## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of The	)	
Empire District Electric Company for a	)	File No. EA-2019-0010
Certificate of Convenience and Necessity	)	
Related to its Customer Savings Plan	j	

## EMPIRE'S NOTICE CONCERNING STATUS AND CHANGE OF CONTRACT PARTY

**COMES NOW** The Empire District Electric Company ("Empire") and respectfully provides to the Missouri Public Service Commission ("Commission") the following *Notice Concerning Status and Change of Contract Party*:

- 1. This case concerned the certificates of convenience and necessity related to:
  - a) a wind generation facility up to 301 MWs located in Neosho County, Kansas (Neosho Ridge); and,
  - b) two wind facilities (each up to 150 MWs) located in Barton, Dade, Jasper, and Lawrence Counties in and near Empire's service territory in Missouri ("Kings Point" and "North Fork Ridge").
- 2. Empire entered into a purchase and sale agreement with Neosho Ridge Wind JV, LLC, a joint venture between a subsidiary of Apex Clean Energy, Inc. ("Apex") and a subsidiary of Steelhead Wind 2, LLC. Pursuant to the purchase agreement, Neosho Ridge JV, LLC will sell, and Empire will acquire an ownership interest, through tax equity financing, in a holding company, which will in turn own, through a project company, the Neosho Ridge wind project.

- 3. Empire entered into two purchase and sale agreements with Tenaska Missouri Matrix Wind Holdings, LLC ("Tenaska") and Steelhead Missouri Matrix Wind Holdings, LLC. Pursuant to these purchase and sale agreements, Empire will acquire an ownership interest, through tax equity financing, in two holding companies formed by Tenaska and Steelhead Missouri Matrix Wind Holdings, LLC. Each holding company will own, through a project company, Kings Point and North Fork Ridge.
- 4. As to the <u>Neosho Ridge</u> project, the Interim Generator Interconnection Agreement has been received and the Neosho Ridge Joint Venture has notified SPP within the prescribed 5 day period, confirming the project's intention to execute the IGIA, financing (to include tax equity) is substantially complete, all permits have been received, and construction is proceeding on schedule.
- 5. As to the <u>Kings Point</u> and <u>North Fork Ridge</u> projects, the Interim Generator Interconnection Agreement has been received and will be executed and returned to the Southwest Power Pool by November 8, 2019, financing commitments (to include tax equity) are known, and all permitting activities are complete, except for the U.S. Army Corp of Engineers Section 404 permit for wetlands.
- 6. The Section 404 permit for Kings Point and North Fork Ridge is expected by the end of the calendar year. However, because of this timing, on October 8, 2019, Tenaska exercised a contractual right to exit the projects. As of October 11, 2019, Liberty Utilities Co. ("LU Co."), an affiliate of Empire's, has exercised the right to step into Tenaska's shoes, and with Steelhead Missouri Matrix Wind Holdings, LLC, will complete development of the Kings Point and North Fork Ridge projects. On November 5, 2019, LU Co. closed on its acquisition of Tenaska's interests under the two purchase

and sale agreements. All agreements related to the Kings Point and North Fork Ridge

projects, as amended to substitute LU Co. as a seller, remain in place, to include fixed

price aspects of the purchase price previously negotiated with Tenaska and the

participation of Steelhead (the turbine supplier). Moreover, LU Co. has assumed the

risk previously borne by Tenaska. It is believed that there will be no impact on the tax

equity commitments, the December 31, 2020 project completion, and the projected

January 4, 2021 closing on the Empire acquisition of the holding company.

7. Empire has met with the Staff of the Commission, the Office of the Public

Counsel, and the attorney for the Midwest Energy Consumers Group to provide

additional details concerning this matter.

8. If the Commission would like a briefing by the Company concerning the

matters discussed herein, the Company will be happy to do so at an agenda meeting, or

otherwise, as may be desired by the Commission.

WHEREFORE, Empire respectfully provides this Notice Concerning Status and

Change of Contract Party.

Respectfully submitted,

Dean L. Cooper MBE #36592

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ATTORNEYS FOR THE EMPIRE DISTRICT

ELECTRIC COMPANY

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## **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on November 5, 2019, to the following:

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