



Control Number: 14406



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PUBLIC UTILITY COMMISSION
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November 8, 2017

Ms. Lisa Clark
Filing Clerk
Public Utility Commission of Texas
1701 N. Congress Ave.
Austin, TX 78711

RE: Docket No. 14406, Notice of Self-Certification of Exempt Wholesale Generator Status of Horse Hollow Wind III, LLC

Dear Ms. Clark,

Pursuant to PURA Section 35.032(a)(2), please find enclosed ten copies of the Horse Hollow Wind III, LLC's Notice of Self-Certification of Exempt Wholesale Generator Status filed with the Federal Energy Regulatory Commission.

If you have any question, please do not hesitate to contact me at (512) 236-3141 or by email at Tracy.C.Davis@nexteraenergy.com.

Sincerely,


Tracy C. Davis
Senior Attorney

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

AEM Wind, LLC	EG17-90-000
Deerfield Wind, LLC	EG17-91-000
Tule Wind LLC	EG17-92-000
Twin Buttes Wind II LLC	EG17-93-000
El Cabo Wind LLC	EG17-94-000
Henderson County Solar LLC	EG17-95-000
Santa Rita Wind Energy LLC	EG17-96-000
Caldwell County Solar LLC	EG17-97-000
Buckthorn Westex, LLC	EG17-98-000
Horse Hollow Wind III, LLC	EG17-99-000
Post Wind, LLC	EG17-100-000
Shoe Creek Solar, LLC	EG17-101-000
Vista Energy Storage, LLC	EG17-102-000

NOTICE OF EFFECTIVENESS OF EXEMPT WHOLESALE
GENERATOR STATUS

(July 3, 2017)

Take notice that during the month of June 2017, the status of the above-captioned entities as Exempt Wholesale Generators became effective by operation of the Commission's regulations. 18 CFR 366.7(a) (2016)

Kimberly D. Bose,
Secretary.

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

Horse Hollow Wind III, LLC

)

Docket No. EG17- 99 -000

**NOTICE OF SELF-CERTIFICATION OF
EXEMPT WHOLESALE GENERATOR STATUS OF
HORSE HOLLOW WIND III, LLC**

Pursuant to the Public Utility Holding Company Act of 2005 (“PUHCA 2005”), enacted pursuant to the Energy Policy Act of 2005, §§ 1261-77, Pub. L. No. 109-58, 119 Stat. 594 (2005), and Section 366.7, 18 C.F.R. § 366.7 (2015) of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), Horse Hollow Wind III, LLC, a Delaware limited liability company (“Applicant” or “Horse Hollow III”), hereby submits this notice of self-certification (“Notice”) of its status as an exempt wholesale generator (“EWG”), as defined in Section 366.1 of the Commission’s rules, 18 C.F.R. § 366.1 (2016). In support of this Notice, Applicant hereby states as follows:

I. Principal Office of Applicant

The principal office of Applicant is set forth below:

Horse Hollow Wind III, LLC
700 Universe Blvd.
Juno Beach, FL 33408-0420

II. Communications

All communications regarding this Application should be provided to:

Joel D. Newton
Senior Attorney
NextEra Energy Resources, LLC
801 Pennsylvania Ave., N.W., Ste. 220
Washington, D.C. 20004
(202) 347-7126
joel.newton@nee.com

III. Description of Applicant and Facility

Applicant will be a wholly-owned direct subsidiary of Palmwood Wind, LLC (“Palmwood”), a Delaware limited liability company.¹ Palmwood is owned by Palmwood Wind Portfolio, LLC (“Palmwood Portfolio”), a Delaware limited liability company, which holds a 95% ownership interest, and Palmwood Wind Class A Holdings, LLC (“Palmwood Class A”), a Delaware limited liability company, which holds a 5% ownership interest, and Palmwood Class A in turn is a wholly-owned subsidiary of Palmwood Wind Holdings, LLC (“Palmwood Holdings”), a Delaware limited liability company. Each of Palmwood Portfolio and Palmwood Holdings is a wholly-owned direct subsidiary of Palmwood Wind Funding, LLC, a Delaware limited liability company, which in turn is a wholly-owned direct subsidiary of ESI Energy, LLC (“ESI Energy”), a Delaware limited liability company. ESI Energy is a wholly-owned direct subsidiary of NextEra Energy Resources, LLC (“NextEra Resources”), a Delaware limited liability company. NextEra Resources is a wholly-owned direct subsidiary of NextEra Energy Capital Holdings, Inc., a Florida corporation, which in turn is a wholly-owned direct subsidiary of NextEra Energy, Inc., a Florida corporation publicly traded on the New York Stock Exchange.

Horse Hollow III will own a wind generation facility and associated interconnection facilities (the “Facility”), which is located in Nolan County, TX, with a capacity rating of up to 223.5 MW. With regard to interconnection facilities, the Facility will include two substations and associated transmission facilities necessary to interconnect the substations to (i) AEP Texas North Company (“AEP North”) and (ii) Lower Colorado River Authority (“LCRA”) through Horse Hollow Generation Tie, LLC’s radial interconnection to LCRA.² Applicant will sell

¹ The corporate organization described herein is expected to be put in place as of April 20, 2017.

² The Facility is operated such that it is interconnected to AEP North or indirectly to LCRA at any given time, but not simultaneously.

electricity produced by the Facility exclusively at wholesale within the Electric Reliability Council of Texas. The Facility is comprised of assets that are currently in operation and owned by Horse Hollow III's affiliate, FPL Energy Horse Hollow Wind II, LLC,³ which is selling certain of its assets to Horse Hollow III as part of a contemplated tax equity transaction.⁴

Applicant neither owns nor controls transmission, other than certain interconnecting transmission facilities necessary to permit the Facility to engage in sales at wholesale. With respect to physical energy commodities, Applicant may engage in wholesale sales of electric energy, capacity, and ancillary services at market-based rates sales.

In connection with operating the Facility, Applicant also may engage in the following incidental activities that the Commission has found permissible EWG activities:

- Trade emission allowances consistent with the Commission's limitation that an EWG may engage in such trading so long as the emission allowances were originally obtained in the normal course of operating the Facility.⁵
- Sell "green" power certificates or credits consistent with the Commission's limitation that an EWG may sell such certificates or credits where they are associated with power produced by the Facility.⁶
- Engage in other activities incidental to the sale of electric energy at wholesale that are consistent with the Commission's EWG precedent.

IV. Representations Regarding Exempt Wholesale Generator Status

Consistent with Section 366.1 of the Commission's regulations, Applicant makes the following representations in order to certify that it satisfies the requirements for EWG status:

³ See *FPL Energy Horse Hollow Wind II, LLC*, 114 FERC ¶ 62,025, Docket No. EG06-10-000, issued (Jan. 13, 2006).

⁴ The facility owned by FPL Energy Horse Hollow Wind II, LLC ("FPLE Horse Hollow II") prior to the sale of assets to Horse Hollow III has the capability to produce up to 522.5 MW. FPLE Horse Hollow II's remaining 299 MW will be sold to two other affiliates – Horse Hollow Wind II, LLC and Horse Hollow Wind IV, LLC – which entities will be part of a separate, upcoming tax equity financing.

⁵ See *UGI Development Co.*, 89 FERC ¶ 61,192 (1999).

⁶ See *Madison Windpower, LLC*, 93 FERC ¶ 61,270 (2000).

1. Applicant represents that it will be engaged directly and exclusively in the business of owning and operating the Facility and selling electric energy at wholesale. Consistent with the Commission's EWG precedent, the associated activities described in Part III above are incidental to the wholesale generation business and will not violate the EWG exclusivity requirement. The Facility, as described above, will satisfy the definition of Eligible Facilities as defined in Section 32(a)(2) of the Public Utility Holding Company Act of 1935 and as incorporated by reference in 18 C.F.R. § 366.1, because it will be used for the generation of electric energy exclusively for sale at wholesale.

2. The Facility includes no transmission or distribution facilities other than those interconnecting transmission facilities necessary to permit the Facility to engage in sales at wholesale.

3. Applicant will not make sales of power at retail.

4. No rate or charge for, or in connection with, the construction of the Facility, or for electric energy produced by the Facility, was in effect under the laws of any State on October 24, 1992. As such, no determination or certification by a state commission is necessary prior to certification of the Facility as an EWG.

5. No portion of the Facility will be owned or operated by an "electric utility company" that is an "affiliate" or "associate company" of Applicant that is not itself an EWG, as defined in Section 366.1 of the Commission's regulations.

6. There are no leasing arrangements involving the Facility and any public utility company or any affiliate or associate company of any public utility company.

V. Conclusion

Based upon the foregoing, Applicant respectfully requests that the Commission accept its notice of self-certification of EWG status.

Respectfully submitted,

/s/ Joel D. Newton

Joel D. Newton

Senior Attorney

NextEra Energy Resources, LLC

801 Pennsylvania Ave., N.W.

Suite 220

Washington, D.C. 20004

(202) 347-7126

Counsel for Horse Hollow Wind III, LLC

Dated: April 19, 2017

CERTIFICATE OF SERVICE

I, Joel D. Newton, hereby certify that I have this day caused the foregoing Notice of Self-Certification of Exempt Wholesale Generator Status of Horse Hollow Wind III, LLC to be served by first-class mail upon the Florida Public Service Commission and the Public Utility Commission of Texas.

Dated at Washington, D.C. this 19th day of April, 2017.

/s/ Joel D. Newton
Joel D. Newton
NextEra Energy Resources, LLC
801 Pennsylvania Ave., N.W.
Suite 220
Washington, D.C. 20004