COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY STATE BOARD ON ELECTRIC GENERATION AND TRANSMISSION SITING

In the Matter of:

ELECTRONIC APPLICATION OF MARTIN	1)
COUNTY SOLAR PROJECT, LLC TO)
TRANSFER A CERTIFICATE OF)
CONSTRUCTION PURSUANT TO)
KRS 278.710(3) AND 807 KAR 5:110)

Case No. 2022-00362

MOTION FOR RECONSIDERATION

Comes now the applicant, Martin County Solar Project, LLC ("Martin County Solar" or the "Applicant"), by and through counsel, and hereby files this motion for reconsideration of the order issued by the Kentucky State Board on Electrical Generation and Transmission Siting ("Siting Board" or "Board") on April 12, 2023, denying the Applicant's motion requesting a Siting Board determination that the Applicant's approximately 310-foot gen-tie line is an associated structure of its 200 megawatt (MW) solar electric generation facility in Martin County, Kentucky. In support thereof, Martin County Solar respectfully states as follows:

I. BACKGROUND

On November 15, 2021, the Siting Board conditionally approved Martin County Solar's application for a certificate of construction to develop a 200 MW solar facility on a reclaimed coal mine site in Martin County, Kentucky (the "Project"). The Project's substation (the "Project Substation") will connect to the existing 138 kV Inez substation owned by Kentucky Power Company ("Kentucky Power"), an American Electric Power (AEP) Company, via an

approximately 310-foot 138 kV gen-tie line. The Project Substation, gen-tie line, and the Inez substation are located entirely within the Project's footprint.¹

On November 28, 2022, Martin County Solar filed an application with the Siting Board to bifurcate its construction certificate and transfer approximately 89 MW of the Project, along with the rights granted thereunder, to Martin County II Solar Project, LLC ("Martin County Solar II"). The Project would then be constructed in two phases, with Martin County Solar first developing its roughly 111 MW facility, the Project Substation, and the approximately 310-foot gen-tie line connecting the Project Substation to the Inez substation. Immediately thereafter, Martin County Solar II would commence construction of its roughly 89 MW facility, which would connect to the Project Substation. The combined 200 MW Project's generated electricity would flow from the Project Substation and energize the approximately 310-foot gen-tie line, conveying the electricity to the transmission grid via the Inez substation. As described in the November 28, 2022, application, Savion, LLC ("Savion"), a wholly owned subsidiary of Shell, will retain 100 percent ownership and control of both Martin County Solar and Martin County Solar II. The Siting Board approved Martin County Solar's requested bifurcation on April 12, 2023.

On February 21, 2023, the Siting Board issued an order in the Golden Solar, LLC ("Golden Solar") case, granting Golden Solar a certificate of construction for a nonregulated electric transmission line without an application by determining that Golden Solar's 300-foot gen-tie line was an associated structure of its generation facility.² Based on the Siting Board's rationale articulated in the Golden Solar order, on March 8, 2023, Martin County Solar filed a Motion for

¹ In the Matter of the Electronic Application of Martin County Solar Project, LLC for a Certificate of Construction for an Approximately 200 Megawatt Merchant Electric Solar Generating Facility in Martin County, Kentucky Pursuant to KRS 278.700 and 807 KAR 5:110, Case No. 2021-00029.

² In the Matter of the Electronic Application of Golden Solar, LLC for a Certificate of Construction for an Approximately 100 Megawatt Merchant Electric Solar Generating Facility in Caldwell County, Kentucky, Case No. 2020-00243.

Determination with the Siting Board requesting that the Board find that the Applicant's gen-tie line is an associated structure of its generation facility. On April 12, 2023, the Siting Board found that it could not make a determination based on the record and noted that the "two projects and the interconnection with the substation makes the consideration of whether a nonregulated transmission line is required materially different than if there was one project."

II. BIFURCATING THE CONSTRUCTION CERTIFICATE DOES NOT IMPACT THE COMBINED 200 MW PROJECT'S GEN-TIE LINE

The Siting Board's bifurcation of the construction certificate does not impact the location or function of the approximately 310-foot gen-tie line that will convey the two facilities' combined generation capacity from the Project Substation into the Inez substation and subsequently to the transmission grid. While a portion of the 200 MW Project has been transferred to Martin County Solar II, the Project Substation and gen-tie line will serve the entire Project, as contemplated in the Applicant's initial facility construction certificate application.

The Applicant has demonstrated the Project's site design has not been materially altered and has consistently depicted on its site plans a single gen-tie line running from the Project Substation to the Inez substation and the PJM network.³ As demonstrated by the site map incorporated into the Siting Board's November 2021 order as Appendix B, enclosed as Exhibit A, and the site map incorporated into the Siting Board's April 12, 2023 order as Appendix B, enclosed as Exhibit B, the Project Substation and gen-tie line have remained in the same location in the northern portion of the Project site's footprint. Martin County Solar II's 89 MW generation capacity and Martin County Solar's 111 MW generation capacity will flow from the Project Substation to the Inez substation and PJM network via the single, short gen-tie line. Thus, the

³ See, Martin County Solar Project, LLC, Case No. 2021-00029, *Application for Certificate of Construction, Exhibit A*, p. 19; *see also,* Martin County Solar Project, LLC, Case No. 2022-00362, *Application for Bifurcation and Partial Transfer of Rights and Obligation, Exhibits A and C*, pp. 54, 56.

Siting Board's bifurcation of the construction certificate to allow for phased construction of the Project by two entities does not change the relationship between the combined 200 MW facilities, the Project Substation, and the approximately 310-foot gen-tie line that will connect the entire Project to the transmission grid.

Martin County Solar sought to bifurcate the construction certificate due to ongoing environmental, permitting, and real estate due diligence activities, not because of any concerns related to interconnection, a change in control or right to control the facilities, or the siting of the proposed gen-tie line or Project Substation. The Applicant has stated, and the Siting Board has acknowledged, that both Martin County Solar and Martin County Solar II depend on Savion to construct, staff, and operate the Project.⁴ Savion would retain 100 percent ownership of both subsidiaries and is the corporate entity that will employ the individuals responsible for ensuring compliance with "all conditions imposed by the Siting Board during the construction and operation of both phases of the project."⁵

The Applicant has also committed to complying with all applicable conditions relating to electrical interconnection by following PJM's interconnection process and that both Martin County Solar and Martin County Solar II would remain responsible for all mitigation measures imposed in the order granting the generation facility's construction certificate.⁶ Thus, bifurcation of the construction certificate does not impact the functions of the Project Substation or the gen-tie line because any power generated from the Project must flow through the Project Substation, gen-tie line, and the Inez substation to reach the PJM network.

⁴ Martin County Solar Project, LLC, Case No. 2022-00362, Order, Apr. 12, 2023, p. 6.

⁵ Martin County Solar Project, LLC, Case No. 2022-00362, *Responses to Siting Board Staff's First Request for Information*, p. 1.

⁶ Martin County Solar Project, LLC, Case No. 2022-00362, Order, Apr. 12, 2023, pp. 5-6.

III. THE COMBINED 200 MW PROJECT'S GEN-TIE LINE IS AN ASSOCIATED STRUCTURE CONSISTENT WITH SITING BOARD'S FINDINGS IN GOLDEN SOLAR

The facts here are consistent with the underlying facts in the Golden Solar case. Thus, because the bifurcation of the combined 200 MW Project's construction certificate does not impact the location or function of the Project Substation and gen-tie line, the Siting Board should apply its rationale in the Golden Solar case here and determine the Applicant's approximately 310-foot gen-tie line is an associated structure of the Project within the meaning of KRS 278.700(2).

Golden Solar argued that without a gen-tie line its project could not be a "merchant electric generating facility" under KRS 278.700(2)(b) because it could not connect to the transmission grid and sell power to the wholesale market. Golden Solar further argued that its proposed gen-tie line was not a "transmission line" because the line only conveyed a one-way flow of electricity to LG&E/KU's substation, and the transmission function began on the LG&E/KU-side of the interconnection. ⁷ The Project here, like Golden Solar's facility, is wholly reliant on a single gentie line to access the electric transmission grid and sell its electricity on the wholesale market. Similarly, the Project's gentie line will provide a one-way conveyance of generated electricity from the Project Substation to Kentucky Power's Inez substation.

Golden Solar also argued that the application requirements for the construction certificate to build the generating facility were more comprehensive and subject to greater scrutiny than what is required for an application to construct a nonregulated electric transmission line. Golden Solar noted that given the short length of its gen-tie line and termination point on an abutting offsite

⁷ Golden Solar, LLC, Case No. 2020-00243, Post-Hearing Brief re Proposed Gen-Tie's Inclusion in the requested Construction Certificate for a Merchant Electric Generating Facility, p. 4.

parcel, "it is both more rigorous and wholistic to consider it as part of the generation project and under the same standards."⁸

Like Golden Solar, the scope of the Project's application to construct the combined 200 MW Project, including multiple rounds of discovery, established a more thorough record than what would be required in a standalone application to construct a nonregulated electric transmission line. Unlike Golden Solar, however, the Project's gen-tie line will not need to exit the Project's site to connect to the transmission grid. The Siting Board, prior to granting the Project's construction certificate, conducted a rigorous and wholistic review of Martin County Solar's merchant electric generating facility, including a site visit that included the associated gen-tie line and Project Substation. Thus, under the Board's Golden Solar rationale, the Siting Board should determine that the Project's gen-tie line is an associated structure of the generation facility within the meaning of KRS 278.700(2).

IV. CONCLUSION

As described, the bifurcation of the construction certificate did not impact the location and function of the Project's Project Substation and gen-tie line that will convey the combined 200 MW generation capacity into Kentucky Power's Inez substation and into the transmission grid. Thus, under the Siting Board's precedent in Golden Solar, Martin County Solar's gen-tie line should properly be considered an associated structure of the combined 200 MW Project because of its short length and voltage characteristics, its conveyance of generated power, and the Applicant's reliance on grid interconnection to properly be considered a "merchant" electric generating facility. Therefore, the Applicant respectfully requests the Siting Board reconsider its

⁸ Id. at 7.

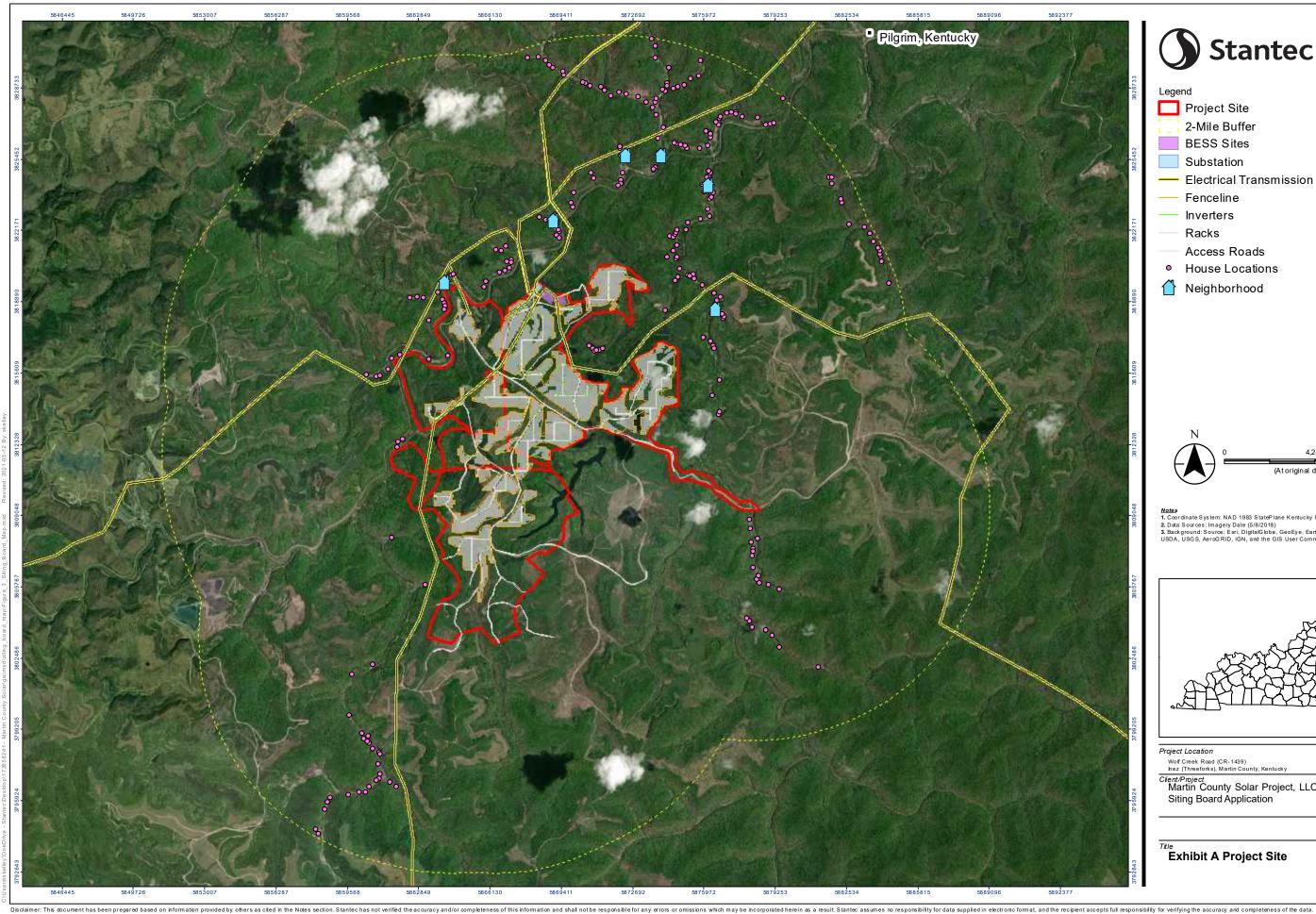
prior order and render an order finding that the Applicant's gen-tie line is an associated structure of the generation facility within the meaning of KRS 278.700(2).

Dated this 12th day of May 2023.

Respectfully submitted,

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EXHIBIT A



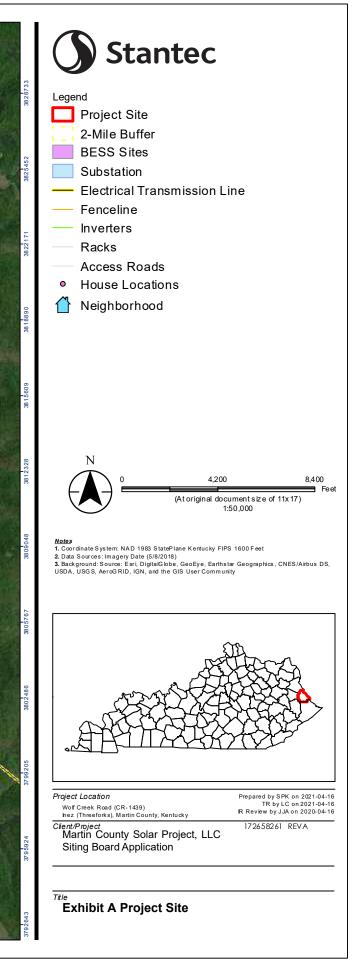


EXHIBIT B

