

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

Sweetland Wind Farm, LLC

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Docket No. EG23-____-000

**NOTICE OF SELF-CERTIFICATION OF
EXEMPT WHOLESALE GENERATOR STATUS**

Pursuant to the Public Utility Holding Company Act of 2005,¹ and section 366.7 of the regulations of the Federal Energy Regulatory Commission (Commission),² Sweetland Wind Farm, LLC (Applicant) hereby submits this notice of self-certification as an exempt wholesale generator (EWG), as defined in section 366.1 of the Commission's regulations.³

I. COMMUNICATIONS

All communications regarding this Notice should be directed to:

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II. DESCRIPTION OF THE APPLICANT

Applicant is developing and will own and operate a 200 MW (nameplate) wind-powered electric generation facility located in Hand County, South Dakota (Facility).

¹ Pub. L. No. 109-58, § 1266, 119 Stat. 594, 975 (Aug. 8, 2005).

² 18 C.F.R § 366.7 (2022).

³ Id. § 366.1.

The Facility is expected to achieve commercial operation on or about October 31, 2023. The Facility will be comprised of wind turbine generators and associated facilities and equipment necessary for the generation and sale of power at wholesale. The Facility will also include limited and discrete interconnection facilities necessary to effectuate Applicant's wholesale power sales from the Facility. The Facility will be interconnected to the transmission system owned by the Western Area Power Administration-Upper Great Planes Region and operated by the Southwest Power Pool, Inc. (SPP).

Applicant has entered into a Renewable Power Purchase Agreement (PPA) with an unaffiliated third-party (Buyer), pursuant to which Applicant will sell renewable energy credits (RECs) and other environmental attributes to Buyer commensurate with the amount of energy generated by the Facility as an inducement for Buyer to engage in a financial swap arrangement to cover price fluctuations associated with the Facility's physical energy sales into the SPP wholesale market.⁴ The RECs and environmental attributes sold under the PPA will be produced in the normal course of operating the Facility. In order to account for the unlikely event that Applicant fails to make a required transfer of RECs or other environmental attributes produced by the Facility to Buyer, the PPA contemplates that Applicant may be required to procure and sell comparable RECs and environmental attributes to Buyer to the extent necessary to fulfill Applicant's PPA obligations. In no event will Applicant sell to Buyer RECs or environmental attributes in excess of the actual energy output of the Facility or procure any additional RECs or environmental attributes for trading purposes.

⁴ Buyer also has the option to take physical delivery of the Facility's output under the PPA.

III. REPRESENTATIONS REGARDING EXEMPT WHOLESALE GENERATOR STATUS

- a. Applicant is engaged directly and exclusively in the business of owning or operating, or both owning and operating, all or part of one or more eligible facilities and selling electric energy at wholesale.
- b. The Facility is an “eligible facility” because (i) it will be used for the generation of electric energy exclusively for sale at wholesale; and (ii) it will include only those limited and discrete interconnecting transmission facilities that are necessary to effect a sale of electric energy at wholesale.
- c. No rate or charge for, or in connection with, the construction of the Facility, or for electric energy produced by the Facility (other than any portion of a rate or charge which represents recovery of the cost of a wholesale rate or charge), was in effect under the laws of any state on October 24, 1992. Therefore, no determinations by a state commission are necessary for this self-certification to become effective.
- d. No portion of the Facility will be owned or operated by an electric utility company that is an affiliate or associate company of Applicant, as defined in section 366.1 of the Commission’s regulations, that is not an EWG.
- e. Applicant may be engaged in certain activities that are incidental to the generation of electric energy for sale at wholesale to the extent permitted by the Commission. Among other things, Applicant may be engaged in the sale of ancillary services and renewable energy credits (RECs)

associated with the electricity produced by the Facility⁵ and risk management and hedging transactions that are a necessary incident to the Facility's participation in the wholesale energy market (e.g., financial swap arrangements to cover price fluctuations associated with the Facility's physical energy sales).⁶ The Commission has determined that these activities are incidental to an EWG's business of owning and operating an eligible facility and selling electricity at wholesale.⁷

- f. Applicant does not receive revenues for any other activities, including leases, licenses, or similar arrangements involving the Facility, that go beyond the core functions of an EWG.

⁵ See Madison Windpower, LLC, 93 FERC ¶ 61,270 (2000).

⁶ Applicant will not participate in speculative markets as a trader and its risk management transactions will be limited to hedging against the physical exposure of the Facility's participation in the wholesale energy market. See Sithe/Indep. Power Partners, L.P., 101 FERC ¶ 61,287, at P 6 n.4 (2002) (citing TXU (No. 5) Pty. Ltd., 92 FERC ¶ 61,170 (2000)); see also Yards Creek Energy, LLC, Docket No. EG20-108-000; Birdsboro Power LLC, Docket No. EG18-124-000. As noted above, in connection with Applicant's risk management and hedging activities, in the unlikely event that Applicant fails to transfer RECs and environmental attributes produced by the Facility to Buyer, Applicant may be required to procure and sell comparable RECs and environmental attributes produced by other facilities to Buyer in order to fulfill Applicant's PPA obligations. However, as explained above, Applicant will not sell to Buyer RECs or environmental attributes in excess of the actual energy output of the Facility or procure any additional RECs or environmental attributes for trading purposes. Sales of RECs or environmental attributes up to or equaling the energy output of the Facility are necessary to secure the financial swap arrangement, which, in turn is necessary to effect physical sales of energy from the Facility in the wholesale market. See Maple Flats Solar Energy Center LLC, Notice of Self-Certification of Exempt Wholesale Generator Status, Docket No. EG22-136-000 (filed June 7, 2022); Pisgah Ridge Solar LLC, Docket Nos. EG22-135-000, et al., Notice of Effectiveness of Exempt Wholesale Generator Status (Sept. 19, 2022).

⁷ See e.g., Sithe Framingham, LLC, 83 FERC ¶ 61,106 (1998) (ancillary services). Other incidental activities that Applicant may engage in will be consistent with the Commission's precedent.

IV. STATE COMMISSION NOTIFICATION

As required by section 366.7(a) of the Commission's regulations, Applicant is serving a copy of this self-certification on the South Dakota Public Utilities Commission, the state commission of the state in which the Facility is located.

V. CONCLUSION

For the reasons set forth in this notice of self-certification, the Applicant satisfies the requirements of EWG status because it is exclusively in the business of owning and operating eligible facilities and selling electric energy at wholesale.

Respectfully submitted,

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