

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

Escalante BESS I LLC

)

Docket No. EG25-__-000

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

Pursuant to the Public Utility Holding Company Act of 2005 (“PUHCA 2005”)¹ and Section 366.7 of the regulations of the Federal Energy Regulatory Commission (the “Commission”),² Escalante BESS I LLC (“Applicant”) submits this notice of self-certification as an exempt wholesale generator (“EWG”) within the meaning of Section 366.1 of the Commission’s regulations.³

I.

APPLICANT’S NAME AND ADDRESS

Applicant’s exact legal name and the address of its principal place of business are:

Escalante BESS I LLC
100 California Street, Suite 650
San Francisco, California 94111

II.

CORRESPONDENCE AND COMMUNICATIONS

All correspondence and communications concerning the above-captioned proceeding should be addressed to the following persons:

¹ 42 U.S.C. §§ 16451-16463 (2018).

² 18 C.F.R. § 366.7 (2024).

³ 18 C.F.R. § 366.1 (2024).

Gretchen Schott
Assistant General Counsel, Regulatory
Clearway Energy Group LLC
1200 Smith Street, Suite 600
Houston, TX 77002
(346) 293-7088
gretchen.schott@clearwayenergy.com

David G. Tewksbury
McDERMOTT WILL & SCHULTE LLP
The McDermott Building
500 North Capitol St., NW
Washington, DC 20001
(202) 756-8230
dtewksbury@mwe.com

III.

DESCRIPTION OF APPLICANT

Applicant is a Delaware limited liability company formed to develop, own and operate an approximately 80 MW battery energy storage system (the “Facility”) in the Town of Milford, Beaver County, Utah. The Facility will interconnect with transmission facilities owned and operated by PacifiCorp. The Facility is currently expected to commence operations in the fourth quarter of 2025. Applicant is separately filing an application for market-based rate authorization and will be a “public utility” under the Federal Power Act upon the effective date accepted by the Commission.

Applicant is a party to a shared facilities agreement (the “SFA”). Pursuant to the SFA, Escalante Solar I, LLC (“Escalante Solar I”), Escalante Solar II, LLC (“Escalante Solar II”) and Escalante Solar III, LLC (“Escalante Solar III”) own and Applicant, Escalante BESS II LLC, and Escalante BESS III LLC will own undivided interests in certain shared facilities, including shared generator interconnection facilities necessary to interconnect their respective generation facilities with the transmission grid (the “Shared Interconnection Facilities”). The Shared Interconnection Facilities have already been energized, and Applicant could acquire an interest in such facilities before it sells test power.

IV.

REPRESENTATIONS REGARDING EWG STATUS

Applicant makes the following representations in order to demonstrate that it will be an EWG under Section 366.1 of the Commission's regulations:⁴

1. Applicant will be exclusively engaged directly in the business of owning and/or operating one or more eligible facilities and selling electric energy at wholesale.⁵ For any period during which Applicant owns an interest in energized generator interconnection facilities before itself making wholesale sales, the relationship between Applicant, on the one hand, and Escalante Solar I, Escalante Solar II and Escalante Solar III, on the other hand, under the SFA provides a basis for imputing wholesale sales by Escalante Solar I, Escalante Solar II and Escalante Solar III (each of which is an EWG already making wholesale sales) to Applicant until such time as Applicant itself makes wholesale sales.⁶

⁴ 18 C.F.R. § 366.1 (2024). *See also* *Prairie Breeze Wind Energy LLC*, 143 FERC ¶ 61,051 at P 4 (2013) (identifying representations an entity must make to establish EWG status); *DTE Pontiac North LLC*, 121 FERC ¶ 61,037 at P 7 (2007) ("*DTE Pontiac*") (same).

⁵ Applicant will not own or operate eligible facilities until it acquires an interest in energized interconnection facilities pursuant to the SFA or the Facility becomes operational. Until (and after) that point in time, Applicant will only engage in other activities that are reasonably incidental to the ownership and/or operation of eligible facilities and the sale of electric energy at wholesale.

⁶ *See Sagebrush*, 103 FERC ¶ 61,332 at P 17 (2003) ("*Sagebrush*") (noting the applicant's relationship with a generation facility owner under a management agreement and holding that "[t]his type of relationship can be the basis for imputing wholesale sales by generation facility owners to [the applicant]"); Notice of Self-Certification of Exempt Wholesale Generator Status at 4 & n.8, Docket No. EG20-55-000 (filed Nov. 27, 2019) (citing *Sagebrush* for the proposition that a shared facilities agreement among the applicant and generation owners provides a basis for imputing sales by [the generation owners] to Applicant"), *notice of effectiveness*, *Sun Streams 2, LLC*, Notice of Effectiveness of Exempt Wholesale Generator Status, Docket Nos. EG20-22-000, *et al.* (Feb. 11, 2020) (unreported); Notice of Self-Certification of Exempt Wholesale Generator Status at 3 n.7, Docket No. EG19-68-000 (filed Mar. 11, 2019) (same), *notice of effectiveness*, *AES ES Gilbert, LLC*, Notice of Effectiveness of Exempt Wholesale Generator Status, Docket Nos. EG19-63-000, *et al.* (June 6, 2019) (unreported); Notice of Self-Certification of Exempt Wholesale Generator Status at 3 n.6, Docket No. EG17-24-000 (filed Nov. 3, 2016) (same), *notice of effectiveness*, *Wolf Hollow II Power, LLC*, Notice of Effectiveness of Exempt Wholesale Generator Status, Docket Nos. EG17-19-000, *et al.* (Feb. 6, 2017) (unreported).

2. The Facility will be an “eligible facility,” as defined in Section 32(a)(2) of the Public Utility Holding Company Act of 1935 (“PUHCA 1935”),⁷ because it will be used for the generation of electric energy exclusively for sale at wholesale and will include only those interconnecting transmission facilities that are necessary to effect a sale of electric energy at wholesale, including the Shared Interconnection Facilities.

3. No rate or charge for, and 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 as of October 24, 1992. As a result, no determination or certification by any state commission is necessary for this self-certification of EWG status to become effective.

4. No portion of the eligible facilities will be owned or operated by an “electric utility company” that is an “affiliate” or “associate company” of Applicant and that is not an EWG, in each case as such terms are defined in Section 366.1 of the Commission’s regulations.⁸

V.

INCIDENTAL ACTIVITIES

Applicant may also engage in certain activities which the Commission has previously determined are incidental to wholesale sales of electric energy. Such activities may include, but will not necessarily be limited to, the following:

- the sale of ancillary services,⁹

⁷ 15 U.S.C. § 79z-5a(a)(2) (repealed 2005). Section 32(a)(2) of PUHCA 1935 is incorporated by reference in Section 1262(6) of PUHCA 2005, 42 U.S.C. § 16451(6) (2018), and Section 366.1 of the Commission’s regulations, 18 C.F.R. § 366.1 (2024).

⁸ 18 C.F.R. § 366.1 (2024).

⁹ *See Sithe Framingham LLC*, 83 FERC ¶ 61,106 at 61,504 (1998).

- the sale of byproducts of the generation of electric energy,¹⁰
- the resale of excess electric transmission capacity,¹¹
- the purchase and sale of congestion revenue rights needed to operate eligible facilities owned and/or operated by Applicant,¹²
- certain project development and financing activities associated with Applicant's eligible facilities (which may include but are necessarily limited to the following: due diligence, site investigations, feasibility studies, design and engineering, licensing and permitting, negotiation of asset and land acquisitions and leases, negotiation of contractual commitments with lenders, equity investors, governmental authorities, and other entities, and such other activities as may be required to financially close, negotiation of power sales contracts, equipment purchases, engineering, construction, in interconnection and related matters; submission of bid proposals, and development of financing programs related to owning and/or operating Applicant's eligible facilities),¹³
- the trading of emissions allowances obtained for the normal operation of the facilities that become excess to the requirements of eligible facilities owned and/or operated by Applicant,¹⁴
- wholesale power marketing, including "purchas[ing] and resell[ing] electric energy at wholesale that it has not generated itself,"¹⁵
- engaging in risk management and hedging activities incidental to Applicant's ownership and operation of eligible facilities and wholesale power sales;¹⁶

¹⁰ See *Richmond Power Enter., L.P.*, 62 FERC ¶ 61,157 at 62,098 (1993). See also, e.g., *DTE Pontiac*, 121 FERC ¶ 61,037 at P 10 (finding proposed ownership and operation of auxiliary boilers for the purpose of selling steam and sales of steam produced using such boilers when the facility would otherwise be unable to meet its steam host's requirements to be reasonably incidental to the business of owning and operating an eligible facility and selling electric energy at wholesale).

¹¹ See *CNG Power Servs. Corp.*, 71 FERC ¶ 61,026 at 61,103-04 (1995); *Compañia Hidroeléctrica Doña Julia S. De R.L.*, 85 FERC ¶ 61,336 at 62,318 (1998).

¹² See *Duquesne Power, L.P.*, 106 FERC ¶ 61,104 at P 7 (2004).

¹³ See *Southern Elec. Wholesale Generators, Inc.*, 66 FERC ¶ 61,264 (1994); *AEP Res., Project Mgmt. Co.*, 74 FERC ¶ 61,202 at 61,674 (1996); *Empresa Valley Hermoso, S.A.*, 72 FERC ¶ 61,306 (1995).

¹⁴ See, e.g., *UGI Devel. Co.*, 89 FERC ¶ 61,192 at 61,587-88 (1999).

¹⁵ *Entergy Power Mktg. Corp.*, 73 FERC ¶ 61,063 at 61,155 n.3 (1995).

¹⁶ See *Sithe/Independence Power Partners, L.P.*, 101 FERC ¶ 61,287 at P 6 (2002) (citing *TXU No. 5 Pty. Ltd.*, 92 FERC ¶ 61,170 (2000)). See also Notification of Self-Certification of Exempt Wholesale Generator Status at 4, Docket No. EG13-3-000 (filed Oct. 9, 2012), *notice of effectiveness*, *Big Blue Wind*

- the sale of “green” power certificates or credits associated with power produced by the Facility or other eligible facilities owned or operated by Applicant or as otherwise consistent with Commission precedent,¹⁷
- leasing or renting property to third parties provided that profits from activities not reasonably related to the ownership or operation of eligible facilities and sales of electric energy at wholesale are donated to charity or transferred to a non-affiliate,¹⁸
- entering into leases of real property comprising part of eligible facilities, as lessee,¹⁹
- entering into agreements relating to facilities shared with an affiliated EWG and used in the operation of eligible facilities,²⁰
- engaging in a one-time sale of excess land located adjacent to one or more of its eligible facilities,²¹
- providing emergency support, services, and material to other utilities or facilities in the event of a natural disaster or catastrophic event,²²

Farm, LLC, Notice of Effectiveness of Exempt Wholesale Generator Status, Docket Nos. EG13-1-000 (filed Jan. 17, 2013).

¹⁷ See *Madison Windpower, LLC*, 93 FERC ¶ 61,270 at 61,871 (2000). See also Notice of Self-Certification of Exempt Wholesale Generator Status at 4-5, Docket No. EG22-136-000 (filed June 7, 2022) (stating that the purchase and resale to a hedge provider of renewable energy credits in amounts equal to an eligible facility’s energy output should not violate the exclusivity requirement), *notice of effectiveness*, *Pisgah Ridge Solar LLC*, Notice of Effectiveness of Exempt Wholesale Generator Status, Docket Nos. EG22-135-000, *et al.* (Sept. 19, 2022) (unreported); Notice of Self-Certification of Exempt Wholesale Generator Status at 4-10, Docket No. EG12-43-000 (Mar. 7, 2012) (stating that the purchase and resale of replacement renewable energy credits to meet fixed supply obligations should not violate the exclusivity requirement), *notice of effectiveness*, *Sherbino I Wind Farm LLC*, Notice of Effectiveness of Exempt Wholesale Generator or Foreign Utility Company Status, Docket Nos. EG12-43-000, *et al.* (July 12, 2012) (unreported).

¹⁸ See *Brunner Island, LLC*, 174 FERC ¶ 61,098 at P 11 (2021) (holding that an otherwise non-incidental activity “would not violate the exclusivity requirement if [the EWG] donates to charity the profits from [that activity]”). See also *Killingholme Generation Ltd.*, 90 FERC ¶ 61,194 at 61,632 (2000); *Duke Energy Hot Spring, LLC*, 98 FERC ¶ 61,287 (2002) (“*Duke Hot Spring*”).

¹⁹ See *DTE Pontiac*, 121 FERC ¶ 61,037 at P 7 n.6.

²⁰ See *Buffalo Gap Wind Farm 2, LLC*, 118 FERC ¶ 61,069 at PP 2, 14 & n.3 (2007).

²¹ See *Vienna Power LLC*, 112 FERC ¶ 62,199 (2005).

²² See Notice of Self-Certification of Exempt Wholesale Generator Status at 9-10, Docket No. EG09-12-000 (filed Nov. 7, 2008); *Majestic Wind Power LLC*, Notice of Effectiveness of Exempt Wholesale Generator Status, Docket Nos. EG09-10-000, *et al.* (Feb. 27, 2009) (unreported).

- providing site services that are reasonably incidental to the generation and sale of electric energy at wholesale,²³
- selling spare parts and/or equipment originally acquired in connection with the ownership and operation of Applicant's eligible facilities when such spare parts and/or equipment have become excess to Applicant's needs,²⁴ and
- such other activities as are consistent with the Commission's EWG precedent.

VI.

SERVICE

In accordance with Section 366.7(a) of the Commission's regulations,²⁵ Applicant is serving a copy of this notice of self-certification on the Utah Public Service Commission, which is the state regulatory authority in the state in which the Facility is located.

²³ See *PPL Martins Creek, LLC*, 105 FERC ¶ 61,177 at P 10 (2003) (approving EWG's provision of potable water and cooling tower make-up water, along with waste water treatment and discharge services, to an affiliate's neighboring facility); *Hardee Power Partners, Ltd.*, 104 FERC ¶ 61,327 at PP 10-11 (2003) (approving arrangement under which an EWG allowed third party use of road, water, and switchyard facilities and the EWG's provision of day-to-day physical operation services of switchyard facilities for safety reasons); *Duke Hot Spring*, 98 FERC ¶ 61,287 at 62,255-56 (approving EWG acting as a source of power to a transmission company's substation where such substation interconnected the EWG's plant to the electric transmission system).

²⁴ See *Blue Spruce Energy Ctr., LLC*, 105 FERC ¶ 61,059 at P 10 (2003).

²⁵ 18 C.F.R. § 366.7(a) (2024).

VII.

CONCLUSION

For the foregoing reasons, Applicant satisfies the requirements for EWG status.

Respectfully submitted,

ESCALANTE BESS I LLC

By: /s/ David G. Tewksbury
David G. Tewksbury
McDERMOTT WILL & SCHULTE LLP
The McDermott Building
500 North Capitol St., NW
Washington, DC 20001

Gretchen Schott
Assistant General Counsel, Regulatory
Clearway Energy Group LLC
1200 Smith Street, Suite 600
Houston, TX 77002

Counsel for **Escalante BESS I LLC**

Dated: August 11, 2025

CERTIFICATE OF SERVICE

I hereby certify that the foregoing document was served this day on the Utah Public Service Commission.

Dated at Washington, D.C., this 11th day of August 2025.

/s/ David G. Tewksbury
David G. Tewksbury