northbrook II, LLC*, Docket No. QF89-262-001, Notice of Self-Recertification of Qualifying Facility Status for the Kekawaka Creek Hydro Project (filed Oct. 17, 2007).

[37] While SMUD is not within the CAISO control area, SMUD is completely physically surrounded by CAISO, and the proxy inclusion in the CAISO market for the purposes of this disclosure is a reasonable and appropriate simplification.

[38] Keifer Landfill Generating II, LLC, Docket No. QF06-171-001, Notice of Self-Recertification as a Qualifying Small Power Production Facility (filed May 2, 2008).

[39] The first-tier markets to CAISO were determined with reference to CAISO's most recent FERC Form No. 714 for year ending December 31, 2014. Besides the generation capacity described above, EIF has no other generation assets in the Southwest region.

a "natural-gas company" within the meaning of the Natural Gas Act. Stingray Pipeline operates a Commission-regulated natural gas pipeline system engaged in the interstate transmission of natural gas in the Louisiana and Texas offshore Gulf of Mexico areas. Stingray Pipeline is subject to, and all of its gas transportation and related activities under the Natural Gas Act are governed by, its Commission-filed tariff in FERC Docket No. RP11-1957. Stingray Pipeline's rendering of open access gas transmission service under a Commission-filed tariff results in there being no vertical market power issues arising out of EIF's investment in Stingray Pipeline. Starfish Pipeline also owns Triton Gathering, LLC ("Triton Gathering"). Triton Gathering is a non-Commission regulated natural gas pipeline company, which owns several lateral gathering facilities that gather gas from various offshore third-party fields for delivery to Stingray Pipeline, as indicated on Attachment B. In addition, Starfish Pipeline owns West Cameron Dehydration Company, L.L.C. ("West Cameron"). West Cameron is a non-jurisdictional entity and is not a gas transporter. West Cameron owns a dehydration facility located at Holly Beach, Cameron Parish, Louisiana, which is connected to the onshore terminus of the Stingray Pipeline system at Holly Beach. With the exception of Triton Gathering and West Cameron, none of EIF or any of the EIF Funds owns or controls any essential inputs to electric generation located in the United States. The Commission has accepted for filing a demonstration that EIF's affiliation with the Starfish Pipeline assets (including Stingray Pipeline) creates no vertical market power issue in any market and is consistent with the MBR Authority of EIF's affiliates.[40] Additionally, the Stingray Pipeline is not is located in the Southwest Region.

From time to time EIF may extend purely passive investment capital to independent electric transmission companies that are public utilities. The EIF Funds are passive investors in Hudson Transmission Partners, LLC ("Hudson"), which owns an electric transmission facility that transmits wholesale electricity between New Jersey

[40] See *Brooklyn Navy Yard Cogeneration Partners, L.P.*, Docket Nos. ER10-3193-003, *et al.*, Notice of Non-Material Change in Status, Delegated Letter Order Apr. 24, 2014.

and New York.[41] Hudson is under the operational control of PJM, and the Commission has accepted filings demonstrating that the interest that EIF holds in Hudson is passive.[42] Hudson's electric transmission capacity is controlled by the New York Power Authority and by Consolidated Edison Energy, Inc. and its affiliates.[43]

D. DTE Affiliates

DTE Energy is affiliated with the following entities in addition to Sunshine Gas that own or control generation facilities in the CAISO BAA:

- Mt. Poso Cogeneration Company, LLC ("Mt. Poso") is 50% owned by DTE Mt. Poso LLC, a subsidiary of DTE Energy, and 50% owned by Macpherson Green Power Company LLC. Mt. Poso owns a 55.9 MW (gross nameplate) cogeneration facility in Bakersfield, California within the CAISO BAA that was converted from a coal-fired to a renewable wood biomass-fired facility. Mt. Poso sells all of its output to PG&E pursuant to a long-term PPA. Mt. Poso self-certified the facility as a QF[44] and has been granted MBR Authority by the Commission.[45]

- DTE Stockton, LLC ("Stockton"), an indirect, wholly owned subsidiary of DTE Energy, owns and operates a 58.82 MW (gross nameplate) biomass-fired facility (converted from a coalfired facility) in Stockton, California within the CAISO BAA. All output from the facility is sold to PG&E pursuant to a long-term PPA. DTE Stockton self-certified the facility as a QF[46] and has been granted MBR authority by the Commission.[47]

- DTE Woodland LLC, an indirect, wholly owned subsidiary of DTE Energy, owns both the general partnership interest and the limited partner interests in Woodland Biomass Power Ltd. ("Woodland Biomass"). CIF Woodland, Inc. holds the Class A limited partner interest in Woodland Biomass. Woodland Biomass owns and operates a 29 MW (gross nameplate) biomass facility in Woodland, California, within the CAISO BAA that sells all of its output under a long-term PPA with PG&E that expires on February 29, 2020. Woodland Biomass's facility is certified as a QF,[48] and Woodland Biomass has been granted MBR Authority by the Commission.[49]

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[41] *Hudson Transmission Partners, LLC*, 135 FERC ¶ 61,104 (2011).

[42] *See Northampton Generating Co., et al.*, Docket Nos. ER12-281-004, et al., Notice of Non-Material Change in Status (filed May 20, 2013, accepted by delegated letter order Aug. 29, 2013).

[43] *See*, Consol. Edison Energy, Inc., et al., Docket Nos. ER10-1246-002, et al., Delegated Letter Order, July 31, 2013.

[44] *Mt. Poso Cogeneration Co.*, Docket No. QF85-324-009, Notice of Self-Recertification of Qualifying Facility Status (filed Sept. 26, 2013).

[45] *Mt. Poso Cogeneration Co.*, Docket No. ER11-4626-000 (delegated letter order issued Oct. 31, 2011).

[46] *DTE Stockton, LLC*, Docket No. QF13-322-002, Notice of Self-Recertification of Qualifying Facility Status (filed Mar. 1, 2013).

[47] *DTE Stockton, LLC*, Docket No. ER13-1155-000 (delegated letter order issued May 8, 2013).

[48] *Woodland Biomass Power, Ltd.*, 113 FERC ¶ 61,090 (2005). Most recently, Woodland Biomass filed a Notice of Self-Recertification of QF status on February 27, 2007. *Woodland Biomass Power, Ltd.*, Docket No. QF88-61-005 (filed Feb. 27, 2007).

[49] *Woodland Biomass Power, Ltd.*, Docket No. ER09-1061-000 (delegated letter order issued June 24, 2009).

- Potrero Hills Energy Producers, LLC ("Potrero Hills") is 50% owned by DTE Biomass, and 50% owned by Pacolet Milliken Enterprises, Inc.. Potrero Hills owns and operates an 8 MW (gross nameplate) landfill gas fired facility in Suisun City, California, within the CAISO BAA that sells all of its output under a long-term PPA to PG&E that expires on April 12, 2041. Potrero Hills' facility is self-certified as a QF.[50]

- DTE Biomass also holds interests in Kiefer II, described *supra*.

* * *

Each Applicant affirms that the descriptions in the foregoing paragraphs accurately trace its upstream ownership and identify its upstream owners and fully identify all relevant affiliates, including those in the relevant BAA.[51]

IV. REQUEST FOR RENEWAL OF MBR AUTHORIZATION

Each Applicant submits that it continues to fully meet the Commission's requirements for MBR Authority, including all existing waivers and blanket authorizations. [52] The Commission allows market-based rates if a seller and its affiliates do not have, or have adequately mitigated market power in generation and transmission and cannot erect barriers to entry in the relevant market(s).[53] Pursuant to Order No. 697, applicants must satisfy a two-part analysis that considers the following: (1) horizontal market power, which includes two indicative market power screens to determine whether the seller and any affiliates have generation market power; and (2) vertical market power, which includes an analysis of the seller's transmission market

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[50] *Potrero Hills Energy Producers, LLC*, Docket No. QF15-951-000, Notice of Self-Certification of Qualifying Facility Status (filed July 31, 2015).

[51] Order No. 697-A at P 181 n. 258.

[52] Each of the Applicants has received waiver of the Commission's Uniform System of Accounts ("USofA") requirements, specifically waiver of Parts 41, 101, and 141 (but for sections 141.14 and 141.15, which are inapplicable since no Applicant is a hydropower licensee under FPA Part I) of the Commission's regulations. The Commission has also granted each Applicant blanket approval under Part 34 of the Commission's regulations for future issuances of securities and assumptions of liability. These waivers and blanket authorizations should remain in full force and effect, consistent with Order No. 697 at P 976, et seq. In addition, each Applicant represents to the Commission that it is eligible for the priority rights and waivers set forth in Order No. 807, *Open Access and Priority Rights on Interconnection Customer's Interconnection Facilities*, Order No. 807, 150 FERC ¶ 61,211, Docket No. RM14-11-000 (2015), such that each Applicant is immune from the open access requirements to the extent set forth under Order No. 807, without the need for further orders.

[53] Order No. 697 at P 3.

power and the seller's ability to erect other barriers to entry.[54] Applicants must also comply with the Commission's regulations with regard to affiliate abuse restrictions.[55] As discussed below, each Applicant fully satisfies both the horizontal market power screens and the vertical market power analysis. None of the Applicants nor any of their affiliates has captive customers as that term has been defined by the Commission for these purposes and thus, no affiliate restriction concerns arise when considering reauthorizing Applicants to make wholesale sales of energy, capacity and/or ancillary services at market-based rates.

The Commission is aware that a particular generating unit may have multiple different stated capacity ratings. Applicants have, in this submission, used ratings conservatively provided by their affiliates. In other filings, the use of other capacity statistics might be (or have been) appropriate and might be (or have been) so determined by the Commission or other regulatory agencies;[56] accordingly, the market screen analysis and its statistical inputs presented here should be viewed as non-prejudicial with respect to any filing not made by Applicants. All of the ratings noted in the description of the Applicants' and affiliates' CAISO generators in the Market Power Study are maximum nameplate ratings; nameplate statistics are consistently and exclusively used (see, Order No. 697 at para. 333, requiring consistent submissions, and Order No. 816-A at para. 54, requiring that certain energy-limited and intermittent facilities rely on nameplate capacity).

1. Applicants Lacks Horizontal Market Power

None of the Applicants nor their affiliates possess horizontal (generation) market power. The Commission reviews horizontal market power by assessing the market power of the seller and any of its affiliates that own or control generation in the relevant

[54] *Id.* at PP 13, 21-22, 399.
[55] *Id.* at PP 464-603; 18 C.F.R. § 35.39.
[56] *See, e.g., American Ref Fuel Company of Bergen County*, Docket No. QF86-917-001, 54 FERC ¶ 61,287 (1991) (noting that a generator may comply with applicable capacity limitations and be deemed to exhibit that capacity, even when maximum potential capacity may theoretically be higher).

market.[57] The Commission has indicated that the relevant geographic market is the BAA or RTO/ISO market, as applicable, where the seller's generation is physically located.[58] Additionally, "[w]here a generator is interconnecting to a non-affiliate owned or controlled transmission system, there is only one relevant market (i.e., the balancing authority area in which the generator is located)."[59] Similarly, RTO/ISO sellers are required "to consider, as part of the relevant market, only the relevant [RTO/ISO] market and not first-tier markets to the [RTO/ISO]."[60] Accordingly, Applicants are using the CAISO BAA as the relevant geographic market for purposes of their request for renewal of their MBR Authorizations.

The Commission has previously found no adverse effect on competition when the output of a generating facility is fully committed under long-term agreements.[61] In Order No. 697-A, the Commission stated:

> once capacity is committed long-term, regardless of how that capacity is priced (e.g., whether linked to spot prices or not), the ability of the firm to use that capacity to exercise market power in the spot market is severely limited or non-existent. The ability to collude will be determined by the remaining uncommitted capacity in the spot market, not the capacity that is already committed under long-term contracts.[62]

On October 16, 2015, the Commission issued the Final Rule in the Order No. 816 proceeding. In Order No. 816 at paragraph 39, the Commission continued in force the foregoing practice - where all generation owned or controlled by a seller and its affiliates in the relevant BAA(s) or market(s) including first-tier BAA(s) or market(s) is

[57] *See* Order No. 697 at P 232 n.261; *AEP Power Mktg, Inc.*, 107 FERC ¶ 61,018 at P 73 n.63.
[58] *See* Order No. 697 at P 231; *see also AEP Power Mktg., Inc.*, 107 FERC ¶ 61,018 at P 41, *order on reh'g*, 108 FERC ¶ 61,026 at P 31 (2004). *See also*, Order No. 816 at PP 5 and 45.
[59] *Id.* (quoting Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 232 n.217).
[60] *Id.* (quoting Order No. 697, FERC Stats. & Regs. ¶ 31,252 at P 231 n.215).
[61] *Nevada Sun-Peak Limited Partnership, et al.*, 97 FERC ¶ 62,017 (2001); *American Ref-Fuel Company of Essex County, et al.*, 94 FERC ¶ 62,113 (2001). *See also Morgan Stanley Capital Group, Inc.*, 69 FERC ¶ 61,175 (1994), citing to *Enron Power Marketing, Inc.*, 65 FERC ¶ 61,305 (1993) (committed power does not confer generation market power upon an applicant for market-based rate authority). Indeed, the indicative screens adopted by the Commission to assess generation market power only analyze a seller's uncommitted capacity. *See AEP Power Marketing, Inc., et al.*, 107 FERC ¶ 61,018 at P 71 ("[w]e will adopt an uncommitted pivotal supplier analysis that will evaluate the potential of an applicant (including its affiliates) to exercise market power based on the control area market's annual peak demand. We will also adopt an uncommitted market share analysis that will seasonally evaluate the market share of the uncommitted capacity of an applicant and its affiliates"); *id.* at PP 95 and 100.
[62] Order No. 697-A at P 41.

fully committed, sellers may explain that their capacity is fully committed in lieu of including indicative screens in their filings in order to satisfy the Commission's market-based rate requirements regarding horizontal market power.[63] Order No. 816 became effective January 28, 2016 and each Applicant satisfies all applicable Order No. 816 requirements, each Applicant qualifies as "fully committed" under Order No. 816, and each Applicant satisfies both the prior and the newly adopted market power requirements without the necessities of submitting statistical screens.

In Order No. 816, at paragraph 30, the Commission directs that sellers claiming that all of their relevant capacity[64] is "fully committed" must include the following information:

- the amount of generation capacity that is fully committed:
  - **Pio Pico:** **100%** (within PPTA);
  - **Sunshine:** **100%**;
  - **Panoche:** **100%**
- the names of the counterparties:
  - **Pio Pico and SDG&E**;
  - **Sunshine and PG&E**;
  - **Panoche and PG&E**
- the length of the long-term contract:
  - **Pio Pico**: **20 years after the initial delivery date**;
  - **Sunshine**: **20 years after the initial delivery date**
  - **Panoche**: **30 years after the initial delivery date**
- the expiration date of the contract:
  - **Pio Pico**: **25 years following the initial delivery date, unless extended**;
  - **Sunshine**: **August 31, 2034**
  - **Panoche**: **Summer 2029**

[63] In the case of generation wholly located within an RTO/ISO such as CAISO, the Commission accepts the RTO/ISO as the relevant geographic market for completing the horizontal analysis. Order No. 697 at ¶ 231. Additionally, where the applicant does not own transmission, the applicant is required only to provide the analysis for the balancing authority to which the generation is interconnected. *Id*. at n.217. *See also* Order No. 697-A at ¶ 72. Applicants are not affiliated with the CAISO nor any transmission-owning public utility in the Southwest region. Accordingly, the sole relevant market for Applicants is the CAISO market.

[64] "Relevant" generation capacity refers to seller and affiliated capacity in the study area, including the first tier. See Order No. 816 at note 38.

- **Each Applicant represents that its contract is for firm sales for one year or longer and that the commitment of the generation capacity cannot be limited during that 12-month consecutive period in any way**.

Therefore, each Applicant qualifies as "fully committed" and each Applicant and its affiliates lack horizontal market power in the CAISO and any first-tier BAA. Even though essentially all of Applicants' capacity in the relevant BAA and the entire Southwest Region and all first-tier markets is fully committed, Applicants include as Attachment A a streamlined Pivotal Supplier Test and Market Share Screen using the simplifying assumptions reflected in the text of this submission (assuming no committed capacity). The Commission has authorized the submission of streamlined applications and the use of simplifying assumptions, where appropriate.[65]

For horizontal market study purposes, the following is a summary of the Applicants' and their relevant affiliates' approximate (nameplate) generating capacity:

Burney Forest	31 MW	Note: QF Under Order No. 816-A; Fully committed to PG&E
Kiefer II	6.1 MW	Note: QF Under Order No. 816-A; Fully committed to SMUD
Panoche	432 MW	Note: Fully committed to PG&E
Sunshine Gas	23.6 MW	Note: QF; Fully committed to PG&E
Haypress	10 MW	Note: QF Under Order No. 816-A; Fully committed to PG&E
Kanaka	1.1 MW	Note: QF Under Order No. 816-A; Fully committed to PG&E
Kekawaka	4.9 MW	Note: QF Under Order No. 816-A; Fully committed to PG&E
Pio Pico	318 MW	Note: Fully committed under PPTA with SDG&E
Mt. Poso	55.9 MW	Note: QF; Fully committed to PG&E
Stockton	58.8 MW	Note: QF; Fully committed to PG&E
Woodland Biomass	29 MW	Note: QF; Fully committed to PG&E
Potrero Hills	8 MW	Note: QF Under Order No. 816-A; Fully committed to PG&E
TOTAL:	**978.4**	

a. Pivotal Supplier Test

The pivotal supplier test compares the amount of uncommitted capacity owned or controlled by an applicant in the relevant market and the total net uncommitted capacity in that market. If the applicant's total uncommitted capacity in the market is less than the difference between the total net uncommitted capacity and the market's wholesale

[65] *See* Order No. 697 at PP 321, 337, and 1113 (permitting the use of simplifying assumptions and reliance on prior studies); *AEP Power Mktg., Inc.*, 107 FERC ¶ 61,018 at PP 113-117 (2004).

load, the applicant passes the screen.[66] Conservatively assuming that all of Applicants and their affiliates' capacity in the CAISO is uncommitted, Applicants would still clearly pass the Pivotal Supplier Test. The Commission explicitly permits an MBR applicant to consider all of its affiliated generation in relevant markets and treat all such generation as uncommitted as a conservative assumption.[67]

Applicants and their affiliates own approximately 978.4 MW of conservatively treated uncommitted capacity in the CAISO market. Applicants' (including all of their relevant affiliates') capacity is substantially less than the Net Uncommitted Supply; accordingly, Applicants clearly pass the pivotal supplier test.

b. Market Share Screen

The market share screen calculates the applicant's share of uncommitted capacity in the relevant market during each of the four seasons. If an applicant's share of uncommitted capacity in the relevant market is under 20% in each season, the applicant passes the market share screen. Applicant clearly passes the market share screen in the relevant market. Even conservatively assuming that all of Applicants and their affiliate's capacity were uncommitted, Applicants would still be substantially below the 20% threshold in each season. Applicants' and their affiliates' assumed uncommitted capacity in the CAISO market is in the range of well below 3% in all seasons, and thus Applicants pass the Market Share Analysis screen.

2. Seller Lacks Vertical Market Power

In evaluating vertical market power, the Commission considers both transmission market power and the ability of the seller and its affiliates to erect barriers to entry in any

[66] *AEP Power Mktg., Inc.*, 107 FERC ¶ 61,018 at P 99.

[67] *See, e.g.*, *Chevron Power Holdings Inc.*, Docket No. ER15-2267-000, Delegated Letter Order September 15, 2015, *East Coast Power Linden Holding, L.L.C.*, Docket Nos. ER10-2719-023, Delegated Letter Order, Dec. 8, 2015, *Evergreen Wind Power II, LLC*, Docket No. ER15-1672-000, Delegated Letter Order, May 5, 2015, and *West SolarPV, LLC*, Docket No. ER15-2728-002, Delegated Letter Order, Jan 28, 2016.

market.[68] As explained below, Applicants and their affiliates do not possess vertical market power.

a. Transmission Market Power

Applicants do not own or control any transmission facilities other than the interconnection facilities necessary to connect its individual generating facility to the grid.[69] None of Applicants' affiliates owns or controls transmission facilities in the Southwest region other than the limited interconnection facilities necessary to interconnect their generating facilities to the grid. In the Central region, DTE Electric, an affiliate of Sunshine Gas, owns certain limited and discrete facilities for which waiver of the Commission's open access requirements has been granted.[70] In addition, the Commission has accepted for filing a demonstration that EIF's affiliation with the Starfish Pipeline assets (including Stingray Pipeline) creates no vertical market power issue and is consistent with the MBR Authority of EIF's affiliates. Thus, each Applicant and its affiliates continue to satisfy the Commission's requirements for market-based rates regarding transmission market power.

b. Barriers to Entry

The Commission also considers whether a company can erect barriers to entry by competing wholesale power suppliers in the relevant geographic market by exercising control over "intrastate natural gas transportation; intrastate natural gas storage or distribution facilities; sites for new generation capacity development; physical coal supply sources and ownership or control over who may access transportation of

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[68] Order No. 697 at P 399.

[69] The Commission has found that such limited interconnection facilities do not convey transmission market power. *See, e.g.*, *AES Huntington Beach, LLC*, 111 FERC ¶ 61,079, at P 43 (2005); *Zond Dev. Corp.*, 80 FERC ¶ 61,051, at 61,153 (1997).

[70] Specifically, on July 20, 2006, the Commission granted DTE Electric a waiver from the Standards of Conduct, finding that DTE Electric only owns limited and discrete transmission facilities that do not form an integrated transmission grid. *High Island Offshore System, L.L.C.*, 116 FERC ¶ 61,047 (2006). *See also The Detroit Edison Co.*, 119 FERC ¶ 61,017 (2007) (clarifying that DTE Electric would not become subject to the Standards of Conduct due to certain proposed interconnections); *The Detroit Edison Co.*, 136 FERC ¶ 61,210 (2011) (granting continued waiver of the Commission's open access requirements in light of DTE Electric's ownership interest in a shared generator tie-line). DTE Electric is further described in Attachment B.

coal supplies."[71] Each Applicant and its affiliates do not own or control any sites for generation capacity development other than the sites on which their existing generation facilities are located.

Each Applicant affirmatively states that it has not erected barriers to entry into the relevant market and will not erect barriers to entry into the relevant market.[72]Accordingly, Applicants continue to lack vertical market power.

3. Affiliate Restrictions

The affiliate restrictions govern the relationship between franchised public utilities with captive customers and their market-regulated power sales affiliates, which include wholesale power sales by a market-based rate seller to its franchised public utility affiliates, as well as transactions involving non-power goods and services between the franchised public utility and its marketing affiliate.[73] The Commission discontinued considering affiliate abuse as a separate "prong" of the market power analysis, instead codifying its affiliate restrictions in its regulations.[74] Each Applicant agrees to abide by any applicable affiliate restrictions as a condition of its MBR Authority.

V. ORDER NO. 652 NOTICE OF CHANGE IN STATUS

As a result of Pio Pico's pending achievement of commercial operation ("COD") in July 2016, the Applicants are required to file with the Commission a Notice of Change in Status under Order No. 652.[75] The achievement of COD of the Pio Pico facility will not affect the findings upon which the Commission relied in granting MBR Authority to each of the Applicants. In the Pio Pico MBR Order, the Commission already found that the addition of Pio Picos's capacity to that of the other Applicants and their affiliates

[71] Order No. 697-A at P 176; *see also* 18 C.F.R. § 35.36(a)(4). The Commission does not consider ownership or control of natural gas supply, interstate natural gas transportation (including interstate natural gas storage), oil supply or oil transportation in its barriers to entry analysis. Order No. 697 at P 442.

[72] Id. at P 448; 18 C.F.R. § 35.37(e)(4). Applicants further understand their obligations with regard to sites for generation development under Order No. 697-C and Order No. 697-D and will abide by their obligations on the schedule contained therein.

[73] 18 C.F.R. § 35.39; see also 18 C.F.R. § 35.44.

[74] Order No. 697 at P 467.

[75] 18 C.F.R. § 35.42 (2015); s*ee 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).

does not cause any market power issues in the relevant market.[76] Therefore, there are no horizontal market power issues that will result from the COD.

Additionally, as a result of achieving COD in July 2016, the Applicants will have become affiliated with no additional energy subsidiaries or affiliates that own or control transmission facilities or inputs to electric power production in any market (other than the limited facilities used solely by Pio Pico for the interconnection of the Pio Pico facility to the transmission grid); therefore, there are no vertical market power issues as a result of the pending COD. The Applicants remain fully eligible for MBR Authority.

Applicants request that the Commission accept this filing in satisfaction of the requirements of both Order No. 697 and Order No. 652.[77] No harm or prejudice results from the simultaneous filing of Applicants' Order No. 697 and Order No. 652 information since Applicants continue to filly satisfy the relevant screen requirements.

VI. CONCLUSION

Based on the foregoing, Applicants respectfully request that the Commission:

1. Accept this submission for filing, in satisfaction of the requirements of Order No. 697 and 652;

2. Accept the results of the Market Power Study and Applicants' reliance on the same;

3. Renew each Applicant's MBR Authority, including all requests for blanket waivers and authorizations, as herein discussed.

Respectfully submitted,

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[76] *See* Pio Pico MBR Order.
[77] *See Astoria Energy LLC*, Docket No. ER01-3103-015, delegated letter order, Sept. 15, 2008 (accepting combined Order No. 652 notice of change in status and Order No. 697 triennial compliance filing).

Panoche Energy Center, LLC

Dated: June 29, 2016

ATTACHMENT A

Market Power Screens

ATTACHMENT B

Energy Affiliates and Assets Table

DB1/ 87142635.9