Application to Transfer Site Certificate Agreements to Project Companies

WAC 463-66-100

The Certificate Holder requests the Council’s authorization to transfer of each of the following SCAs from TUUSSO Energy, LLC to each of the following corresponding Project Companies, and amendment of the SCAs to reflect each project company as the new holder under the SCA:

- SCA between State of Washington and TUUSSO Energy LLC for the Columbia Solar Project Penstemon Site to TE - Penstemon, LLC
- SCA between State of Washington and TUUSSO Energy LLC for the Columbia Solar Project Camas Site to TE - Camas, LLC
- SCA between State of Washington and TUUSSO Energy LLC for the Columbia Solar Project Urtica Site to TE - Urtica, LLC

Summary: TUUSSO Energy, LLC is the parent company of TE-Columbia Solar, which is the parent company for the Project Companies listed above, corresponding to each of the three remaining Site Certificates. TUUSSO has formed separate Project Companies to enable the management, implementation, and enforcement of the SCA, and to secure separate power purchase agreements from Puget Sound Energy for each Project. This ownership structure also enables the GREC purchase of each Project, allowing the transfer of each of the Site Certificates to a highly qualified purchaser, subject to all conditions and requirements of each SCA.

WAC 463-66-100 Transfer of a site certification agreement.

No site certification agreement, any portion of a site certification agreement, nor any legal or equitable interest in such an agreement issued under this chapter shall be transferred, assigned, or in any manner disposed of (including abandonment), either voluntarily or involuntarily, directly or indirectly, through transfer of control of the certification agreement or the site certification agreement owner or project sponsor without express council approval of such action. In the event a site certification agreement is to be acquired via a merger, leveraged buy-out, or other change in corporate or partnership ownership, the successor in interest must file a formal petition under the terms of this section to continue operation or other activities at the certificated site.

RESPONSE: TUUSSO seeks Council approval of the transfer of ownership and control of each SCA to each of the corresponding Project Companies. The Council has already issued, and the Governor has approved separate SCAs for each of the three generation facility sites.

(1) A certification holder seeking to transfer or otherwise dispose of a site certification agreement must file a formal application with the council including information about the new owner required by WAC 463-60-015 and 463-60-075 that demonstrate the transferee’s organizational, financial, managerial, and technical capability to comply with the terms and conditions of the original
site certification agreement including council approved plans for termination of the plant and site restoration. The council may place conditions on the transfer of the certification agreement including provisions that reserve liability for the site in the original certification holder.

RESPONSE: The three project companies have been formed to manage each of the three generation facilities. The proposed transfers do not in any way change the terms of the SCAs, nor do they change the “organizational, financial, managerial, and technical capability to comply with the terms and conditions of the original site certification agreement including council approved plans for termination of the plant and site restoration.” The Council has previously found that TUUSSO meets these standards and requirements. The Certificate Holder now proposes the transfer of these three SCAs to three corresponding Project Companies, while amending the SCAs to reflect the project companies as the new certificate holder for each of the SCAs.

(2) If the certification holder is seeking an alternative disposition of a certificated site, the certification holder must petition the council for an amendment to its site certification agreement pursuant to the provisions of this chapter and gain council approval of its alternative disposition plan. In submitting a request for an alternative disposition of a certificated site, the certification holder must describe the operational and environmental effects of the alternative use of the site on the certified facility. If the proposed alternative use of the site is inconsistent with the terms and conditions of the original site certification agreement the council may reject the application for alternative use of the site.

RESPONSE: Not applicable. TUUSSO Energy, LLC does not propose an alternative disposition of the certificated sites.

(3) The council shall require any person who submits an application to acquire a site certification agreement under provisions of this section to file a written consent from the current certification holder, or a certified copy of an order or judgment of a court of competent jurisdiction, attesting to the person’s right, subject to the provisions of chapter 80.50 RCW et seq. and the rules of this chapter, to possession of the energy facility involved.

RESPONSE: Pending further transfers to a purchaser, TUUSSO will remain the owner of the three Project Companies. TUUSSO is the applicant and parent company, and consent is not necessary for this transfer of the SCAs to the Project Companies.

(4) After mailing a notice of the pending application for transfer of the site certification agreement to all persons on its mailing list, the council shall hold an informational hearing on the application. Following the hearing the council may approve an application for transfer of the site certification agreement if the council determines that:

(a) The applicant satisfies the provisions of WAC 463-60-015 and 463-60-075;

(b) The applicant is entitled to possession of the energy facility described in the certification agreement; and

(c) The applicant agrees to abide by all of the terms and conditions of the site certification agreement to be transferred and has demonstrated it has the organizational, financial, managerial, and technical capability and is willing and able to comply with the terms and conditions of the certification agreement being transferred.
(5) The council shall issue a formal order either approving or denying the application for transfer of the site certification agreement. If the council denies the request, it shall state the reasons for its denial.

RESPONSE: TUUSSO will continue to satisfy the requirements of all applicable statutory and Washington Administrative Code requirements. Until a future transfer occurs to GREC and/or its Project Company entit(ies), TUUSSO will maintain all real property interests in each of the generation facility sites and will secure all required financial assurances for site restoration. The Certificate Holder will abide by all terms and conditions of the SCAs to be transferred, as when the certificates were held by TUUSSO. There is no change in the Applicant’s demonstrated organizational, financial, managerial, and technical capability. The Certificate Holder remains willing and able to comply with the terms and conditions of the SCAs being transferred.