

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



NOTICE OF RECEIPT
REQUEST TO TRANSFER OWNERSHIP
for the
SEGS IX Project (89-AFC-1C)

On May 30, 2018, Luz Partners Ltd., IX, filed a petition with the California Energy Commission (Energy Commission) requesting to transfer ownership for the SEGS IX Project from Luz Partners Ltd., IX, to Terra-Gen, LLC. The 80-megawatt SEGS IX project was certified by the Energy Commission on February 14, 1990, and began commercial operation in October 1990. The facilities are located near the town of Hinkley, in San Bernardino County, California.

The request would transfer responsibility for compliance with Conditions of Certification to Terra-Gen Operating Company II, LLC (Terra-Gen Operator). A statement describing the change in ownership, signed under penalty of perjury by a representative of Terra-Gen Operator, was submitted as required by Title 20, California Code of Regulations, section 1769(b). The statement affirms that the new owner agrees to be bound by the requirements of the Energy Commission's Decision for the project and understands the obligations imposed by the Conditions of Certification. The Energy Commission may approve changes of ownership after a 14-day public notice.

The Petition requesting the transfer of ownership is available on the Energy Commission's webpage for this facility at http://www.energy.ca.gov/sitingcases/pre1999_page/index.php?xkm=ajdkha2385duhkasd161dsasjd5598fhajkhs. This Notice of Receipt is being mailed to interested parties and property owners adjacent to the facility site who may want to submit comments.

Any person may comment on the petition. To use the Energy Commission's electronic commenting feature, go to the Energy Commission's webpage for this facility, cited above, click on the "Submit e-Comment" link, and follow the instructions in the on-line form. Be sure to include the facility name in your comments. Once submitted, the Energy Commission Dockets Unit reviews and approves your comments, and you will receive an e-mail with a link to them.

Written comments may also be mailed or hand-delivered to:

California Energy Commission
Dockets Unit, MS-4
Docket No. **89-AFC-1C**
1516 Ninth Street
Sacramento, CA 95814-5512

All comments and materials filed with and approved by the Dockets Unit will be added to the facility Docket Log and become publicly accessible on the Energy Commission's webpage for the facility.

If you have questions about this notice, please contact Joseph Douglas, Compliance Project Manager, at (916) 653-4677, or by fax to (916) 654-3882, or via e-mail at mary.dyas@energy.ca.gov.

For information on participating in the Energy Commission's review of the petition, call Alana Mathews, Public Adviser, at (916) 654-4489 or (800) 822-6228 (toll-free in California) or send your e-mail to publicadviser@energy.ca.gov. News media inquiries should be directed to the Energy Commission Media Office at (916) 654-4989, or by e-mail to mediaoffice@energy.ca.gov.

Date: _____

Original Signed by Christine Root

CHRISTINE ROOT, Manager

Compliance Office

Siting, Transmission & Environmental Protection Division

Mail List: 723

DOCKETED

Docket Number:	89-AFC-01C
Project Title:	Compliance - LUZ SEGS IX and X Projects Application for Certification
TN #:	223299
Document Title:	Petition to Transfer Operational Control of SEGS IX Project
Description:	N/A
Filer:	Thomas W. Solomon
Organization:	Winston & Strawn LLP
Submitter Role:	Applicant Representative
Submission Date:	4/30/2018 3:17:14 PM
Docketed Date:	4/30/2018

**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**

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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

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

NOTICE OF DECISION by the CALIFORNIA ENERGY COMMISSION

To: California Resources Agency
1416 9th Street, Room 1311
Sacramento, CA 95814

From: California Energy Commission
1516 9th Street, MS-2000
Sacramento, CA 95814

Subject: Filing of Notice of Decision in compliance with Public Resources Code section 21080.5 and Title 20, California Code of Regulations, section 1768

Project Name: SEGS IX Project

Energy Commission Docket Number: 89-AFC-1C

Energy Commission Contact Person: Joseph Douglas **Phone #:** (916) 653-4677

Project Location: The facility is located at 43880 Harper Lake Road, Hinkley, in San Bernardino County, California.

Project Description: The 80-megawatt SEGS IX project was certified by the Energy Commission on February 14, 1990, and began commercial operation in October 1990.

Modification Description: The transfer the ownership of the SEGS IX Project from Luz Partners Ltd., IX, to Terra-Gen, LLC.

On September 19, 2018, the California Energy Commission approved the above-described transfer of ownership pursuant to a regulatory program certified by the California Secretary of Resources under Section 21080.5 of the California Public Resources Code.

The Commission's docket files containing the Energy Commission's Final Decision and other information regarding the project are open to the public at: California Energy Commission, 1516 9th Street, Sacramento, California, 95814. This information is also available on the Energy Commission's web site –

http://www.energy.ca.gov/sitingcases/pre1999_page/index.php?xkm=ajdkha2385duhkasd164dsasjd5598fhajkhs

Signature

Date

**Compliance Project Manager
Title**

Date received for filing:

Resources:

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:)	
SEGS IX PROJECT)	Docket No. 89-AFC-1C
)	
)	Order No.
TERRA GEN, LLC)	ORDER APPROVING Transfer of
)	Ownership from Luz Partners Ltd., IX, to
)	Terra-Gen, LLC

Luz Partners Ltd., the owner/operator of the SEGS IX Project, located near Hinkley in San Bernardino County, has submitted a petition to amend the Energy Commission Decision in order to transfer ownership of the SEGS IX Project from Luz Partners Ltd., IX, to Terra-Gen, LLC. A representative of the new project owner has provided a declaration, under penalty of perjury, that Terra-Gen agrees to comply with the conditions of certification in the Energy Commission's Decision for the SEGS IX Project.

STAFF RECOMMENDATION

Staff has reviewed the petition, finds that it complies with the requirements of Title 20, section 1769 (b) of the California Code of Regulations, and recommends approval of the ownership change.

CONCLUSION AND ORDER

The California Energy Commission hereby adopts the staff's recommendation and approves the transfer of ownership from Luz Partners Ltd., IX, to Terra-Gen, LLC.

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of an Order duly and regularly adopted at a meeting of the California Energy Commission held on September 19, 2018.

AYE:
NAY:

ABSENT:
ABSTAIN:

Cody Goldthrite
Secretariat