

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on June 12, 2025

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 24-E-0641 - Petition of Prattsburgh Wind, LLC, for a
Certificate of Public Convenience and
Necessity, Pursuant to Public Service Law
Section 68, and Granting Lightened Regulation;
and an Order Approving Financing Pursuant to
Section 69 of the New York State Public Service
Law.

ORDER GRANTING CERTIFICATE OF PUBLIC CONVENIENCE AND NECCESSITY,
PROVIDING FOR LIGHTENED REGULATION, AND APPROVING FINANCING

(Issued and Effective June 12, 2025)

BY THE COMMISSION:

INTRODUCTION

In a petition filed on November 13, 2024, and
supplemented on December 31, 2024, January 15, 2025, and June 2,
2025 (together, the Petition), Prattsburgh Wind, LLC
(Prattsburgh Wind or the Petitioner) requests a Certificate of
Public Convenience and Necessity (CPCN), pursuant to Public
Service law (PSL) §68, authorizing the construction and
operation of the Prattsburgh Wind Project (the Project). The
Project is an approximately 147-megawatt (MW) wind energy
generating facility and related interconnection equipment

located in the Towns of Avoca, Cohocton, Howard, Prattsburgh, and Wheeler, Steuben County, New York. Petitioner also requests lightened ratemaking regulation relative to its ownership and operation of the Project as a wholesale electric market participant. Additionally, the Petition seeks authorization under PSL §69 for Prattsburgh Wind to enter into indebtedness in connection with the construction of the Project and to allow for pledging of security interests in the Project as collateral security for the repayment of that debt.

In this Order, the Public Service Commission (Commission) finds that the Petitioner has satisfied the statutory requirements of PSL §68 and, therefore, grants a CPCN in connection with the Project, subject to conditions. Prattsburgh Wind is also granted a lightened ratemaking regulatory regime because it will own and operate the Project on a merchant basis and participate exclusively in wholesale markets. Finally, Prattsburgh Wind is granted flexible construction financing approval, pursuant to PSL §69, consistent with prior Commission orders authorizing similar requests for lightly regulated entities.

BACKGROUND

On September 26, 2022, Petitioner filed an application for a major renewable energy facility with the former New York State Office of Renewable Energy Siting (ORES) seeking a Siting Permit pursuant to former Executive Law §94-c.¹ On December 29, 2023, a draft permit was issued by ORES, with the final Siting

¹ Documents associated with Prattsburgh Wind's application for a Siting Permit are housed in the Department of Public Service's Document and Matter Management System. See Matter No. 21-00749, Application of Prattsburgh Wind, LLC for a 94-c Permit for Major Renewable Energy Facility.

Permit approving construction of the Project issued on September 24, 2024.² The Final Permit recognizes that Prattsburgh Wind remains responsible for "approvals, consents, permits, other conditions for the construction or operation of the facility under PSL Sections 68 [and] 69 ... with the understanding that the [Commission] will not duplicate any issue already addressed by [ORES]."³

THE PETITION

The Project

Petitioner describes the Project as a utility-scale wind-powered wholesale generating project that would consist of up to 36 wind turbines; buried and overhead 34.5 kilovolt (kV) collection lines; access roads; three temporary laydown/construction support areas; two permanent meteorological towers; two temporary met towers; two aircraft detection lighting system towers (if approved by the Federal Aviation Administration and determined feasible for the entire Project); a temporary concrete batch plant; an operations and maintenance building; a medium-voltage to transmission-voltage collector substation with associated equipment and fenced areas; a new point of interconnection switching station; and an approximately 1,300-foot overhead transmission line to tie-in the Project. Additionally, the Petitioner avers that the Project, if approved, would provide a significant contribution to the State's Climate Leadership and Community Protection Act (CLCPA) targets, by producing up to 125 MWs of renewable energy,

² Matter No. 21-00749, supra, Prattsburgh Wind - Siting Permit (issued September 24, 2024) (Final Permit).

³ Final Permit, p. 26.

sufficient to power approximately 62,000 households in New York State.⁴

The Petitioner

Prattsburgh Wind explains that it is a limited liability company that was incorporated in Delaware in 2019 for the purpose of owning and operating the Project and is a wholly-owned subsidiary of Terra-Gen, LLC (Terra-Gen). Petitioner details that, since 1999, Terra-Gen is a North American developer, owner, and operator of utility-scale renewable energy projects. Petitioner avers that Terra-Gen currently operates approximately 2.4 gigawatts (GW) of wind and solar energy generation and 5.1 gigawatt-hours (GWh) of energy storage facilities across 32 sites, predominately in California and Texas. Petitioner states that Terra-Gen is a wholly owned subsidiary of Terra-Gen Power Holdings II, LLC, which is itself 50% owned by Golden NA Power Holdings LLC (Golden Holdings) and 50% by Masdar TG Holding LLC and Masdar TG Merger Corporation (collectively Masdar). Masdar is owned by Abu Dhabi Future Energy Company (PJSC), and is an entity based in the United Arab Emirates.

Golden Holdings is a wholly-owned subsidiary of Golden NA Power Hold Co. LLC, which is itself a wholly-owned subsidiary of Global Diversified Infrastructure Fund (North America) LP (GDIF). GDIF's ultimate parent is Mitsubishi UFJ Financial Group, Inc., (MUFG), a Japanese entity. GDIF is an investment fund organized as a limited partnership in Delaware. The team

⁴ The CLCPA sets a goal that by 2030 at least 70% of New York's electric generation be renewable and that by 2040 "... the statewide electric demand system" will be "zero emissions." See PSL §66-p(2).

that manages GDIF's infrastructure investments is branded as Igneo Infrastructure Partners (Igneo).

Providing further background about Prattsburgh Wind's parent companies, Petitioner states that in New York neither Prattsburgh Wind, Golden Holdings, Igneo, Masdar, nor their subsidiaries own transmission facilities, any public utility with a franchised service territory, or any essential inputs to electricity products or production. Finally, according to the Petition, Prattsburgh Wind maintains that its parent companies are well capitalized having raised over \$10 billion dollars since their inception.

Request for CPCN

In support of its request for a CPCN, Prattsburgh Wind notes that an electric corporation seeking approval must provide a certified copy of its charter and a verified statement of the president and secretary of the corporation, showing that it has received the required consent of the proper municipal authorities. Averting compliance with the requirements of PSL §68(1), Prattsburgh Wind provides certified copies of its certificate of formation in the State of Delaware and the company's certificate of authority to do business in New York. Additionally, a verified statement from a company official, acting in the capacity of a corporate president and secretary, indicates that the required consents of the proper municipal authorities have been received.⁵ The Petition provides proof of such consents, as demonstrated in Road Use Agreements with the Towns of Avoca, Howard, and Wheeler.⁶

⁵ See Petition supplement filed on June 2, 2025.

⁶ See Petition supplements filed on December 31, 2025, and January 15, 2025.

The Petition further notes that PSL §68 approval is based on the Commission's consideration of the economic feasibility of the corporation, the corporation's ability to finance improvements to electric plant and provide safe, adequate, and reliable service at just and reasonable rates, as well as whether the issuance of a CPCN is in the public interest. To address these matters, the Petitioner avers that its parent companies, Terra-Gen and Igneo, have extensive experience with the development, financing, construction, operation, and ownership of renewable energy projects within the United States. Prattsburgh Wind presents information about its parent companies experience with financing and construction of renewable energy projects and explains that Terra-Gen has deployed this financial structure in the past, raising over \$10 billion in capital since its inception. In the view of the Petitioner, this record demonstrates that Prattsburgh Wind's parent company affiliates have substantial experience in the construction and operation of competitive renewable energy projects and that this experience can ensure that Prattsburgh Wind remains financially viable and can fund improvements to electric plant, including the Project. Petitioner also states that the Project would, if approved, be funded through balance sheet, construction loans, or other financing mechanisms, leveraging its parent companies' robust balance sheet with tax equity structures.

Prattsburgh Wind asserts that its ability to render safe, adequate, and reliable service has previously been documented in submissions to ORES during the Executive Law §94-c application process and was assessed throughout the review and issuance of the Final Permit, including an evaluation of all efforts made to avoid and minimize potential adverse impacts of

the construction and operation of the Project on the environment, public health and safety, as well as site security and safety response plans. Additionally, Petitioner notes that should Prattsburgh Wind be granted a lightened regulatory regime by the Commission, it would remain subject to PSL requirements relating to matters such as enforcement, investigation, safety, reliability, system improvement, and other requirements under PSL Articles 1 and 4 that further ensure the provision of safe, adequate, and reliable service.

With respect to the just and reasonable rates requirement of PSL §68, Prattsburgh Wind explains that the Project would be operated on a merchant basis in competitive wholesale markets and would not serve captive retail customers. Thus, according to Prattsburgh Wind, for a wholesale generator in compliance with tariffs approved by the Federal Energy Regulatory Commission (FERC), rates would be categorically "just and reasonable" and cannot be raised due to poor management, preventing financial manipulation and adverse impacts to ratepayers.

Petitioner claims that the additional CPCN requirements set forth in 16 NYCRR §§21.2 and 21.3 are satisfied by the record in the related Executive Law §94-c proceeding and through the supplemental information and Petition. Accordingly, Prattsburgh Wind requests that the Commission determine compliance with the relevant regulatory provisions based on the record.⁷ Also, Petitioner notes that, with respect to subsections (a) through (d) of 16 NYCRR §21.2, Prattsburgh Wind is not proposing to render utility service in any territory, no

⁷ Case 21-E-0345, Morris Ridge - CPCN Order, Order Granting Certificate of Public Convenience and Necessity and Providing for Lightened Regulation (issued November 24, 2021), p. 14.

franchises have been or would be granted to or by the municipalities in which the Project would be constructed, Petitioner has not previously secured authority to exercise powers granted under a prior franchise that has expired, and finally, all permits, licenses or authorities by any Federal authority relative to this Petition were addressed in the Executive Law §94-c proceeding, thus rendering these NYCRR subsections inapplicable.

With respect to the requirements of 16 NYCRR §21.3, Prattsburgh Wind avers that §21.3(a) is not applicable because it would not exercise authority granted by a franchise in any territory, and that information about the towns in which the Project is proposed to be constructed, and the approximate dates that construction would begin, are addressed in the Executive Law §94-c proceeding. Prattsburgh Wind continues that information required by 16 NYCRR §21.3(b), which relates to a description of the Project and its costs, was also provided in the Executive Law §94-c proceeding.

Addressing 16 NYCRR §§21.3(c) and (e), Prattsburgh Wind explains that the Project would be financed through balance sheet liquidity, a construction loan or other financial mechanism. Estimated Project revenues, Petitioner maintains, would be derived from an off-take agreement with the New York State Energy Research and Development Authority (NYSERDA) for the sale of the Project's renewable attributes, and through wholesale energy sales. Prattsburgh Wind asserts that the estimated cost of Project operations for its first three years of service were addressed in Exhibit 18 of the Executive Law §94-c application and that Petitioner does not propose to provide service to residential, commercial, or industrial customers in any territory, rendering the latter half of

subsection (e) inapplicable. Lastly, Prattsburgh Wind maintains that 16 NYCRR §21.3(d) and (g) are inapplicable because it would not provide any retail services.

Request for Lightened Regulation

Prattsburgh Wind requests that its ownership, construction, and operation of the Project be subject to a lightened ratemaking regulatory regime that is consistent with previous Commission orders involving wholesale merchant generators. Petitioner asserts that it would operate the Project on a merchant basis in competitive wholesale markets and would not serve captive retail customers. Prattsburgh Wind asserts that it lacks horizontal or vertical market power because neither it nor its parents own or control any traditional franchised utilities with captive customers in New York, nor do they or their affiliates own or control any transmission facilities other than the limited interconnection equipment necessary to connect their generating facilities to the transmission grid.

Petitioner avers that Prattsburgh Wind is affiliated with 2.2 MW of operating projects and 664 MW of battery storage in New York. Petitioner indicates that the addition of Prattsburgh Wind's 147 MW to its existing, operating in-state generation, would amount to approximately 0.004% of the New York Independent System Operator, Inc.'s forecast of 2024 coincident summer peak demand for the New York Balancing Authority Area, and thus is aligned with the generation capacity levels previously found by the Commission to not raise market power

concerns.⁸ Petitioner also states that neither it nor its affiliates is a scheduling coordinator, reliability coordinator, electric or gas transmission or distribution provider or balancing authority within (or into) the New York Control Area or has control over the provision of fuels used in generation within New York. Prattsburgh Wind also reports that neither it, nor its affiliates, own transmission facilities, any public utility with a franchised service territory, or any essential inputs to electricity products or production.

Prattsburgh Wind thus requests regulatory exemptions similar to those granted to other owners of merchant generation facilities that operate in competitive markets. Specifically, Prattsburgh Wind requests exemptions from most of PSL Articles 2, 4, and 6, except it notes that the following PSL sections should apply to it: (i) PSL §§11, 19, 24, 25, and 26, which prevent actions contrary to the public interest; (ii) PSL §§66(6) and 111, which establish annual reporting requirements; (iii) PSL §68, which relates to the issuance of CPCNs; (iv) PSL §69, which requires Commission approval before assuming debt payable with a term in excess of 12 months; (v) PSL §69-a, which requires Commission approval before issuing securities; (vi) PSL §70, regarding transfers of property of direct ownership of the Project; (vii) PSL §110(1) and 110(2), which pertain to contracts, operational expenses, dividends paid to stockholders, and transactions between affiliated interests; and (viii) PSL

⁸ See, Case 08-E-0410, LS Power Development, Declaratory Ruling on the Acquisition of Common Stock (issued May 27, 2008). Finding that LS Power's proposed acquisition of additional interests in Calpine Corporation, which resulted in an approximately 8.1% market share, did not present an opportunity to exercise market power.

§119-b, which pertains to the protection of underground facilities.

Request for Financing Approval

Noting that Commission authorization is necessary for an "electric corporation" to enter into indebtedness payable at periods of more than 12 months, Petitioner seeks approval for its issuance of debt up to the sum of \$500 million dollars payable over more than 12 months. Prattsburgh Wind explains that the Project consists of the construction and operation of a wind electric generating facility and an affiliated transmission line and will not serve any retail customers.

Under the lightened regulatory regime requested, the Petitioner would be subject to a reduced level of scrutiny than that applicable to monopoly utilities under PSL §69. As such, Petitioner maintains that the proposed financing authorization need not be subject to an in-depth analysis. In addition, Petitioner seeks the flexibility to modify or refinance, without prior Commission approval, this indebtedness, including the identity of the financing entities, payment terms, and the amount financed, up to the \$500 million dollar limit.

PUBLIC NOTICE AND COMMENTS

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking (SAPA Notice) concerning the request for lightened ratemaking regulatory treatment was published in the State Register on January 29, 2025 [SAPA No. 24-E-0641SP1]. The time for submission of comments pursuant to the SAPA Notice expired on March 31, 2025.

In addition, on April 1, 2025, the Secretary to the Commission issued a Notice Requesting Comments and Announcing Public Statement Hearing and Procedural Conference (Secretary's

Notice). In accordance with the Secretary's Notice, an opportunity to present oral comments was provided at a virtual public statement hearing held on April 23, 2025, with any further written comments due by April 30, 2025.⁹

In response to the above opportunities to provide comments, the Commission received input from four commenters. During the public statement hearing, two commenters spoke in support of the Project given the anticipated economic and environmental benefits, while two other commenters, including a representative of the Prattsburgh Preservation Alliance, Inc. (Prattsburgh Preservation Alliance), opposed the Project for various reasons.¹⁰ In particular, the opponents question the need for the Project, the delivery of the Project's output to the electric grid, the economic feasibility of the Petitioner, and the lack of a Road Use Agreement with the Town of Prattsburgh. The Prattsburgh Preservation Alliance maintains that the benefits of the Project do not outweigh the impacts on health and safety, as well as the impacts on the quality of life for residents adjacent to the Project. The Prattsburgh Preservation Alliance also filed written comments reiterating many of these points and raising further issues with the

⁹ Administrative Law Judge (ALJ) Leah Amyot conducted the public statement hearing and a following procedural conference to identify any potential need for an evidentiary hearing. On May 7, 2025, ALJ Amyot issued a Ruling on Process determining that no issues had been raised requiring an evidentiary hearing.

¹⁰ The Prattsburgh Preservation Alliance describes itself as a not-for-profit corporation formed in March 2020 to allow members of the local community to consolidate their participation in the siting proceeding for Prattsburgh Wind's Project.

Project's environmental impact on wetlands, requesting that the Commission reject the request for a CPCN.

The comments relevant to the Commission's decisions in this Order are addressed below. However, the other matters, including the impacts to health, safety, and the environment were addressed by ORES in the Siting Permit and are beyond the scope of this proceeding.

LEGAL AUTHORITY

PSL §68 prohibits an electric corporation from constructing electric plant, or from exercising any right or privilege under any franchise, until it receives the Commission's approval in a CPCN. In this instance, the issuance by ORES of a siting permit supplants the requirement for construction approval under PSL §68, but not the requirements for Commission approval of its corporate formation and the exercise of any municipal "right, privilege or franchise." Before the Commission may issue a CPCN, the electric corporation seeking approval must provide a certified copy of its charter and a "verified statement of the president and secretary of the corporation, showing that it has received the required consent of the proper municipal authorities."¹¹ In considering its approval, the Commission "shall consider the economic feasibility of the corporation, the corporation's ability to finance improvements of a gas plant or electric plant, render safe, adequate and reliable service, and provide just and reasonable rates, and whether issuance of a certificate is in the public interest."¹²

¹¹ PSL §68.

¹² Id.

The PSL also grants the Commission broad authority to regulate corporations that own, operate, and/or manage electric plant, which is defined in PSL §2(10).¹³ The regulation of electric corporations has been adapted over time to accommodate the development of competitive wholesale markets and lightened ratemaking policies. The Commission has determined that lightly regulated entities may be exempt from certain PSL provisions that pertain to retail service because they do not serve captive utility customers.¹⁴

DISCUSSION

State Environmental Quality Review

A comprehensive environmental review of the construction and operation related impacts of the Project was conducted as part of the Executive Law §94-c proceeding undertaken by ORES.¹⁵ The record in the ORES proceeding contains extensive information regarding the potential environmental impacts of the Project. The Final Permit addresses the potential environmental impacts, and provides protective measures tailored to avoid, minimize, and mitigate the environmental impacts.

The granting of a CPCN, as provided herein, is an activity undertaken in relation to the Final Permit issued by ORES. Actions requiring a siting permit under Executive Law §94-c are explicitly excluded from the requirements of the State Environmental Quality Review Act (SEQRA), as codified in Article

¹³ PSL §§5 and 66.

¹⁴ See, e.g., Case 16-E-0409, Indeck Corinth Limited Partnership, Order Providing for Lightened Regulation (issued December 21, 2016), p. 3-4.

¹⁵ See Final Permit.

8 of the Environmental Conservation Law.¹⁶ Accordingly, a separate environmental review under SEQRA is not warranted in connection with Prattsburgh Wind's petition for a CPCN.

CPCN

In accordance with the procedural prerequisite prior to issuance of a CPCN under PSL §68, an opportunity for "due hearing" was provided at the Public Statement Hearing held on April 23, 2025. With respect to the statutory findings required for the grant of a CPCN, the Petition and the record developed in the ORES proceeding provides sufficient information to make the necessary findings.¹⁷ Based on the record, the Commission finds that the Petitioner has satisfied the requirements of PSL §68 and its implementing regulations for the grant of a CPCN.

In particular, Petitioner provided certified copies of its certificate of formation in the State of Delaware and the company's certificate of authority to do business in New York. A verified statement was also provided from a company official, acting in the capacity of a corporate president and secretary, indicating that the required consents of the proper municipal authorities have been received. These consents are embodied in Road Use Agreements with the Towns of Avoca, Howard, and Wheeler. In response to Prattsburgh Preservation Alliance's comments, the Petitioner's filing, on December 16, 2024, explains that neither the Towns of Prattsburgh or Cohocton require a Road Use Agreement or other municipal consent as part of their local laws.

Petitioner has also demonstrated that its exercise of rights, privileges, or franchises under a CPCN is economically

¹⁶ See Environmental Conservation Law §8-0111(5) (b).

¹⁷ See, Matter No. 21-00749, Application of Prattsburgh Wind, LLC for a 94-c Permit for Major Renewable Energy Facility.

feasible. As Prattsburgh Wind reports, its parent companies, Terra-Gen and Igneo, have extensive experience with the development, financing, construction, operation, and ownership of renewable energy projects within the United States. For example, Terra-Gen has raised over \$10 billion in capital since its inception and its operating portfolio in the United States is currently comprised of 3.8 GW of wind, solar, and battery storage projects. This experience can ensure that Prattsburgh Wind remains financially viable and can fund improvements to electric plant, including the Project. The Project is expected to be funded through balance sheet, construction loans, or other financing mechanisms, leveraging its parent companies' robust balance sheet with tax equity structures. With respect to the comments questioning the economic feasibility of Prattsburgh Wind, the Commission finds that the record lacks information to rebut the Petitioner's showing that it is economically feasible.

For the reasons described above, the Commission finds that Prattsburgh Wind is economically feasible and financially viable based on the financial strength of its parent companies and their commitment to providing the financial support necessary to construct and operate the Project. These factors also demonstrate Prattsburgh Wind's ability to finance improvements of the Project and to render safe, adequate, and reliable service. As the Project will be operating in a competitive wholesale market, the rates charged by Petitioner will be subject to tariffs approved by the FERC and administered by the New York Independent System Operator, Inc., including market monitoring provisions. Accordingly, just and reasonable rates will be ensured.

The record further demonstrates that granting a CPCN for the Project is in the public interest. The Project will

promote the development of renewable energy resources in the State and directly contribute to New York State's CLCPA targets by producing up to 147 MWs of emissions-free renewable energy to New York's energy market. As such, construction and operation of the Project, as authorized in the CPCN, will offset the use of fossil fuel generation and will therefore be consistent with, and will not interfere with, the attainment of the statewide Greenhouse Gas emissions limits established under the CLCPA.¹⁸ Additionally, the Project will create job opportunities, support economic growth, and protect the public health, safety, and environment by reducing emissions. Moreover, the Project is not located in or adjacent to a Disadvantaged Community, as defined in the CLCPA, and will thus not disproportionately burden a Disadvantaged Community as prohibited by CLCPA §7(3).¹⁹

Lightened Ratemaking Regulation

Prattsburgh Wind requests that a lightened regulatory regime be applied to its wholesale electric operations, similar to that granted to other owners of merchant generation facilities that operate in competitive markets. That request is granted, to the extent discussed below.

In interpreting the PSL, the Commission has examined what reading best carries out the statutory intent and advances the public interest. The Commission thus concluded previously that new forms of electric service providers participating in

¹⁸ Section 7(2) of the CLCPA requires all State agencies to "consider whether [their] decisions are inconsistent with or will interfere with the attainment of the statewide greenhouse gas emissions limits" established by the New York State Department of Environmental Conservation under the CLCPA.

¹⁹ The areas designated as disadvantaged communities by the Climate Justice Working Group can be identified in an interactive map available at:
<https://www.nyserda.ny.gov/ny/Disadvantaged-Communities>.

competitive wholesale markets would be lightly regulated.²⁰ Under this approach, PSL Article 1 applies to Prattsburgh Wind because it meets the definition of an electric corporation under PSL §2(13) and will be engaged in the manufacture of electricity under PSL §5(1)(b). It is therefore subject to provisions, such as PSL §§11, 19, 24, 25, and 26, that prevent producers of electricity from taking actions that are contrary to the public interest.

PSL Article 2 is restricted by its terms to the provision of service to retail residential customers, and so is inapplicable to wholesale generators like Prattsburgh Wind. Certain provisions of Article 4 are also inapplicable because they are restricted to retail service. These inapplicable provisions include PSL §66(12) (optional tariff filings), §66(21) (retail electric corporation storm plans), §67 (inspection of increased fuel cost), §75 (excessive charges), and §76 (rates charged to religious bodies).

In the Carr Street and Wallkill Orders, the Commission determined that other provisions of Article 4, including but not limited to the provisions of PSL §§68, 69, and 70, would apply to entities engaged in wholesale markets. Application of these provisions was deemed necessary to protect the public interest. However, such Article 4 provisions have also been implemented in prior lightened regulation orders in a fashion that limits their impact in a competitive environment. The Commission has done so to ensure that the scrutiny given such transactions is commensurate with the level required, in the Commission's

²⁰ Case 98-E-1680, Carr Street Generation Station, L.P., Order Providing for Lightened Regulation (issued April 23, 1999) (Carr Street Order); Case 91-E-0350, Wallkill Generating Company, Order Establishing Regulatory Regime (issued April 11, 1994) (Wallkill Order).

judgment, by the public interest. For example, under PSL §66(6), competitive providers of utility services subject to lightened ratemaking regulation satisfy annual report filing requirements through a format designed to accommodate their particular circumstances.²¹ Similarly, the scrutiny for approval of financing plans under PSL §69 may be reduced for lightly regulated companies operating in a competitive environment, and upstream transfers of ownership in lightly regulated companies are reviewed under PSL §70 using the presumption established in the Wallkill Order. This analysis of Article 4 applies to Petitioner.

Regarding PSL Article 6, several of its provisions adhere to the rendition of retail service, and do not pertain to Petitioner as it will not engage in the generation of electricity for retail sales.²² Application of PSL §115, regarding requirements for the competitive bidding of utility purchases, is discretionary and will not be imposed on wholesale service providers. In contrast, PSL §119-b, regarding the protection of underground facilities from damage by excavators, adheres to all persons, including wholesale generators.

²¹ See Case 11-M-0294, Annual Reporting Requirements, Order Adopting Annual Reporting Requirements Under Lightened Ratemaking Regulation (issued January 23, 2013).

²² See, e.g., PSL §112 (rate order enforcement); §113 (reparations and refunds); §114 (temporary rates); §114-a (lobbying costs in rates); §117 (consumer deposits); §118 (bill payments via an agency); §119-a (use of utility poles and conduits); and §119-d (tax benefits in rates).

The remaining provisions of PSL Article 6 need not be imposed generally on wholesale transmission providers.²³ These provisions were intended to prevent financial manipulation or unwise financial decisions that could adversely impact rates charged by monopoly providers. In comparison, so long as the wholesale generation market is effectively competitive, wholesale generators complying with tariffs approved by the FERC will provide just and reasonable rates and cannot raise prices even if their costs rise due to poor management. Moreover, imposing these requirements could interfere with wholesale generators' plans for structuring the financing and ownership of their facilities. This could discourage entry into the wholesale market or introduce inefficiencies into market operations to the detriment of the public interest.

Notwithstanding the above, as discussed in the Carr Street Order, in the event market power issues arise, they may be addressed under PSL §§110(1) and (2), which afford the Commission jurisdiction over affiliated interests. Prattsburgh Wind's ownership and operation of the Project does not pose the potential for the exercise of horizontal market power because the Project, when combined with existing, operating in-state generation, would amount to approximately 0.004% of the New York Independent System Operator, Inc.'s forecast of 2024 coincident summer peak demand for the New York Balancing Authority Area,

²³ These requirements include approval of: loans under PSL §106; the use of utility revenues for non-utility purposes under §107; corporate merger and dissolution certificates under §108; contracts between affiliated interests under §110(3); and, water, gas, and electric purchase contracts under §110(4).

which is insufficient to raise horizontal market power concerns.²⁴

With respect to vertical market power, neither Prattsburgh Wind nor its parents own or control any traditional franchised utilities with captive customers in New York, and neither Prattsburgh Wind nor its affiliates own or control any transmission facilities other than the limited interconnection equipment necessary to connect their generating facilities to the transmission grid. Prattsburgh Wind and its affiliates are not scheduling coordinators, reliability coordinators, electric or gas transmission or distribution providers or balancing authorities within (or into) the New York Control Area, and do not exert control over the provision of fuels used in generation within New York. Thus, Prattsburgh Wind lacks the ability to exercise vertical market power. Given the foregoing, the Commission imposes the requirements of PSL §§110(1) and (2) on Prattsburgh Wind only conditionally, to the extent a future inquiry into its relationships with an affiliate becomes necessary.

Finally, Petitioner is reminded that, notwithstanding that it is lightly regulated, Prattsburgh Wind and/or any other entities that exercise control over Project operations remain subject to the PSL with respect to matters such as enforcement, investigation, safety, reliability, and system improvement, and the other requirements of PSL Articles 1 and 4, as with other wholesale generators that have been afforded a lightened regulatory regime.²⁵ These requirements include obligations to

²⁴ See Case 08-E-0410, LS Power Development, Declaratory Ruling on the Acquisition of Common Stock (issued May 27, 2008).

²⁵ See, e.g., Case 16-E-0409, *supra*, Order Providing for Lightened Regulation.

conduct tests for stray voltage on all publicly accessible electric facilities,²⁶ to give notice of generation unit retirements,²⁷ and to report personal injury accidents pursuant to 16 NYCRR Part 125. These conditions further ensure Prattsburgh Wind will render safe, adequate, and reliable service.

Financing

Commission authorization is necessary for an "electric corporation" to enter into indebtedness payable at periods of more than 12 months. Under the lightened regulatory regime provided above, the Petitioner will be subject to a reduced level of scrutiny than that applicable to monopoly utilities under PSL §69. The proposed flexible financing authorization need not be subject to an in-depth analysis. Instead, by relying on the representations Prattsburgh Wind makes in their Petition, prompt regulatory action is possible.

The Commission agrees that Petitioners' request for flexible financing approval pursuant to PSL §69 is appropriate under the standard applied to lightly regulated entities. The proposed financing appears to be for a statutory purpose and does not evince an intent contrary to the public interest. Since Prattsburgh Wind and its affiliated companies will bear the financial risk associated with these arrangements, New York ratepayers cannot be harmed by the proposed terms and additional scrutiny is not warranted.

²⁶ Case 04-M-0519, Safety of Electric Transmission and Distribution Systems, Order Instituting Safety Standards (issued January 5, 2005) and Order on Petitions for Rehearing and Waiver (issued July 21, 2005).

²⁷ Case 05-E-0889, Generation Unit Retirement Policies, Order Adopting Notice Requirements for Generation Unit Retirements (issued December 20, 2005).

By this Order the Commission authorizes Prattsburgh Wind to enter into indebtedness of up to \$500 million payable over more than 12 months, including the authority to guarantee and pledge ownership interests in the jurisdictional facilities as collateral security for the repayment of the debt. This financing approval is granted with the flexibility to modify, without further Commission review or prior approval, the identities of the financing entities, payment terms, and the relative amount financed, up to the requested limit of \$500 million, so long as ownership and control of the Project remains with Prattsburgh Wind and that Prattsburgh Wind continues its affiliate relationship with its affiliated entities.

CONCLUSION

Having held the hearing required by PSL §68(1) on April 23, 2025, and taking into consideration the factors identified in PSL §68(1), the Commission determines that the construction of the Project is convenient and necessary for the public service. Accordingly, Petitioner is granted a CPCN with respect to the Project. Petitioner has also demonstrated that it should be provided with a lightened ratemaking regulatory regime, consistent with prior orders, given its exclusive participation in wholesale energy markets on a purely merchant basis. The Petitioner will remain subject to regulatory oversight regarding other matters necessary to protect the public interest, such as safety and reliability. Finally, Prattsburgh Wind is authorized to enter into indebtedness of up to \$500 million, with the flexibility to modify, without further Commission review or prior approval.

The Commission orders:

1. A Certificate of Public Convenience and Necessity is granted to Prattsburgh Wind, LLC, pursuant to Public Service Law §68, as discussed in the body of this Order.

2. Prattsburgh Wind, LLC shall comply with the Public Service Law in conformance with the requirements set forth in the body of this Order.

3. Prattsburgh Wind, LLC is granted flexible construction financing approval pursuant to Public Service Law §69, as discussed in the body of this order.

4. Prattsburgh Wind, LLC shall obtain all necessary federal, state, and local permits and approvals, as applicable, and shall implement appropriate mitigation measures defined in such permits or approvals.

5. Prattsburgh Wind, LLC shall ensure that the authorized electric plant may be inspected by authorized representatives of Department of Public Service staff pursuant to §66(8) of the Public Service Law.

6. Prattsburgh Wind, LLC shall file with the Secretary, within three days after commencement of commercial operation of the electric plant, a written notice thereof.

7. Prattsburgh Wind, LLC shall, within 30 days of the issuance of this Order, file with the Secretary a verified written statement signed by a duly authorized officer indicating Prattsburgh Wind, LLC's complete and unconditional acceptance of this Order and its terms and conditions. Failure to comply with this condition shall invalidate this Order.

8. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any requests for an extension must be in writing, must include a justification for

the extension, and must be filed at least three days prior to the affected deadline.

9. This proceeding shall be closed upon compliance with Ordering Clause Nos. 6 and 7.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS
Secretary