

STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION

In the Matter of the Application of Getty Wind Company, LLC for a Site Permit for a Large Wind Energy Conversion System in Stearns County, Minnesota

PUC Docket No. IP-6866/WS-11-831

In the Matter of the Application for a 42 Megawatt Large Wind Energy Conversion System in Stearns County, Minnesota

PUC Docket No. IP-6853/WS-10-1240

In the Matter of the Joint Application of Black Oak Wind, LLC and Getty Wind Company, LLC for a Certificate of Need for an up to 82 MW Large Wind Project in Stearns County, Minnesota

PUC Docket No. IP6853 and IP6866/
CN-11-471

**GETTY WIND COMPANY, LLC'S AND BLACK OAK WIND, LLC'S
APPLICATION TO TRANSFER SITE PERMIT**

I. INTRODUCTION

On December 31, 2012, the Minnesota Public Utilities Commission (“Commission”) issued Getty Wind Company, LLC (“Getty”) and Black Oak Wind, LLC (“Black Oak”) a joint Certificate of Need (“CN”) for up to 82 MW for the Getty Wind Project (the “Getty Project”) and the Black Oak Wind Farm (the “Black Oak Project”, and together with the Getty Project, the “Projects”).¹

On January 28, 2013, the Commission issued a Site Permit for an up to 40 MW Large Wind Energy Conversion System (“LWECS”) in Stearns County, Minnesota (“Getty Site

¹ Order Granting Certificate of Need and Finding Environmental Report Adequate, *In re Application of Black Oak Wind, LLC and Getty Wind Company, LLC for a Certificate of Need for an up to 82 MW Large Energy Facility in Stearns County*, MPUC Docket No. IP-6853, 6866/CN-11-471 (Dec. 31, 2012). On November 18, 2014, the Commission issued an Order Amending the Site Permit for the Getty Project.

Permit”), to Getty for the Getty Project.² Also on January 28, 2013, the Commission issued a Site Permit for an up to 42 MW LWECS in Stearns County, Minnesota (the “Black Oak Site Permit”) to Black Oak for the Black Oak Project.³ The Commission issued Amended Site Permits to the Projects on November 18, 2014 due to changes in preliminary project layouts.⁴ The designated sites for the Getty Project and the Black Oak Project are adjacent to one another in Ashley, Raymond, Sauk Centre, and Getty Townships. Both Projects have submitted all required pre-construction filings and held pre-construction meetings pursuant to the Black Oak and Getty Site Permits. Construction of both Projects is well underway – road construction and turbine layouts are nearly complete, and the Projects are preparing for delivery of turbine components. Site work and foundations are complete at the Project substation, which will allow work to commence on the equipment and controls.

During the CN and site permitting proceedings for the Projects, Getty and Black Oak informed the Commission that they planned to develop the two Projects together in order to maximize wind resources, minimize environmental impacts, and take advantage of economies of scale.⁵ The likelihood of joint development of the two Projects, and the existence of an

² Findings of Fact, Conclusions of Law and Order Issuing a Site Permit to Getty Wind Company, LLC for the Getty Wind Project, *In re Application for a Large Wind Energy Conversion System Site Permit for the 40 MW Getty Wind Project in Stearns County, Minnesota*, MPUC Docket No. IP-6866/WS-11-831 (Jan. 28, 2013). On November 18, 2014, the Commission issued an Order Amending Site Permit for the Black Oak Project.

³ Findings of Fact, Conclusions of Law and Order Issuing a Site Permit to Black Oak Wind, LLC for the Black Oak Wind Farm, *In re Site Permit Application of Black Oak Wind, LLC for a Site Permit for a 42 Megawatt Large Wind Energy Conversion System in Stearns County, Minnesota*, MPUC Docket No. IP-6853/WS-10-1240 (Jan. 28, 2013).

⁴ Order Amending Site Permit, *In re Site Permit Application for a 42-Megawatt Large Wind Energy Conservation System in Stearns County*, MPUC Docket No. IP-6853/WS-10-1240 (Nov. 18, 2014); Order Amending Site Permit, *In re Site Permit Application for a 40-Megawatt Large Wind Energy Conversion System in Stearns County*, MPUC Docket No. IP-6866/WS-11-831 (Nov. 18, 2014).

⁵ See, e.g., Direct Testimony of Patrick Smith on Behalf of Black Oak Wind, LLC and Getty Wind, LLC, MPUC Docket Nos. IP-6853/CN-11-471, IP-6853/WS-10-1240, IP6866/WS-11-831 (Jun. 22, 2012) at p. 2; Comments and Exceptions, *In re Site Permit Application of Black Oak Wind, LLC for a Site Permit for a 42 Megawatt Large Wind*

agreement between Getty and Black Oak whereby the Getty Project and Black Oak Project might come under common ownership at a future date, prompted Getty and Black Oak to seek and obtain a joint CN, which would not otherwise have been required for either Project.⁶

On November 14, 2014, Getty notified the Commission that Black Oak had acquired Getty as a wholly-owned subsidiary, thereby bringing the Projects under the common ownership of Geronimo Energy, LLC,⁷ as anticipated and discussed during the prior permitting and CN proceedings. On April 27, 2015, Black Oak and Getty provided notice to the Commission that on March 25, 2015, Black Oak Getty Wind Holdings, LLC, a wholly-owned subsidiary of Sempra Energy, acquired Black Oak.⁸ Following the acquisition, Getty remained a wholly-owned subsidiary of Black Oak, and thus, both Projects were under the common ownership and control of Sempra Energy, Black Oak and Getty's ultimate parent company.

In connection with project financing and for accounting purposes, Sempra Energy plans to merge Getty with and into Black Oak, such that Black Oak will be the surviving entity and both Projects (and Project assets, including wind leases) will be directly owned and held by Black Oak. Accordingly, Getty and Black Oak jointly submit this application to transfer the Getty Site Permit to Black Oak pursuant to Minn. R. 7854.1400, subp. 1 and Section 11.5 of the Getty Site Permit.

Energy Conversion System in Stearns County, Minnesota, MPUC Docket No. IP-6853/WS-10-1240 (Nov. 2, 2012) at pp. 2-3.

⁶ See, e.g., Joint Application for Certificate of Need for the Black Oak and Getty Wind Projects in Stearns County, Minnesota, *In re Application of Black Oak Wind, LLC and Getty Wind Company, LLC for a Certificate of Need for an up to 82 MW Large Energy Facility in Stearns County*, MPUC Docket No. IP-6853, 6866/CN-11-471 (Oct. 11, 2011) at p. 3.

⁷ Notification of Acquisition Affecting Ownership of Getty Wind Company, LLC, MPUC Docket Nos. IP-6853/CN-11-471, IP-6853/WS-10-1240, IP-6853 and IP-6866/WS-11-831 (Nov. 14, 2014).

⁸ Notification of Acquisition Affecting Ownership of Black Oak Wind, LLC and Getty Wind Company, LLC, MPUC Docket Nos. IP-6853/CN-11-471, IP-6853/WS-10-1240, IP-6853 and IP-6866/WS-11-831 (Apr. 27, 2015).

While the Black Oak and Getty Site Permits are substantially similar, Getty and Black Oak do not request consolidation of the Projects under a single site permit. Since pre-construction submittals and administrative records have been established in both the Black Oak and Getty permitting dockets (MPUC Docket Nos. IP-6853/WS-10-1240 and IP6866/WS-11-831, respectively), Black Oak intends to continue construction and commence operations under the separate site permits.

Moreover, while Getty and Black Oak are providing notice of this filing under the CN docket, Getty and Black Oak do not believe recertification of the CN is required pursuant to Minnesota Rule, part 7849.0400, subp. 2. As previously discussed, the CN was issued jointly to Black Oak and Getty for the Projects in anticipation of the Projects coming under common ownership, which process is now being completed through the merger of Getty with and into Black Oak.

Information to support this request is provided in the following sections.

II. TRANSFER OF THE GETTY SITE PERMIT TO BLACK OAK

Minn. R. 7854.1400, subp. 1 provides that the holder of a site permit for a LWECs may apply to the Commission for transfer of its permit, and notes the specific information that must be included in an application for transfer of a site permit. In accordance with Minn. R. 7854.1400, subp. 1, Getty and Black Oak provide the following information:

A. Name of Existing Permittee:

The current holder of the Getty Site Permit is Getty Wind Company, LLC.

B. Name and Description of Transferee:

Getty seeks to transfer the Getty Site Permit to Black Oak Wind, LLC. Black Oak is a wholly-owned subsidiary of Sempra Energy. Sempra Energy is a Fortune 500 energy services

holding company with 2015 revenues of approximately \$10 billion. The Sempra Energy companies' 17,000 employees serve more than 32 million consumers worldwide. Sempra Energy companies build, own and operate renewable energy and natural gas projects throughout the continental United States and Hawaii. The associated portfolio of U.S. projects generates enough electricity to power nearly 1 million homes. Sempra Energy companies also operate natural gas storage facilities, pipelines and distribution utilities.

C. Reasons for Transfer:

As noted during the CN and Site Permit proceedings, Black Oak and Getty have worked together to develop the Projects and jointly secured a CN for the Projects. Moreover, since March 25, 2015, both Projects have been developed and constructed under Sempra Energy's common ownership and control. In connection with project financing, Sempra Energy now plans to merge Getty with and into Black Oak, such that Black Oak will be the surviving entity. As a result of the merger, Black Oak will directly own the Getty Project, and Black Oak will complete the construction and financing of the Getty Project. The merger will result in reduced administrative costs and reduce potential confusion between the Projects, which both sell power to the same power purchaser under the same power purchase agreement.⁹ Therefore, Getty and Black Oak are seeking a transfer of the Getty Site Permit to Black Oak.

D. Description of Facilities Affected:

The Getty Site Permit authorizes construction of an up to 40 MW LWECS consisting of wind turbines and associated facilities, including wind turbine access roads, communications cables, an electrical collection system, a Project substation, and two meteorological towers, in

⁹ See Site Permit Section 10.2 – PPA Notice, MPUC Docket Nos. IP-6853/WS-10-1240, IP-6853 and IP-6866/WS-11-831 (August 25, 2014).

Sauk Centre and Getty Townships in Stearns County, Minnesota. To date, access roads and turbine foundations are approximately 90% complete for the Getty Project, and installation of the underground collection system is currently underway. The Project substation is approximately 75% complete. Turbine delivery is scheduled to begin the last week of July 2016, and commercial operation is anticipated to commence in late Fall 2016.

E. Requested Date of Transfer:

Getty and Black Oak request that the transfer be approved effective October 15, 2016 in order to complete project financing by the end of November.

F. Information Regarding Transferee Required to Approve Transfer:

In addition to the information provided above, Black Oak provided detailed information regarding itself and its proposed joint development of the Black Oak and Getty Projects during the CN and Site Permit proceedings.¹⁰ Through its filings, testimony, and evidence, Black Oak has provided the information necessary for the Commission to determine its fitness and ability to comply with the provisions of the Getty Site Permit.¹¹

Black Oak hereby acknowledges and agrees that upon approval of this transfer request and completion of the merger, it will abide by all conditions and requirements set forth in the Getty Site Permit.

¹⁰ See *In re Site Permit Application for a 42 Megawatt Large Wind Energy Conversion System in Stearns County, Minnesota*, MPUC Docket No. IP-6853/WS-10-1240; see also *In re Application of Black Oak Wind, LLC and Getty Wind Company, LLC for a Certificate of Need for an up to 82 MW Large Energy Facility in Stearns County*, MPUC Docket No. IP6853, IP6866/CN-11-471.

¹¹ *Id.*

III. CONCLUSION

For the reasons set forth above, Getty and Black Oak request that the Commission approve the transfer of the Getty Site Permit to Black Oak Wind, LLC.

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FREDRIKSON & BYRON, P.A.

By: /s/ Lindsey A. Remakel
Lindsey A. Remakel (#0390347)
Christina K. Brusven (#0388226)
200 South Sixth Street, Suite 4000
Minneapolis, MN 55402
(612) 492-7454

**Attorneys for Black Oak Wind,
LLC and Getty Wind Company,
LLC**

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