

# FERC okays ArcLight buy of wind project interests held by Infigen

These wind farms are located in several regions

09/23/2015 by Barry Cassell

The Federal Energy Regulatory Commission on Sept. 23 approved an Aug. 6 application from several wind project companies for a change in ownership related to those companies, with **ArcLight Capital Partners LLC** the buyer and **Infigen Energy Ltd.** the seller.

Applicants stated that **Primary Wind Power LLC** (Primary Power) will acquire from each of **Infigen Energy US Corp.** (called the Class B Seller) and **Infigen Energy US Holdings LLC** (the Class A Seller) certain indirect ownership interests in the applicants. In connection with the transaction, Primary Power will also acquire from sellers the Class B managing membership interests and the Class A non-managing membership interests in two companies that each own a qualifying facility (QF). One QF is less than 20 MW and the other QF sells power pursuant to a contract executed prior to March 17, 2006.

In addition, Primary Power will acquire from sellers the Class B managing membership interests and the Class A non-managing membership interests in five wind projects that operate exclusively within the market administered by **Electric Reliability Council of Texas** (ERCOT).

Applicants stated that the transfer of interests in the QF companies and the five entities operating within ERCOT is not subject to this approval under section 203 of the Federal Power Act.

Each applicant owns a wind facility and is an exempt wholesale generator with market-based rate authority. **Allegheny Ridge Wind Farm LLC** owns and operates an 80-MW facility located in Cambria and Blair counties, Pennsylvania; **Crescent Ridge LLC** owns a 54-MW facility located in Bureau County, Illinois; **GSG LLC** owns an 80-MW facility located in Lee and LaSalle counties, Illinois; and **Mendota Hills LLC** owns a 52-MW facility located in Lee County, Illinois.

All of the above facilities are located in the **PJM Interconnection** market. **Aragonne Wind LLC** owns and operates a 90-MW facility located in Guadalupe County, New Mexico, within the **Public Service Co. of New Mexico** (PNM) balancing authority area. Blue Canyon Windpower LLC owns and operates a 74-MW facility located in Comanche and Caddo counties, Oklahoma, in the **Southwest Power Pool** market. **Caprock Wind LLC** owns an 80-MW facility located in Quay County, New Mexico, within the Southwest Power Pool market. **Buena Vista Energy LLC** owns and operates a 38-MW facility located in Contra Costa County, California, with the **California ISO** market. **Kumeyaay Wind LLC** has a 50-MW facility located in San Diego County, California, within the California ISO market. **Cedar Creek Wind Energy LLC** owns and operates a 300-MW facility located in Weld County, Colorado, within the **Public Service Company of Colorado** (PSCO) balancing authority area. **Eurus Combine Hills I LLC** owns and operates a 41-MW facility located in Umatilla County, Oregon, within the **Bonneville Power Administration** balancing authority area.

According to the applicants, their ownership is divided between two classes of membership interests: Class B managing and Class A passive, non-managing.

The Class B interests are owned by **Infigen Energy US LLC**. Infigen Energy US is a wholly owned subsidiary of the Class B seller, which, in turn, is indirectly, wholly owned by Infigen Energy Ltd. (Infigen Parent).

The Class A interests are owned by **IJA Portfolio LLC** and **Infigen Energy US JD LLC** (Infigen JD). IJA Portfolio is owned by Infigen JD and **JPM Capital Corp.** (JPMCC). Infigen JD is an indirect subsidiary of the Class A seller, which, in turn, is also indirectly wholly owned by Infigen Parent. Infigen Parent owns and operates wind farms in the United States and Australia.

Infigen Energy US indirectly owns 100 percent of the Class B managing interests in Allegheny Ridge, Aragonne Wind, Buena Vista, GSG, Kumeyaay, Mendota Hills, and Caprock; 75 percent in Crescent Ridge; 66.67 percent in Cedar Creek; and 50 percent in Blue Canyon and Combine Hills I. IJA Portfolio indirectly owns 31 percent of the Class A passive, non-managing interests in Caprock, 28.01 percent in Cedar Creek, and 100 percent in Crescent Ridge; and Infigen JD owns 45.98 percent in Blue Canyon.

None of the Class A interests in Allegheny Ridge, Aragonne Wind, Buena Vista, GSG, Kumeyaay, Mendota Hills, or Combine Hills I, nor the remaining Class A and/or Class B interests in Crescent Ridge, Cedar Creek, Blue Canyon, and Combine Hills I, will be affected by this now-approved transaction.

Infigen Energy (ASX: IFN) on July 15 announced that it has agreed to sell its U.S. wind business to Primary Wind, a newly-formed portfolio company affiliated with ArcLight Capital Partners, for approximately U.S.\$272.5 million. Completion of the wind transaction is subject to various closing conditions, but was expected to close by October of this year.

#### **ABOUT THE AUTHOR**

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Barry Cassell is Chief Analyst for *GenerationHub* covering coal and emission controls issues, projects and policy. He has covered the coal and power generation industry for more than 26 years, beginning in November 2011 at *GenerationHub* and prior to that as editor of SNL Energy's *Coal Report*. He was formerly with *Coal Outlook* for 15 years as the publication's editor and contributing writer, and prior to that he was editor of *Coal & Synfuels Technology* and associate editor of *The Energy Report*. He has a bachelor's degree from Central Michigan University.

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