

146 FERC ¶ 61,042
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

January 27, 2014

In Reply Refer To:
Jasmin Power III - SD 6000, LLC
Docket No. QF14-53-000

Attention: Mike Ruffatto
8480 East Orchard Road, Suite 4000
Greenwood Village, CO 80111

Dear Mr. Ruffatto:

1. On November 1, 2013, Jasmin Power III – SD 6000, LLC (Jasmin Power) filed a FERC Form 556 application seeking Commission certification of its cogeneration facility as a qualifying facility (QF) pursuant to Section 292.207(b) of the Commission’s regulations¹ and the Public Utility Regulatory Policies Act of 1978 (PURPA).² In this order, we grant the requested certification.

2. As set forth in its Form 556 submission, the Jasmin Power facility will be an approximately 89 MW net capacity natural gas-fueled topping-cycle cogeneration QF located in Bakersfield, California.³ The facility is expected to be installed by September 1, 2016 and to begin operation on January 1, 2017. Jasmin Power states that its facility satisfies the operating and efficiency requirements of sections 292.205(a)(1) and 292.205(a)(2) of the Commission’s regulations pertaining to topping-cycle cogenerations.⁴ Jasmin Power also states that its facility satisfies the fundamental use test,⁵ even though it does not come within the Commission’s “safe harbor” which

¹ 18 C.F.R. § 292.207(b) (2013) (application for Commission certification of QF status in lieu of QF self-certification procedures).

² 16 U.S.C. §§ 796 (17)-(22), 824a-3 (2012).

³ Jasmin Power’s FERC Form 556 at 5-9 (November 1, 2013).

⁴ 18 C.F.R. §§ 292.205(a)(1), 292.205(a)(2) (2013).

⁵ See 16 U.S.C. § 824a-3(n) (2012); 18 C.F.R. §§ 292.205(d)(2), 292.205(d)(3) (2013).

provides that, if at least 50 percent of the total energy output of a new cogeneration facility is used for industrial, commercial, residential or institutional purposes, the facility is considered to have met the fundamental use test.⁶

3. Specifically, with regard to the fundamental use test, Jasmin Power notes that the Commission permits an entity which does not come within the “safe harbor” to demonstrate that a proposed QF is not intended fundamentally for sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements.⁷ In support of its contention that it satisfies the fundamental use test, Jasmin Power states that its proposed facility is designed to provide steam and electric energy for an oil field and is integral to operation of that oil field, and is not intended fundamentally for sale to an electric utility. Jasmin Power further states that its facility was built with redundant thermal capacity because a reliable steam flow is a key to crude oil production in the oil field, and, additionally, the facility was sized larger than the current need for steam because of the expectation of higher thermal needs for the oil field as the field is further developed. Jasmin Power states that, while only 44 percent of the facility’s net energy output is expected to be used for industrial purposes when the facility is initially installed, once the oil field is more fully developed, the oil field will consume a higher percentage of the total energy output of the facility for industrial purposes.

4. Notice of the filing was published in the *Federal Register*, 78 Fed. Reg. 68,050 (2013), with interventions and protests due on or before November 22, 2013. None was filed.

5. Jasmin Power’s request for certification of its facility as a QF is hereby granted.⁸ Jasmin Power has shown in its Form 556 submittal that it meets the requirements for certification as a qualifying cogeneration facility, including the requirement that “the electrical, thermal and chemical output of the cogeneration facility is used fundamentally for industrial, commercial, or institutional purposes and is not intended fundamentally for

⁶ 18 C.F.R. § 292.205(d)(3) (2013).

⁷ *Revised Regulations Governing Small Power Production and Cogeneration Facilities*, Order No. 671, FERC Stats. & Regs. ¶ 31,203, at PP 49-55 (2006); 18 C.F.R. § 292.205(d)(3) (2013).

⁸ Certification as a QF serves only to establish eligibility for benefits provided by PURPA, as implemented by the Commission’s regulations, 18 C.F.R. Part 292 (2013). It does not relieve a facility of any other requirements of local, state, or federal law, including those regarding site, construction, operation, licensing, and pollution abatement. Certification does not establish any property rights, resolve competing claims for a site, or authorize construction.

sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements.”⁹ To the extent that the facts or representations which form the basis for this order change, the facility might still be a QF under the changed circumstances. However, self-recertification or Commission-recertification at that point will be necessary to assure QF status.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

⁹ 16 U.S.C. § 824a-3(n) (2012); 18 C.F.R. § 292.205(d)(2) (2013).