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July 5, 2016

Via e-Filing

Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: Terrapin Energy LLC, Docket No. ER16-___-000;
Application for Market-Based Rate Authority, Acceptance of Tariff, and
Certain Waivers and Blanket Approvals**

Dear Secretary Bose:

Terrapin Energy LLC ("Terrapin") hereby submits the following documents for filing:

1. Application for Market-Based Rate Authority, Acceptance of Tariff, and Certain Waivers and Blanket Approvals,
2. Proposed market-based rate tariff (Attachment A),
3. Asset list (Attachment B),
4. Corporate organizational chart (Attachment C),
5. Market power screens (Attachment D).

Terrapin respectfully requests that the Commission waive the 60-day notice provision and allow the tariff to become effective as of September 1, 2016.

Very Truly Yours,

/s/ Jeffrey M. Gray

Jeffrey M. Gray, PhD, Esq.

Counsel for Terrapin Energy LLC

Enclosures

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

Terrapin Energy LLC

)

Docket No. ER16-____-000

**APPLICATION OF TERRAPIN ENERGY LLC FOR
MARKET-BASED RATE AUTHORITY, ACCEPTANCE OF TARIFF, AND
CERTAIN WAIVERS AND BLANKET APPROVALS**

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ Rule 205 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“FERC” or “Commission”),² and Part 35 of the Commission’s regulations under the FPA³ as amended by Order No. 697⁴ and Order No. 816,⁵ Terrapin Energy LLC (“Seller”) respectfully requests that the Commission (1) accept for filing Seller’s market-based rate tariff with an effective date of September 1, 2016, to be filed electronically and also attached hereto as Attachment A (“Tariff”), and otherwise grant Seller the authority to sell electric energy, capacity, and ancillary

¹ 16 U.S.C. § 824d.

² 18 C.F.R. § 385.205 (2016).

³ 18 C.F.R. Part 35 (2016).

⁴ *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity, and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252 (“Order No. 697”), *clarified*, 121 FERC ¶ 61,260 (2007); *order on reh’g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, *clarified*, 124 FERC ¶ 61,055 (2008); *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. Montana Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011).

⁵ *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) (“Order No. 816”); *order on reh’g and clarification*, Order No. 816-A, 155 FERC ¶ 61,188 (2016).

services at market-based rates; (2) designate Seller as a Category 1 seller in all regions;⁶ (3) waive certain Commission regulations relating to cost of service and other filing or notice requirements as described herein, as typically granted to similarly situated market-based rate sellers; (4) grant blanket approvals under Section 204 of the FPA⁷ and Part 34 of the Commission's regulations⁸ to issue securities and assume liabilities;⁹ and (5) waive the 60-day notice provision¹⁰ to allow the Tariff to become effective September 1, 2016.

I. COMMUNICATIONS

Communications regarding this filing should be addressed to the following individuals:

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II. DESCRIPTION OF SELLER

Seller is a limited liability company organized under the laws of the State of Michigan. Seller is constructing a 29.4 megawatt ("MW") (nameplate capacity) wind-powered electric generating facility located in Huron County, Michigan ("Facility"). The Facility is a qualifying

⁶ As defined in 18 C.F.R. § 35.36(a) (2016).

⁷ 16 U.S.C. § 824c.

⁸ 18 C.F.R. Part 34 (2016).

⁹ Seller respectfully requests that the Commission issue a notice of this request for blanket authorization at the same time, with the same comment period, as the notice of Seller's application for market-based rate authority.

¹⁰ 18 C.F.R. § 35.3(a)(1) (2016).

facility (“QF”) under the Public Utility Regulatory Policies Act of 1978, as amended (“PURPA”).¹¹ The Facility will interconnect to transmission facilities owned by International Transmission Company (“ITC”) and operated by the Midcontinent Independent System Operator, Inc. (“MISO”). None of the Facility’s capacity is subject to long-term agreement, and Seller intends to sell the entire net electric output of the Facility at wholesale into the MISO market.

Seller is not affiliated with any public utility with a franchised electric service territory or captive customers. Neither Seller nor any affiliate owns or controls other generation capacity. Neither Seller nor any affiliate owns or controls transmission facilities except the limited and discrete interconnection facilities necessary to connect the Facility to the MISO transmission system.

A. Asset List

As required by the Commission’s regulations,¹² attached hereto as Attachment B is an asset list in the form provided in Appendix B to Subpart H of Part 35 of the Commission’s regulations¹³ that lists the relevant assets owned or controlled by Seller and its affiliates. Attachment B also is provided with this filing in electronic spreadsheet format as required by Order No. 816.¹⁴

¹¹ See *Notice of Self-Certification as a Qualifying Small Power Production Facility*, Docket No. QF16-793-000 (filed May 2, 2016).

¹² 18 C.F.R. § 35.37(a)(2) (2016).

¹³ 18 C.F.R. Part 35, Appendix B to Subpart H of Part 35 (2016).

¹⁴ Order No. 816 at P 305.

B. Corporate Structure

Attached hereto as Attachment C is a corporate organizational chart for Seller. None of the entities on the organizational chart (1) is affiliated with any public utility with a franchised electric service territory or captive customers; (2) owns or controls electric generation or transmission facilities or is affiliated with any entity that owns or controls such facilities, except as described herein; (3) owns or controls inputs to electric power production; or (4) is able to erect barriers to entry to electric power production.

Seller is a wholly owned subsidiary of GFS US Holding, LLC, a Michigan Limited Liability Company, which is a wholly owned subsidiary of GFS Holding, Inc., a Delaware corporation. Seller will own 60% of the membership interests in Big Turtle Interconnection, LLC (“BTI”), an entity being established to hold and manage the existing transmission interconnection facilities that will be shared between the Facility and the adjacent 20 MW Big Turtle Wind Farm.¹⁵ Big Turtle Wind Farm, LLC (“BTWF”), owner of the existing and operational 20 MW Big Turtle Wind Farm,¹⁶ will own the remaining 40% of the membership interests in BTI. Terrapin Energy LLC and BTWF are not affiliates. BTWF currently is in the process of securing ITC and MISO consents to assign its Generator Interconnection Agreement (“GIA”)¹⁷ to BTI. The GIA has an interconnection service limit of 50 MWs, only 20 MWs of

¹⁵ BTI soon will submit a co-tenancy and shared facilities agreement with the Commission pursuant to Section 205 of the FPA, 16 U.S.C. § 824d.

¹⁶ The Big Turtle Wind Farm is a QF under PURPA. *See Notice of Self-Certification as a Qualifying Small Power Production Facility*, Docket No. QF14-756-000 (filed September 8, 2014).

¹⁷ MISO designated the GIA as Original Service Agreement No. 2629 under MISO’s FERC Electric Tariff, Fifth Revised Vol. No. 1. MISO designated the project in its interconnection queue as Project No. G997. MISO submitted the GIA to the Commission on January 8, 2014. The Commission accepted MISO’s submittal for filing by delegated letter order dated March 5,

which is used by the existing Big Turtle Wind Farm. The Facility will use the remaining 30 MWs of interconnection service.

III. REQUEST FOR AUTHORIZATION TO SELL ELECTRIC ENERGY, CAPACITY, AND ANCILLARY SERVICES AT MARKET-BASED RATES

Section 205 of the FPA requires that all rates and charges made or received by any public utility for the sale of electric energy subject to the Commission's jurisdiction must be "just and reasonable" and "not unduly discriminatory or preferential."¹⁸ The Commission has set forth the standards under which it will grant authority to sell wholesale electric power at market-based rates. Specifically, the Commission will allow wholesale sales of electric energy, capacity, and ancillary services at market-based rates to any purchaser that is not a franchised public utility affiliate "if the Seller and its affiliates do not have, or have adequately mitigated, market power in generation and transmission and cannot erect other barriers to entry."¹⁹

As demonstrated below, Seller does not possess or have the ability to exercise either horizontal or vertical market power, and should be permitted to make wholesale sales of electric energy, capacity, and ancillary services at market-based rates under the attached proposed Tariff. Seller requests status as a Category 1 seller in all regions.²⁰

2014, with an effective date of January 9, 2014. *See Midcontinent Independent System Operator, Inc.*, Docket No. ER14-960-000 (March 5, 2014) (unpublished letter order). The parties amended the GIA on June 7, 2016 to make minor changes to the wind turbine technical specifications listed in Appendix A to the GIA.

¹⁸ 16 U.S.C. § 824d.

¹⁹ *NRG Marketing Services, LLC*, 105 FERC ¶ 61,187, at P 14 (2003).

²⁰ As defined in 18 C.F.R. § 35.36(a) (2016).

A. Seller Lacks Horizontal Market Power

The Commission has adopted two indicative screens that a market-based rate applicant must satisfy: the Wholesale Market Share analysis (“Market Share Screen”) and the Pivotal Supplier analysis (“Pivotal Supplier Screen”).²¹ The Market Share Screen “seasonally evaluate[s] the market share of uncommitted capacity of an applicant and its affiliates.”²² An applicant satisfies the Market Share Screen if it has less than a twenty percent market share in the relevant market for all seasons.²³ The Pivotal Supplier Screen analyzes whether “market demand can be met absent the applicant during peak times.”²⁴ An applicant satisfies the Pivotal Supplier Screen if its uncommitted capacity in the relevant markets is less than the net uncommitted supply in the relevant markets.²⁵ The Commission established a rebuttable presumption that an applicant lacks horizontal market power if it passes both of these indicative screens.²⁶ Attached hereto in Attachment D are the two indicative screens. Attachment D also is provided with this filing in workable electronic spreadsheet format as required by Order No. 816.²⁷

The Commission determined that the default relevant geographic market for the indicative screens is the seller’s balancing authority area (“BAA”), or the regional transmission

²¹ Order No. 697 at P 62.

²² Order No. 697 at P 65.

²³ Order No. 697 at P 89.

²⁴ Order No. 697 at P 65.

²⁵ Order No. 697 at P 66.

²⁶ 18 C.F.R. § 35.37(c)(1) (2016); Order No. 697 at P 62.

²⁷ Order No. 816 at P 80; 18 C.F.R. § 35.37(c)(4) (2016).

organization (“RTO”) or independent system operator (“ISO”) market, as applicable, where the seller’s generation is physically located.²⁸ The Facility is physically located in the MISO BAA, and Seller is using the MISO market as the relevant geographic market for purposes of the horizontal market power analysis. The Commission has authorized the submission of streamlined applications that make simplifying assumptions, where appropriate.²⁹ The Commission also permits applicants to rely upon the results of recent relevant market power analyses that have been accepted by the Commission.³⁰

1. Market Share Screen

The Facility’s 29.4 MWs of nameplate capacity³¹ is uncommitted, and is compare with the total uncommitted capacity in the MISO BAA for each of the four seasons. The Facility’s market share within MISO for each of the four seasons is less than 0.1%, as shown in Attachment D-1. Because Seller will own or control no more than twenty percent of the total uncommitted capacity in the MISO BAA in any of the four seasons, Seller passes the Market Share Screen for the MISO BAA.

²⁸ Order No. 697 at P 231.

²⁹ Order No. 697 at PP 321, 337.

³⁰ Terrapin’s analysis relies on information from a MISO study titled *Process Document and Data: Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities* dated November 18, 2014, which MISO submitted to the Commission on December 18, 2014 in Docket No. AD10-2-004 (“MISO Study”).

³¹ Order No. 816 allows a seller to use capacity factors in its market power analysis to de-rate newly built energy-limited generation facilities using the five most recent years of regional capacity factors from the Energy Information Administration publication *Annual Energy Outlook*. Order No. 816 at P 103. To be as conservative as possible, the indicative screens in Attachment D do not apply a capacity factor, and instead use the Facility’s full nameplate capacity of 29.4 MWs, rounded to 30 MWs.

2. Pivotal Supplier Screen

Seller will have total uncommitted nameplate capacity of 29.4 MWs. In comparison, based on the MISO Study as reflected in Attachment D-2, the net uncommitted supply in the MISO BAA is 38,362 MWs. Because the uncommitted capacity owned or controlled by Seller within the relevant market is less than the net uncommitted supply in the relevant market, Seller passes the Pivotal Supplier Screen for the MISO BAA.

B. Seller Lacks Vertical Market Power

In determining whether an applicant has vertical market power, the Commission considers the applicant's and its affiliates' ownership, operation, or control of transmission facilities and ownership or control of inputs to electric power production, such as the transportation or distribution of the inputs to electric power production.³² In Order No. 697, the Commission determined that the vertical market analysis should focus on whether a seller and its affiliates have transmission market power and whether they can erect other barriers to entry in the relevant market.³³ Seller satisfies both factors considered by the Commission in determining whether an applicant possesses vertical market power.

1. Seller Lacks Transmission Market Power

Seller does not own, operate, or control, and is not affiliated with any entity that owns, operates, or controls, transmission facilities in the MISO market, other than the limited and discrete interconnection facilities needed to connect the Facility to the MISO transmission

³² 18 C.F.R. §§ 35.37(d-e) (2016).

³³ Order No. 697 at PP 397-399.

system.³⁴ Accordingly, Seller does not possess transmission market power, and Seller satisfies the Commission's transmission market power standard for market-based rate authority.

2. Seller Cannot Erect Other Barriers to Entry

In Order No. 697, the Commission adopted a rebuttable presumption that the ownership or control of, or affiliation with an entity that owns or controls, intrastate natural gas transportation, intrastate natural gas storage or distribution facilities, sites for generation capacity development,³⁵ sources of coal supplies, and the transportation of coal supplies do not allow a seller to erect barriers to entry.³⁶ Nonetheless, the Commission requires applicants for market-based rate authority to describe any such ownership, control, or affiliation, and to make an affirmative statement that they have not erected barriers to entry into the relevant market and will not erect barriers to entry into the relevant market.³⁷

Seller does not own, operate, or control, and is not affiliated with any entity that owns, operates, or controls, intrastate natural gas transportation, intrastate natural gas storage or distribution facilities, sources of coal supplies, and the transportation of coal supplies in the relevant market. Seller affirmatively states that neither it nor any of its affiliates has erected barriers to entry into the MISO market, and that neither it nor any of its affiliates will erect barriers to entry into the MISO market.

³⁴ As discussed above, Seller will own 60% of the membership interests of BTI, and BTI will own the limited and discrete interconnection facilities needed to connect the Facility to the MISO transmission system.

³⁵ In Order No. 816, the Commission eliminated the requirement to report sites for generation capacity development. Order No. 816 at P 207.

³⁶ Order No. 697-A at P 176; *see also* Order No. 697 at P 446; 18 C.F.R. § 35.37(e) (2016).

³⁷ Order No. 697 at PP 447-48; 18 C.F.R. § 35.37(e)(3-4) (2016).

IV. SELLER QUALIFIES AS A CATEGORY 1 SELLER

In Order No. 697, the Commission established two categories of market-based rate sellers, Category 1 and Category 2, and the Commission evaluates all new applicants for market-based rate authority under these two categories.³⁸ A Category 1 seller is exempt from the requirement to submit updated market power analyses every three years after obtaining authorization to sell at market-based rates. Category 1 sellers are described as follows:³⁹

[W]holesale power marketers and wholesale power producers that own or control 500 MW or less of generation in aggregate per region; that do not own, operate or control transmission facilities other than limited equipment necessary to connect individual generating facilities to the transmission grid (or have been granted waiver of the requirements of Order No. 888); that are not affiliated with anyone that owns, operates or controls transmission facilities in the same region as the seller's generation assets; that are not affiliated with a franchised public utility in the same region as the seller's generation assets; and that do not raise other vertical market power issues.

The Commission has determined that sellers that meet the criteria for status as a Category 1 seller are unlikely to be able to exercise market power.⁴⁰ Category 2 sellers are sellers that do not qualify as Category 1 sellers.

Seller requests that the Commission find that it qualifies as a Category 1 seller in all regions, and therefore is exempt from the requirement to submit updated market power analyses every three years. Seller satisfies all of the necessary criteria to be designated a Category 1 seller in all regions. Seller (1) does not own, operate, or control, and is not affiliated with entities or individuals that own, operate, or control, an aggregate 500 MW or more of generation; (2) does

³⁸ Order No. 697 at P 851.

³⁹ Order No. 697 at P 849, n. 1000; 18 C.F.R. § 35.36(a)(2) (2016).

⁴⁰ Order No. 697-A at P 354.

not own, operate, or control, and is not affiliated with any entity or individual that owns, operates, or controls, transmission facilities other than the limited and discrete facilities necessary to connect generation facilities to the transmission grid; (3) is not affiliated with a franchised public utility; (4) does not own, operate, or control, and is not affiliated with any entity or individual that owns, operates, or controls, intrastate natural gas transportation, intrastate natural gas storage or distribution facilities, sources of coal supplies, or the transportation of coal supplies; (5) does not raise any other vertical market power issues; and (6) is not able to erect barriers to entry. Seller affirmatively states that neither it, nor any of its affiliates, has erected barriers to entry into the relevant market, and that neither it nor any of its affiliates will erect barriers to entry into the relevant market. Therefore, Seller qualifies as a Category 1 seller.

V. REPORTING REQUIREMENTS

Seller will comply with the reporting requirements normally imposed on similar entities that are authorized to sell electric energy, capacity, and ancillary services at market-based rates. Seller will submit electronic quarterly reports in accordance with the requirements of Order Nos. 2001⁴¹ and 768,⁴² as may be amended from time to time.⁴³ Additionally, pursuant to Order No.

⁴¹ *Revised Public Utility Filing Requirements*, Order No. 2001, FERC Stats. & Regs. ¶ 31,127 (2002); *reh'g denied*, Order No. 2001-A, 100 FERC ¶ 61,074 (2002); *reh'g denied*, Order No. 2001-B, 100 FERC ¶ 61,342 (2002); *order directing filing*, Order No. 2001-C, 101 FERC ¶ 61,314 (2002); *order directing filing*, Order No. 2001-D, 102 FERC ¶ 61,334 (2003); *order refining filing requirements*, Order No. 2001-E, 105 FERC ¶ 61,352 (2003); *order on clarification*, Order No. 2001-F, 106 FERC ¶ 61,060 (2004); *order revising filing requirements*, Order No. 2001-G, 120 FERC ¶ 61,270 (2007); *order on reh'g and clarification*, Order No. 2001-H, 121 FERC ¶ 61,289 (2007); *order revising filing requirements*, Order No. 2001-I, FERC Stats. & Regs. ¶ 31,282 (2008).

⁴² *Elec. Mkt. Transparency Provisions of Section 220 of the Fed. Power Act*, Order No. 768, FERC Stats. & Regs. ¶ 31,336 (2012), *order on reh'g*, Order No. 768-A, 143 FERC ¶ 61,054 (2013).

652⁴⁴ and Section 35.42 of the Commission's regulations,⁴⁵ Seller will provide timely reports to the Commission of any change in status that would reflect a departure from the facts relied upon by the Commission in granting market-based rate authority.

VI. REQUEST FOR WAIVERS AND BLANKET APPROVALS

In addition to its request for market-based rate authority and acceptance of Tariff, Seller requests the following authorizations and waivers of various Commission regulations, consistent with those granted to similar sellers of electric energy, capacity, and ancillary services at market-based rates.

(1) Waiver of the accounting, periodic reporting, and other requirements of Parts 41, 101, and 141 of the Commission's regulations,⁴⁶ except Sections 141.14 and 141.15,⁴⁷ and with the exception that waiver of the provisions of Part 101 that apply to hydropower licenses is not granted with respect to licensed hydropower projects.

(2) Waiver of the filing requirements of Subparts B and C of Part 35 of the Commission's regulations requiring the filing of cost-of-service information,⁴⁸ except the

⁴³ See, e.g., *Revisions to Electric Quarterly Report Filing Process*, Order No. 770, FERC Stats. & Regs. ¶ 31,338 at P 3 (2012) (citing Order No. 2001, FERC Stats. & Regs. ¶ 31,327 at P 31).

⁴⁴ *Reporting Requirements 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).

⁴⁵ 18 C.F.R. § 35.42 (2016).

⁴⁶ 18 C.F.R. Parts 41, 101, 141 (2016).

⁴⁷ 18 C.F.R. §§ 141.14, 141.15 (2016). See Order No. 697 at P 984 (“[L]ittle purpose would be served to require compliance with accounting regulations for entities that do not sell at cost-based rates and do not have captive customers. Such entities typically include power marketers and independent and affiliated power producers that are not franchised public utilities.”).

⁴⁸ 18 C.F.R. §§ 35.12-35.29 (2016).

transmittal requirements of Sections 35.12(a)⁴⁹ and 35.13(b)⁵⁰ and the notification of succession and cancellation of service requirements of Sections 35.15⁵¹ and 35.16.⁵²

(3) Blanket approval under Part 34 of the Commission's regulations⁵³ for all future issuances of securities or assumptions of liabilities⁵⁴ pursuant to Section 204 of the FPA.⁵⁵

VII. NOTIFICATION OF PRICE REPORTING STATUS

Section 35.41(c) of the Commission's regulations⁵⁶ requires that a seller with market-based rate authority notify the Commission whether it engages in the reporting of transactions to publishers of electricity or natural gas price indices. Seller hereby notifies the Commission that it does not and will not engage in such reporting.

VIII. EFFECTIVE DATE

Seller requests that the Commission accept Seller's Tariff to become effective September 1, 2016. Seller respectfully requests waiver of the 60-day notice provision in the Commission's

⁴⁹ 18 C.F.R. § 35.12(a) (2016).

⁵⁰ 18 C.F.R. § 35.13(b) (2016).

⁵¹ 18 C.F.R. § 35.15 (2016).

⁵² 18 C.F.R. § 35.16 (2016).

⁵³ 18 C.F.R. Part 34 (2016).

⁵⁴ *See* Order No. 697 at P 999 (“We will continue to grant blanket approval under Part 34 for future issuances of securities and assumptions of liability where the entity seeking market-based rate authority, such as a power marketer or power producer, is not a franchised public utility or does not otherwise provide requirements service at cost-based rates.”).

⁵⁵ 16 U.S.C. § 824c.

⁵⁶ 18 C.F.R. § 35.41(c) (2016).

regulations.⁵⁷

IX. CONCLUSION

Seller requests that the Commission accept for filing the attached Tariff, with an effective date of September 1, 2016, and otherwise grant Seller the authority to sell electric energy, capacity, and ancillary services in wholesale transactions at market-based rates. Seller requests that it be deemed a Category 1 Seller in all regions. Seller further requests that the Commission grant the above-described waivers and authorizations that the Commission typically has granted similarly situated entities seeking market-based rate authority.

Respectfully submitted,

/s/ Jeffrey M. Gray

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Counsel for Terrapin Energy LLC

Dated: July 5, 2016

⁵⁷ 18 C.F.R. § 35.3(a)(1) (2016)

ATTACHMENT A

PROPOSED MARKET-BASED RATE TARIFF

TERRAPIN ENERGY LLC

Market-Based Rate Tariff

1. Availability: Terrapin Energy LLC (“Seller”) makes electric energy, capacity, and ancillary services available under this tariff to any purchaser, except as prohibited below.
2. Applicability: This tariff is applicable to all sales of electric energy, capacity, and ancillary services by Seller at market-based rates.

3. Ancillary Services:

MISO: Seller offers regulation service and operating reserve service (which include 10-minute spinning reserve and 10-minute supplemental reserve) for sale to the Midcontinent Independent System Operator, Inc. (“MISO”) and to others that are self-supplying ancillary services to MISO.

Third-party ancillary services: Seller offers Regulation and Frequency Response Service, Reactive Supply and Voltage Control Service, Energy and Generator Imbalance Service, Operating Reserve-Spinning, and Operating Reserve-Supplemental. Sales will not include the following: (1) sales to an RTO or an ISO, i.e., where that entity has no ability to self-supply ancillary services but instead depends on third parties; and (2) sales to a traditional, franchised public utility affiliated with the third-party supplier, or sales where the underlying transmission service is on the system of the public utility affiliated with the third-party supplier. Sales of Operating Reserve-Spinning and Operating Reserve-Supplemental will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff (“OATT”) requirements to offer ancillary services to its own customers, except where the Commission has granted authorization. Sales of Regulation and Frequency Response Service and Reactive Supply and Voltage Control Service will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers, except at rates not to exceed the buying public utility transmission provider’s OATT rate for the same service or where the Commission has granted authorization.

4. Rates: All sales shall be made at rates established by agreement between the purchaser and Seller.
5. Other Terms and Conditions: All other terms and conditions shall be established by agreement between the purchaser and Seller.
6. Seller Category: Seller is a Category 1 seller in all regions, as defined in 18 C.F.R. § 35.36(a).
7. Compliance with Commission Regulations: Seller shall comply with the provisions of 18 C.F.R. Part 35, Subpart H, as applicable, and with any conditions the Commission imposes in its

orders concerning Seller's market-based rate authority, including orders in which the Commission authorizes Seller to engage in affiliate sales under this tariff or otherwise restricts or limits Seller's market-based rate authority. Failure to comply with the applicable provisions of 18 C.F.R. Part 35, Subpart H, and with any orders of the Commission concerning Seller's market-based rate authority, will constitute a violation of this tariff.

8. Limitations and Exemptions Regarding Market-Based Rate Authority: The Commission has granted Seller the following waivers and blanket authorization: (i) waiver of Subparts B and C of Part 35 of the Commission's regulations requiring the filing of cost-of-service information, except Sections 35.12(a), 35.13(b), 35.15, and 35.16; (ii) waiver of Part 41, Part 101, and Part 141 of the Commission's regulations concerning accounting and periodic reporting requirements, except Sections 141.14 and 141.15, and with the exception that waiver of the provisions of Part 101 that apply to hydropower licenses is not granted with respect to licensed hydropower projects; and (iii) blanket approval under Part 34 of the Commission's regulations for all future issuances of securities or assumptions of liabilities pursuant to Section 204 of the Federal Power Act, 16 U.S.C. § 824c. *Terrapin Energy LLC*, Docket No. ER16-___-000 (2016).

9. Effective Date: This tariff shall be effective on and after the date on which the Commission permits it to become effective.

ATTACHMENT B

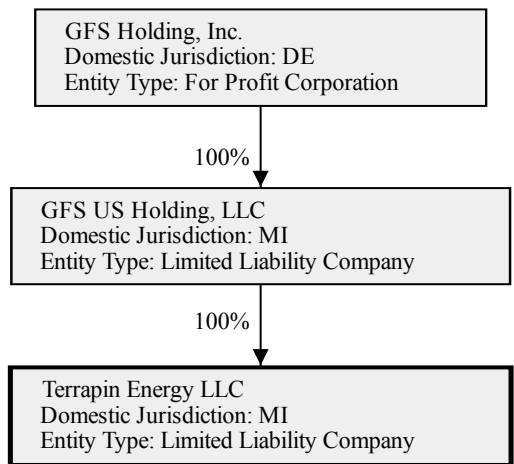
ASSET LIST

Terrapin Energy LLC Asset List: Generation Assets

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]
Filing Entity and its Energy Affiliates	Docket # where MBR authority was granted	Generation Name (Plant or Unit Name)	Owned By	Controlled By	Date Control Transferred	Location		In-Service Date	Capacity Rating: Nameplate (MW)	Capacity Rating: Used in Filing (MW)	Capacity Rating: Methodology Used in [K]: (N)ameplate, (S)easonal, 5-yr (U)nit, 5-yr (E)IA, (A)lternative	End Note Number (Enter text in End Note Tab)
						Market / Balancing Authority Area	Geographic Region					
Terrapin Energy LLC	Pending	Big Turtle II Wind Farm	Terrapin Energy LLC	Terrapin Energy LLC	N/A	MISO	Central	September 1, 2016 (expected)	29.4	29.4	Nameplate	

ATTACHMENT C

CORPORATE ORGANIZATIONAL CHART



ATTACHMENT D

MARKET POWER SCREENS

Attachment D-1 Market Share Screen

Applicant-> **Terrapin**
 Study Area -> **MISO**
 Data Year -> **Dec 2012-Nov 2013**

Row	As filed by the Applicant/Seller				Reference	
	Winter (MW)	Spring (MW)	Summer (MW)	Fall (MW)		
Seller and Affiliate Capacity (owned, controlled or under LT contract)						
A	Installed Capacity (inside the study area)	30	30	30	30	
A1	Remote Capacity (from outside the study area)	-	-	-	-	
B	Long-Term Firm Purchases (inside the study area)	-	-	-	-	
B1	Long-Term Firm Purchases (from outside the study area)	-	-	-	-	
C	Long-Term Firm Sales (in and outside the study area)	-	-	-	-	
D	Seasonal Average Planned Outages	-	-	-	-	
E	Uncommitted Capacity Imports	-	-	-	-	
Capacity Deductions						
F	Average Peak Native Load in the Season	83,507	78,036	96,986	82,497	MISO Study page 9, Table 9
G	Amount of Line F Attributable to Seller, if any	-	-	-	-	
H	Amount of Line F Attributable to Non-Affiliates, if any	83,507	78,036	96,986	82,497	Line F - Line G
I	Study Area Reserve Requirement	2,440	2,439	2,438	2,440	MISO Study page 8, Table 8
J	Amount of Line I Attributable to Seller, if any	-	-	-	-	
K	Amount of Line I Attributable to Non-Affiliates, if any	2,440	2,439	2,438	2,440	Line I - Line J
Non-Affiliate Capacity (owned, controlled or under LT contract)						
L	Installed Capacity (inside the study area)	144,477	144,477	144,477	144,477	MISO Study page 5, Table 3
L1	Remote Capacity (from outside the study area)	0	0	0	0	
M	Long-Term Firm Purchases (inside the study area)	3,157	3,157	3,157	3,157	MISO Study page 5, Table 3
M1	Long-Term Firm Purchases (from outside the study area)	0	0	0	0	
N	Long-Term Firm Sales (in and outside the study area)	1,134	1,134	1,134	1,134	MISO Study page 5, Table 3
O	Seasonal Average Planned Outages	7,444	20,998	3,857	15,934	MISO Study page 8, Table 7
P	Uncommitted Capacity Imports	15,373	20,446	13,128	18,027	MISO Study page 13, Table 11
Supply Calculation						
Q	Total Competing Supply (L+L1+M+M1+P-H-K-N-O)	68,482	65,473	56,347	63,656	
R	Seller's Uncommitted Capacity (A+A1+B+B1+E-C-D-G-J)	30	30	30	30	
S	Total Seasonal Uncommitted Capacity (Q+R)	68,512	65,503	56,377	63,686	
T	Seller's Market Share (R÷S)	0.0%	0.0%	0.1%	0.0%	
	Results (Pass if < 20% and Fail if ≥ 20%)	Pass	Pass	Pass	Pass	

Attachment D-2 Pivotal Supplier Screen

Applicant-> **Terrapin**
 Market -> **MISO**
 Data Year -> **2013**

Row	Generation		Reference
Seller and Affiliate Capacity (owned or controlled)			
A	Installed Capacity (from inside the study area)	30	
A1	Remote Capacity (from outside the study area)	-	
B	Long-Term Firm Purchases (from inside the study area)	-	
B1	Long-Term Firm Purchases (from outside the study area)	-	
C	Long-Term Firm Sales (in and outside the study area)	-	
D	Uncommitted Capacity Imports	-	
Non-Affiliate Capacity (owned or controlled)			
E	Installed Capacity (from inside the study area)	144,477	MISO Study page 7, Table 4
E1	Remote Capacity (from outside the study area)	-	
F	Long-Term Firm Purchases (from inside the study area)	3,157	MISO Study page 7, Table 5
F1	Long-Term Firm Purchases (from outside the study area)	-	
G	Long-Term Firm Sales (in and outside the study area)	1,134	MISO Study page 7, Table 6
H	Uncommitted Capacity Imports	13,128	MISO Study page 13, Table 11
I	Study Area Reserve Requirement	2,440	MISO Study page 8, Table 8
J	Amount of Line I Attributable to Seller, if any	-	
K	Total Uncommitted Supply (A+A1+B+B1+D+E+E1+F+F1+H-C-G-I-M)	60,800	
Load			
L	Balancing Authority Area Annual Peak Load	121,124	MISO Study page 17, Table 17
M	Average Daily Peak Native Load in Peak Month	98,686	MISO Study page 17, Table 17
N	Amount of Line M Attributable to Seller, if any	-	
O	Wholesale Load (L-M)	22,438	
P	Net Uncommitted Supply (K-O)	38,362	
Q	Seller's Uncommitted Capacity (A+A1+B+B1+D-C-J-N)	30	
Result of Pivotal Supplier Screen (Pass if Line Q < Line P) (Fail if Line Q > Line P)		Pass	

FERC rendition of the electronically filed tariff records in Docket No. ER16-02135-000

Filing Data:

CID: C005315

Filing Title: Application for Market Based Rate

Company Filing Identifier: 681

Type of Filing Code: 400

Associated Filing Identifier:

Tariff Title: Market Base Rate Tariff

Tariff ID: 915

Payment Confirmation:

Suspension Motion:

Tariff Record Data:

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

FERC Electric Tariff, Market Based Rate Tariff, 0.0.0, A

Record Narrative Name:

Tariff Record ID: 1

Tariff Record Collation Value: 1000000 Tariff Record Parent Identifier: 0

Proposed Date: 2016-09-01

Priority Order: 500

Record Change Type: NEW

Record Content Type: 1

Associated Filing Identifier:

TERRAPIN ENERGY LLC

Market-Based Rate Tariff

1. **Availability:** Terrapin Energy LLC (“Seller”) makes electric energy, capacity, and ancillary services available under this tariff to any purchaser, except as prohibited below.
2. **Applicability:** This tariff is applicable to all sales of electric energy, capacity, and ancillary services by Seller at market-based rates.
3. **Ancillary Services:**

MISO: Seller offers regulation service and operating reserve service (which include 10-minute spinning reserve and 10-minute supplemental reserve) for sale to the Midcontinent Independent System Operator, Inc. (“MISO”) and to others that are self-supplying ancillary services to MISO.

Third-party ancillary services: Seller offers Regulation and Frequency Response Service, Reactive Supply and Voltage Control Service, Energy and Generator Imbalance Service, Operating Reserve-Spinning, and Operating Reserve-Supplemental. Sales will not include the following: (1) sales to an RTO or an ISO, i.e., where that entity has no ability to self-supply ancillary services but instead depends on third parties; and (2) sales to a traditional, franchised public utility affiliated with the third-party supplier, or sales where the underlying transmission service is on the system of the public utility affiliated with the third-party supplier. Sales of Operating Reserve-Spinning and Operating Reserve-Supplemental will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff (“OATT”) requirements to offer ancillary services to its own customers, except where the Commission has granted authorization. Sales of Regulation and Frequency Response Service and Reactive Supply

and Voltage Control Service will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers, except at rates not to exceed the buying public utility transmission provider's OATT rate for the same service or where the Commission has granted authorization.

4. Rates: All sales shall be made at rates established by agreement between the purchaser and Seller.
5. Other Terms and Conditions: All other terms and conditions shall be established by agreement between the purchaser and Seller.
6. Seller Category: Seller is a Category 1 seller in all regions, as defined in 18 C.F.R. § 35.36(a).
7. Compliance with Commission Regulations: Seller shall comply with the provisions of 18 C.F.R. Part 35, Subpart H, as applicable, and with any conditions the Commission imposes in its orders concerning Seller's market-based rate authority, including orders in which the Commission authorizes Seller to engage in affiliate sales under this tariff or otherwise restricts or limits Seller's market-based rate authority. Failure to comply with the applicable provisions of 18 C.F.R. Part 35, Subpart H, and with any orders of the Commission concerning Seller's market-based rate authority, will constitute a violation of this tariff.
8. Limitations and Exemptions Regarding Market-Based Rate Authority: The Commission has granted Seller the following waivers and blanket authorization: (i) waiver of Subparts B and C of Part 35 of the Commission's regulations requiring the filing of cost-of-service information, except Sections 35.12(a), 35.13(b), 35.15, and 35.16; (ii) waiver of Part 41, Part 101, and Part 141 of the Commission's regulations concerning accounting and periodic reporting requirements, except Sections 141.14 and 141.15, and with the exception that waiver of the provisions of Part 101 that apply to hydropower licenses is not granted with respect to licensed hydropower projects; and (iii) blanket approval under Part 34 of the Commission's regulations for all future issuances of securities or assumptions of liabilities pursuant to Section 204 of the Federal Power Act, 16 U.S.C. § 824c. *Terrapin Energy LLC*, Docket No. ER16-____-000 (2016).
9. Effective Date: This tariff shall be effective on and after the date on which the Commission permits it to become effective.

Document Content(s)

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