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TN #:	223299
Document Title:	Petition to Transfer Operational Control of SEGS IX Project
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BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of:

LUZ SOLAR PARTNERS LTD., IX SEGS IX PROJECT

Docket No. 89-AFC-01C

PETITION OF LUZ SOLAR PARTNERS LTD., IX TO TRANSFER OPERATIONAL CONTROL OF THE SEGS IX PROJECT

Thomas W. Solomon Winston & Strawn LLP 101 California Street, Suite 3500 San Francisco, California 94111 Telephone: (415) 591-6809 Facsimile: (415) 591-1400

tsolomon@winston.com

Attorneys for Luz Solar Partners Ltd., IX

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of:

LUZ SOLAR PARTNERS LTD., IX
SEGS IX PROJECT

Docket No. 89-AFC-01C

PETITION OF LUZ SOLAR PARTNERS LTD., IX TO TRANSFER OPERATIONAL CONTROL OF THE SEGS IX PROJECT

Pursuant to California Code of Regulations, Title 20, Section 1769(b) ("Section 1769(b)"), Luz Solar Partners Ltd., IX ("SEGS IX") submits this petition to transfer operational control of the SEGS IX Project, a solar-thermal power plant located near the town of Hinkley in San Bernardino County, California. The decision approving the SEGS IX Project provides that if control or ownership of the SEGS IX Project is transferred to a new party, then SEGS IX must provide notice to the Compliance Project Manager following the change of ownership or operation responsibility. However, SEGS IX recently became aware of the additional requirements of Section 1769(b), and therefore is submitting this petition at this time. The information required under Section 1769(b) is provided below.

SEGS IX is the owner of the SEGS IX Project and the entity responsible for compliance with the Commission's conditions of certification for the SEGS IX Project. Prior to December 28, 2017, Terra-Gen, LLC ("Terra-Gen") indirectly owned 50% of the equity interests in SEGS IX. On December 28, 2017, subsidiaries of Terra-Gen acquired the remaining 50% of the equity interest in SEGS IX from affiliates of NextEra Energy Resources, resulting in Terra-Gen indirectly owning 100% of SEGS IX (the "Acquisition"). All of these transactions occurred upstream of SEGS IX, and following the Acquisition, SEGS IX continues to be the owner of the SEGS IX Project and the entity responsible for compliance with the Commission's conditions of certification for the SEGS IX Project.

Prior to the Acquisition, the SEGS IX Project was operated by NextEra Operating Services, LLC ("NextEra Operator") pursuant to that certain Amended and Restated Operation and Maintenance Agreement dated as of January 1, 1998 between SEGS IX and NextEra

Operator, as amended (the "O&M Agreement"). In connection with the Acquisition, NextEra

Operator assigned its rights and obligations under the O&M Agreement to Terra-Gen Operating

Company II, LLC ("Terra-Gen Operator"). However, NextEra Operator continued to provide

operations and maintenance ("O&M") services for the project on a transitional basis until March

31, 2018, at which time Terra-Gen Operator commenced providing O&M services for the SEGS

IX Project pursuant to the O&M Agreement. In connection with the assignment of the O&M

Agreement, Terra-Gen Operator hired the on-site NextEra Operator employees performing O&M

services for the SEGS IX Project. It also hired a seasoned plant manager with thirty years of

solar thermal experience, twelve of which were managing SEGS IX. Because Terra-Gen

Operator will be providing O&M services pursuant to the same O&M Agreement, and using

primarily the same staff, no significant changes in the operation of the SEGS IX Project are

expected.

Attached as Exhibit A is the Declaration of Matthew W. Scobee on behalf of Terra-Gen

Operator attesting that, as the operator of the SEGS IX Project under the O&M Agreement as

described above, Terra-Gen Operator understands the conditions of certification applicable to the

SEGS IX Project and agrees to comply with those conditions of certification.

SEGS IX respectfully requests that the Commission approve this petition at its earliest

opportunity.

SEGS IX appreciates the Commission's consideration of this request.

April 30, 2018

Respectfully submitted,

/s/ Thomas W. Solomon

Thomas W. Solomon Winston & Strawn LLP

Attorneys for Luz Solar Partners Ltd., IX

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Exhibit A

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of:
LUZ SOLAR PARTNERS LTD., IX
SEGS IX PROJECT

Docket No. 89-AFC-01C

DECLARATION OF Matthew W. Scobee, Senior Vice President

- I, Matthew W. Scobee, declare as follows:
- 1. I am the Senior Vice President for Terra-Gen Operating Company II, LLC ("Terra-Gen Operator").
- 2. Luz Solar Partners Ltd., IX ("SEGS IX") is the owner of the SEGS IX Project and the holder of the Commission license to construct and operate the SEGS IX Project.
- 3. Immediately prior to December 28, 2017, the SEGS IX Project was operated by NextEra Operating Services, LLC ("NextEra Operator") pursuant to that certain Amended and Restated Operation and Maintenance Agreement dated as of January 1, 1998 between SEGS IX and NextEra Operator, as amended (the "O&M Agreement").
- 4. In connection with a change in the upstream ownership of SEGS IX, the O&M Agreement was assigned to Terra-Gen Operator on December 28, 2017. However, NextEra Operator continued to provide operations and maintenance ("O&M") services for the project on a transitional basis until March 31, 2018, at which time Terra-Gen Operator commenced providing O&M services for the SEGS IX Project pursuant to the O&M Agreement.
- 5. In connection with the assignment of the O&M Agreement, Terra-Gen Operator hired the on-site NextEra Operator employees performing O&M services for the

Exhibit A

SEGS IX Project. It also hired a seasoned plant manager with thirty years of solar thermal experience, twelve of which were managing SEGS IX.

6. I hereby attest that, as the operator of the SEGS IX Project, Terra-Gen Operating Company II, LLC understands the Commission's conditions of certification for the SEGS IX Project and agrees to comply with those conditions.

I declare under penalty of perjury that the foregoing is true and accurate and that this declaration was executed at New Braunfels, Texas on April 26, 2018.

Matthew W. Scobee

Sr. Vice President

Terra-Gen Operating Company II, LLC

Matthew W. Oche