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February 27, 2020

VIA E-TARIFF

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

**Re: Goldman Sachs Renewable Power Marketing LLC,
Docket No. ER20-547-000
Response to Letter Requesting Additional Information**

Dear Secretary Bose:

On January 31, 2020, the Federal Energy Regulatory Commission's ("FERC" or "Commission") Director, Division of Electric Power Regulation – West, issued a letter ("Letter") in the above-captioned proceeding regarding the December 9, 2019 petition filed by Goldman Sachs Renewable Power Marketing LLC ("Seller") pursuant to section 205 of the Federal Power Act ("MBR Petition") in the above-captioned docket. The Director advises Seller that the Commission requires additional information to process Seller's MBR Petition.¹

As background, Goldman Sachs Renewable Power LLC ("Renewable Power LLC") is a private company that was formed to acquire interests primarily in "middle market" solar photovoltaic energy projects located in the United States, which Renewable Power LLC generally defines as projects larger than residential rooftop installations but smaller than large utility-scale installations and with a generating capacity generally between one and fifty megawatts. The significant majority of Renewable Power LLC's current investments are commercial and industrial and small utility-scale projects.²

¹ Seller notes that in addition to the information submitted with Seller's MBR Petition, Seller also has provided to the Commission additional information and materials regarding Seller's upstream ownership and management. *See* "Motion for Leave to Answer and Answer of Goldman Sachs Renewable Power Marketing LLC," Docket No. ER20-547-000, filed Jan. 13, 2020 ("Answer").

² As of December 31, 2019, 84% of the generating facilities owned by Renewable Power LLC were below 50 MW.

Renewable Power LLC was formed as a private company and offered as an investment opportunity to clients of Goldman Sachs. While Goldman Sachs Asset Management, L.P. (“GSAM”), a wholly-owned subsidiary of The Goldman Sachs Group, Inc. (“GS Group”)³ acts as investment manager to Renewable Power LLC, GS Group and its employees combined own less than 5% of the voting interests in Renewable Power LLC, and Renewable Power LLC is ultimately controlled by an independent Board of Directors.

Goldman Sachs recommended the appointment of the individuals that currently serve on the independent Board of Directors because it believes that investors desire and would benefit from the control of an independent Board which can serve as a check against the management activities of GSAM. Goldman Sachs also recommended the independent Board at time of launch because it ensures, for certain other regulatory purposes, that Goldman Sachs does not control Renewable Power LLC. The selection of the independent Board of Directors was ultimately ratified by the third party investors at the time of their investment in Renewable Power LLC as described in this response (“Response”).

As explained initially in the Answer, Renewable Power LLC reiterates that it has formed the Seller and is seeking market-based rate authorization from the Commission to facilitate aggregated sales of power to third parties from multiple projects that are owned by Renewable Power LLC, none of which have other touchpoints to GS Group, and in order to engage in certain hedging activity that may require market-based rate authorization.⁴ Renewable Power LLC is taking these steps in furtherance of its objective of acquiring and owning middle-market solar projects in the United States. It did not form the Seller to act as a power brokering intermediary or to sell power to GS Group or its affiliates.

Since the launch of Renewable Power LLC, the involvement of Goldman Sachs or its affiliates in Renewable Power LLC has been limited to the less than 5% of the voting interest in Renewable Power LLC held by Goldman Sachs and its employees, and to GSAM’s role as Renewable Power LLC’s investment advisor, neither of which rises to the Commission’s threshold of being considered an affiliate of Renewable Power LLC. Further, other than the contractual relationship with GSAM under the MSA, Renewable Power LLC has not transacted in sales of power or otherwise with GS Group.

In light of this background, and for the reasons articulated in this Response, the Seller requests that the Commission grant its application for market-based rate authorization and confirm that the Seller and its affiliates should not be considered affiliated with GS Group or GSAM.

Seller provides the following responses to the questions posed in the Letter.

³ When used herein, “Goldman Sachs” means GS Group, together with GSAM, Goldman Sachs & Co. LLC, and each of their respective subsidiaries and affiliates.

⁴ See Answer at 3-4.

1. **When considering applications to grant market-based rate authority, the Commission takes into account, among other things, the direct and upstream owners of Seller and the business activities of all direct and upstream owners and all affiliates.**
 - a. **You identified Goldman Sachs Asset Management, L.P ([GSAM]) as the investment manager to Goldman Sachs Renewable Power LLC ([Renewable Power LLC]), Seller’s parent company. Please explain what rights and responsibilities are delegated to [GSAM], or any affiliate of [GSAM], with respect to the day-to-day operations of Seller.**

The rights or responsibilities that have been delegated to GSAM or any of its affiliates do not extend to the day-to-day operations of Seller such that GSAM or any of its affiliates would have control or be deemed to have control over Seller.

GSAM is an SEC-registered investment adviser that acts as the investment manager to Renewable Power LLC pursuant to a Management Services Agreement (“MSA”) between GSAM and Renewable Power LLC. The MSA describes the services provided by GSAM to Renewable Power LLC. GSAM’s principal activities on behalf of Renewable Power LLC include the identification of new investment opportunities, diligence related to and negotiation and structuring of investment acquisitions by Renewable Power LLC. GSAM also maintains a dedicated asset management team that, pursuant to authorization delegated to it under the MSA and by the Board of Directors, is responsible for overseeing the management of the renewable energy projects that have been acquired by Renewable Power LLC.⁵

As a subsidiary of GS Group, a banking institution subject to regulation under the Bank Holding Company Act (the “BHC Act”), GSAM is not permitted to engage in “routine management” of non-financial activities, and is therefore limited in its role as investment manager to providing investment management services that comply with BHC Act requirements. Therefore, while GSAM manages the investment activities of Renewable Power LLC and provides ongoing asset management services, the day-to-day management and operations of the generation facilities owned by Renewable Power LLC is performed by third parties. As explained further below in (e), Renewable Power LLC has hired third party operations and maintenance providers that perform day-to-day operations, including but not limited to matters relating to dispatch, output, maintenance, and outages of electric generation facilities owned by Renewable Power LLC.

- b. **You state that [Renewable Power LLC] is managed and controlled by the Board of Directors, which consists of three independent directors. Please explain, in detail, how the Board of Directors is selected and whether there is a formalized process for identifying and selecting candidates. If such a process exists, please describe that process in detail. In addition,**

⁵ See excerpts of the MSA provided in *Attachment A* to the Seller’s Answer for a list of services provided by GSAM to Renewable Power LLC under the MSA. The scope of services GSAM provides as investment manager are cataloged in sections 3.2 and 3.3 of the MSA.

please: (1) explain whether that process includes consulting with, or otherwise the involvement of, outside parties (including [GSAM] or any of its affiliates); (2) identify any such parties; and (3) describe the Board of Directors' relationship with any such parties.

The proposed Board of Directors was identified to prospective investors in the initial private placement memorandum for Renewable Power LLC. Investors in Renewable Power LLC then ratified the selection of the Board of Directors at the time of their initial investment.

Goldman Sachs & Co. LLC ("GS&Co.") and Goldman Sachs International ("GSI"), each of which are wholly-owned subsidiaries of GS Group, acted as the placement agents in marketing the sale of interests in Renewable Power LLC to prospective investors and identified and recommended the current Board of Directors to prospective investors based on the professional qualifications of those directors. Goldman Sachs recommended to investors the engagement of an independent Board of Directors because it believes such a Board is beneficial to investors from a corporate governance perspective and because, in its experience, certain institutional investors prefer the engagement of an independent Board. In addition, the engagement of an independent Board, combined with less than 5% GS Group and employee ownership, ensures that Renewable Power LLC is not considered controlled by GS Group for certain other regulatory purposes. Many other funds and vehicles managed by GSAM also engage an independent board of directors for similar reasons, or in some cases pursuant to legal requirements that mandate an independent board, such as in the case of SEC-registered mutual funds.⁶

As noted above, the selection of the Board of Directors was ultimately ratified by the investors in Renewable Power LLC at the time of their investment. On each date on which Renewable Power LLC accepted capital commitments from third party investors, each investor had the option to either ratify the appointment of the individuals to the Board of Directors or to deliver a written notice withdrawing their vote to approve the appointment of one or more of the individuals to the Board of Directors. The process for removing or replacing the members of the Board of Directors is detailed further in section 6.3 of the Amended and Restated Limited Liability Agreement of Renewable Power LLC, which is provided in *Attachment B* to Seller's Answer.

c. Please explain how and by whom the Board of Directors is compensated with respect to the work it performs for [Renewable Power LLC].

The directors each received an initial fee of \$5,000 when they were selected to serve as directors of Renewable Power LLC, and each director receives an annual fee of \$13,000 for ongoing services as well as reimbursement for certain out of pocket costs and

⁶ The Investment Company Act of 1940 requires a U.S. mutual fund to have a majority independent Board of Directors, and other private funds or companies managed by GSAM often engage an independent Board of Directors to engage in best practices from a corporate governance perspective, because certain clients prefer the engagement of an independent Board, and/or to satisfy other regulatory requirements.

expenses. The directors are paid by Renewable Power LLC. The directors are not compensated by GSAM or any of its affiliates for the services they provide to Renewable Power LLC.

- d. Please state whether any of the directors on the Board of Directors has an existing or past relationship with [GSAM], including but not limited to currently or previously serving as a director of other companies that receive services from [GSAM]. If so, please describe the nature of each such relationship. Please state whether there are any residual compensation arrangements between [GSAM], or any of its affiliates, and any of the Board of Directors.**

As stated above, neither GSAM nor any of its affiliates compensates the Board of Directors of Renewable Power LLC. GSAM has existing relationships with the same individuals that serve on the Board of Directors because they serve in a similar capacity for certain other private companies and private equity funds for which GSAM serves as investment manager. For each fund or company where the Board of Directors serves in a similar function, generally, the applicable fund or company is responsible for payment of the fees to the directors.⁷

In addition, it is important to note that each fund or company for which the same directors provide services is composed of different shareholders, and the directors separately owe a fiduciary duty to each respective fund or company. In addition, the individuals on the Board of Directors are professional directors that serve as directors for other private funds in the investment management industry, and each individual is associated with a management company.⁸ None of the management companies are owned or controlled by, or affiliated with, GSAM or any of its affiliates.

- e. Please explain who controls the day-to-day decision making over the public utilities owned by [Renewable Power LLC], including the decisions concerning dispatch, output, maintenance, and outages of any electric generation facilities, and marketing of electric energy for sale. Please explain what oversight any direct or indirect parent company or advisor may have over those decisions.**

Day-to-day decision making over the public utilities owned by Renewable Power LLC, including the decisions concerning dispatch, output, maintenance, and outages of any electric generation facilities is controlled by unaffiliated third parties hired by Renewable Power LLC, and are carried out in a manner consistent with direction provided by

⁷ However, certain funds that launched without independent directors, but that had independent directors retained at a later date for regulatory purposes, have the directors' fees reimbursed by GSAM because those funds did not contemplate the expense of independent directors as a permissible fund expense at time of launch. For all funds or other vehicles that were launched with independent directors from their outset, the directors' fees are paid by the applicable fund or vehicle.

⁸ Answer at 7.

Renewable Power LLC under the terms of the parties' agreement. For example, each generation facility owned by Renewable Power LLC engages the services of a third party operations and maintenance provider that is responsible for on-site activities such as regular preventative and event-based maintenance requirements, and coordinating warranty claims with module, inverter or other hardware supply vendors. Pursuant to the MSA, GSAM may engage such third party service providers on behalf of Renewable Power LLC.⁹ Authority granted to GSAM under the MSA is subject to the policies and control of the Renewable Power LLC Board of Directors.

With respect to the marketing of electric energy, in accordance with its investment strategy, Renewable Power LLC typically acquires renewable energy generating facilities where the power produced by such a facility is sold to a creditworthy off-taker under a long-term power purchase agreement ("PPAs"). In most cases, Renewable Power LLC has acquired projects that already have a PPA in place that was negotiated by the project developer prior to its ownership by Renewable Power LLC. However, to the extent a project does not have a long-term PPA in place or a PPA requires an amendment, GSAM personnel would be involved in negotiating such arrangements on behalf of Renewable Power LLC and its public utility pursuant to terms of services under the MSA. GSAM would no longer be involved in the power sale after the PPA is executed. The Renewable Power LLC entity that has title to the renewable power project would enter into the PPA with the off-taker and would retain all rights and obligations under the PPA.¹⁰

f. Please clarify the relationship between [GSAM] and [GS Group], including but not limited to the degree to which the two communicate, share employees, etc. and whether [GS Group] has any control over the day-to-day operations of [GSAM].

As explained in Seller's Answer, GSAM is an indirect, wholly-owned subsidiary of GS Group. GSAM operates within the Consumer and Investment Management Division, which is as a separate division of GS Group.¹¹ Information barriers ("Chinese walls") and other policies within GS Group separate GSAM from other businesses within GS Group and restrict GSAM's access to information and personnel in other areas of GS Group.¹² The separate business divisions of GS Group do not typically share business

⁹ See Answer, *Attachment A*, MSA § 3.2(f), (l) and (p).

¹⁰ See *Bechtel Power Corp.*, 60 FERC ¶ 61,156 (1992), finding that the agent of the public utility did not have decision-making authority or control over the public utility because the agent's responsibilities under the parties' agreement were carried out subject to the public utility's direction and approval. Similarly here GSAM has no decision-making authority over the marketing of the energy for sale by Renewable Power LLC's public utilities. As explained in this Response and the Answer, the services provided by GSAM are subject to the MSA between the Renewable Power LLC independent Board of Directors and GSAM, and authority delegated by the Board of Directors to GSAM under the MSA. Further, because of the nature of GSAM's business and applicable regulations, GSAM cannot and does not engage in the marketing of energy for sale.

¹¹ Answer at 7.

¹² *Id.*

personnel and none of the business personnel of GSAM that provide services to Renewable Power LLC are shared with other divisions of GS Group.¹³ Certain support groups such as legal and compliance as well as senior executives such as division heads that serve on the GS Group management committee are considered “above the wall” personnel that are not subject to the Chinese walls policy and may coordinate activities between GS Group, GSAM, and their other affiliates. However, all of the business personnel that constitute the GSAM team that carries out GSAM’s obligations under the MSA are subject to the Chinese walls policy and are not permitted to share information with other areas of GS Group. In particular, the relevant GSAM personnel are walled off from and do not coordinate any business activities with J. Aron & Company LLC or Global Atlantic Financial Group, the two affiliates of GS Group that are described in more detail in Section 2 below.

2. If the Commission were to deem [GSAM] to be an affiliate of Seller, please detail the impact of doing so on the Seller’s horizontal and vertical market power.

If the Commission were to deem GSAM and GS Group to be an affiliate of Seller, Seller’s conclusions in its MBR Petition regarding its and its affiliates’ lack of horizontal and vertical market power in the relevant markets would not change. However, if the Commission were to deem GSAM and GS Group to be an affiliate of Seller and of Renewable Power LLC, there would be an increased and undue administrative and compliance burden imposed on each of Renewable Power LLC and affiliates of GS Group that may now or in the future obtain market-based rate authorization or otherwise acquire and sell generating facilities or engage in other FERC-jurisdictional activities.

i. Seller and its Affiliates Market Power Analysis

Seller intends to operate as a marketer of energy, capacity, and ancillary services in various markets throughout the United States. Seller does not own or control any electric power generation, transmission or distribution facilities. Seller also does not purchase any energy and/or capacity from an unaffiliated third party pursuant to a long-term firm agreement that is reportable under Order No. 816. As described in the MBR Petition, through Renewable Power LLC, Seller is currently affiliated with 170 MW of generation capacity located in the Southwest region in the following balancing authority areas (“BAAs”): Balancing Authority of Northern California (“BANC”) (30 MW); California Independent System Operator Corporation (“CAISO”) (140 MW); and Seller is affiliated with 80 MW in the Northwest Region located in the PacifiCorp East (“PACE”) BAA (80 MW). Seller does not own or control any electric generation.¹⁴ Neither Seller nor any of

¹³ *Id.*

¹⁴ Although Seller itself does not own any electric generating facilities, it is affiliated with the generating facilities owned by Renewable Power LLC. Through Renewable Power LLC, Seller is also affiliated with a number of additional QFs. However, pursuant to 18 C.F.R. § 292.601(c), these QFs are exempt from regulation under FPA section 205 because they are QFs that are 20 MW or less, or are QFs that make solely retail sales. In Order No. 816, the Commission clarified “that qualifying facilities that are exempt from FPA section 205 . . . do not need to be reported in the asset appendix or indicative screens.” *See Refinements to Policies & Procedures for Mkt.-Based Rates for Wholesale*

its affiliates own or controls a 10% of greater voting interest in any transmission facilities in the United States.¹⁵ Neither Renewable Power LLC nor any of its affiliates owns or controls any inputs to electric power production in the United States, as defined in 18 C.F.R. § 35.36, including intrastate natural gas transportation, intrastate natural gas storage or distribution facilities, physical coal supply sources, or ownership of or control over who may access transportation of coal supplies. Renewable Power LLC is not affiliated with any public utility with a franchised electric service territory in the United States.

ii. GS Group and its Affiliates' Market Power Analysis

GSAM is an indirect, wholly-owned subsidiary of GS Group and operates as a separate division of GS Group.¹⁶ As a wholly-owned subsidiary of GS Group, GSAM may be considered affiliated with J. Aron & Company LLC ("J. Aron") and Global Atlantic Financial Group Limited ("GAFG").¹⁷

J. Aron is a New York limited liability company with its principal place of business in New York City. J. Aron is an international commodities dealer that is engaged as a market-maker in physical and financial transactions involving various commodities, including electricity, natural gas, precious metals, base metals, crude oil, and petroleum products. J. Aron also develops and provides products that assist suppliers and users of these commodities in managing risks associated with their business. J. Aron is registered with the U.S. Commodity Futures Trading Commission as a swap dealer. The Commission has authorized J. Aron to sell energy, capacity, and ancillary services at market-based rates.¹⁸ J. Aron does not purchase any energy or capacity bundled with energy from an unaffiliated third party under a long-term firm agreement that has an

Sales of Elec. Energy, Capacity & Ancillary Servs. by Pub. Utils., Order No. 816 at P 255, 153 FERC ¶ 61,065 (2015), *order on reh'g*, Order No. 816-A at P 23, 155 FERC ¶ 61,188 (2016). Therefore, the capacity of these exempt QFs is not reportable by Seller.

¹⁵ See MBR Petition at 2-7.

¹⁶ Answer at 7.

¹⁷ Except as otherwise noted herein, all statements made or information referred to herein regarding GAFG, its affiliates, the entities with respect to which GAFG or its affiliates acquired an interest, or the transactions, business, activities, or other matters engaged in by any of the foregoing entities as described herein are based on publicly available information on file with the Commission without independent verification by Renewable Power LLC or its counsel. See *Techren Solar II LLC, et al.*, Triennial Compliance Filing Under Order Nos. 697 and 816, Docket Nos. ER19-2476-002, *et al.* (filed Dec. 19, 2019) ("GAFG 2019 Triennial Filing"). See also *GA Solar 3, LLC, et al.*, Notice of Non-Material Change in Status, Docket Nos. ER20-57-001, *et al.* (Dec. 4, 2019) ("GAFG 2019 Change in Status").

¹⁸ See *J. Aron & Company*, Docket No. ER02-237-000 (Dec. 31, 2001) (unpublished letter order); see also *J. Aron & Company LLC*, Docket No. ER17-1622-000 (July 14, 2017) (unpublished letter order) (accepting notice of succession).

associated long-term firm transmission reservation or is from generation capacity designated as a network resource or as a resource with capacity obligations.¹⁹

GAFG is a privately held company engaged in the ownership of insurance and financial services businesses with over 1,400 shareholders. GS Group retains an approximately 22% voting interest in GAFG. No other shareholder owns, holds, manages or controls 10% or more of the voting or equivalent interest in GAFG. GAFG is affiliated with entities that have market-based rate authorization and that own physical generation assets in the following BAAs: City of Tallahassee Utilities, Reedy Creek Improvement District, Southern Company Services, Inc., Idaho Power Company, PacifiCorp-East, Nevada Energy, Midcontinent Independent System Operator, Inc., and CAISO (together, “GS Group relevant geographic markets”). All of the capacity and energy of the physical generation assets owned or controlled by GAFG affiliates is fully-committed to unaffiliated third parties.²⁰

iii. Impact to Seller and its Affiliates’ Market Power Analysis if GSAM is Deemed an Affiliate of Seller

As shown in the recent triennials and notice of change in status submitted by J. Aron²¹ and GAFG’s affiliates,²² none of J. Aron, GAFG, or their affiliates has horizontal market power in the GS Group relevant geographic markets. Therefore, if the Commission were to deem GSAM to be affiliated with Seller, and by extension, J. Aron, GAFG and their affiliates, Seller would lack horizontal market power in all relevant geographic markets. Seller easily passes the horizontal market power screens in the CAISO, BANC and PACE BAAs. Because J. Aron, GAFG and their affiliates have zero uncommitted energy and

¹⁹ Based on information obtained from prior filings made by J. Aron, from time to time J. Aron may purchase unbundled capacity only, with no associated energy and with no rights to call on the energy, from an unaffiliated third party under a long-term firm agreement that has an associated long-term firm transmission reservation or is from generation capacity designated as a network resource or as a resource with capacity obligations. As noted in those filings with the Commission, such agreements do not affect J. Aron’s ability to exercise horizontal market power and should not be attributed to J. Aron for purpose of a market power analysis or for inclusion in J. Aron’s indicative screens or its asset appendix. *See J. Aron & Company*, Notice of Non-Material Change in Status, Docket No. ER10-3203-004 (July 1, 2016); *J. Aron & Company*, Docket No. ER10-3203-004 (Sept. 23, 2016) (unpublished letter order); *J. Aron & Company LLC*, Notice of Non-Material Change in Status, Docket No. ER17-1622-001 (June 30, 2017); *Beech Ridge Energy LLC, et al.*, Docket Nos. ER10-2137-018 *et al.* (Nov. 27, 2017) (unpublished letter order); *J. Aron & Company LLC*, Notice of Non-Material Change in Status, Docket No. ER17-1622-002 (June 29, 2018); *J. Aron & Company LLC*, Docket No. ER17-1622-002 (Feb. 8, 2019) (unpublished letter order).

²⁰ *See supra* note 17.

²¹ *See J. Aron & Company LLC*, Triennial Compliance Filing Under Order Nos. 697 and 816, Docket No. ER20-391-000 (filed Dec. 30, 2019) (“J. Aron Triennial Filing”).

²² *See* GAFG 2019 Triennial Filing and GAFG 2019 Change in Status.

capacity in the GS Group relevant geographic markets,²³ Seller's horizontal market power analysis would not be impacted by a deemed affiliation if it were to occur.²⁴

Additionally, if the Commission were to deem GSAM affiliated with Seller, Seller and its affiliates, combined with J. Aron, GAFG and their affiliates, would not have vertical market power. As noted above and in Seller's MBR Petition, Seller does not have vertical market power. None of GS Group, J. Aron, GAFG, or any of their affiliates owns or controls a 10% or greater voting interest in electric transmission facilities in the United States, except for limited and discrete interconnection equipment used solely to connect individual generation facilities to the grid. Further, none of GS Group, J. Aron, GAFG, or any of their affiliates owns or controls a 10% or greater voting interest in any inputs to electric power production in the United States, including intrastate natural gas transportation, intrastate natural gas storage, or distribution facilities, physical coal supply sources, or ownership of or control over who may access transportation of coal supplies. GS Group, J. Aron, and GAFG are not affiliated with any public utility with a franchised electric service territory. None of GS Group, J. Aron, GAFG, or any of their affiliates owns or controls any essential inputs to electric generation in or into the United States.²⁵ Accordingly, Seller's vertical market power analysis would not be impacted by a deemed affiliation if it were to occur.

iv. Administrative Burden of Deeming Seller an Affiliate of GSAM

As described above, Goldman Sachs has in place information barriers, or "Chinese walls," that separate the business operations of groups that operate within its separate divisions. Due to those information barriers, the relevant GSAM personnel have no coordination or interaction with either of J. Aron or the team within GS Group invested in GAFG. Further, other than the contractual relationship with GSAM under the MSA, Renewable Power LLC has not transacted in sales of power or otherwise with any other part of GS Group, including J. Aron. If the Commission deems GSAM to be an affiliate of the Seller, it would impose an additional administrative burden on each of the teams that support Renewable Power LLC, J. Aron, and GAFG. For example, because each of those separate businesses are restricted from interacting with each other under Goldman Sachs policies on information barriers, processes would need to be developed for exceptions from Goldman Sachs' policies to permit coordination in order to make the filings that would be required if such a deemed affiliation were to occur.

²³ See GAFG 2019 Triennial Filing and J. Aron Triennial Filing.

²⁴ The deemed affiliation would cause Seller to become a Category 2 Seller in the Northwest Region. As such, Seller would need to update its proposed market-based rate tariff to reflect the change.

²⁵ See GAFG 2019 Triennial Filing and J. Aron Triennial Filing.

Conclusion

Seller should be granted market-based rate authorization under the Commission's regulations. In addition, the Seller should not be deemed an affiliate of GSAM or GS Group due to the fact that GS Group owns less than 5% of Renewable Power LLC and does not otherwise control Renewable Power LLC for the reasons articulated in this Response and the Answer.

In accordance with the Letter, Seller is submitting this filing using Type of Filing Code – 170 and includes herewith its market-based rate tariff record which remains unchanged from the version submitted with Seller's MBR Petition.²⁶ Seller respectfully requests that the Commission establish a comment period of 15 days for this amendment to the MBR Petition, and issue an order approving Seller's request for market-based rate authorization as soon as possible thereafter to allow Seller to engage as a marketer of wholesale sales of energy, capacity, and ancillary services. Seller also respectfully renews its request that its market-based rate tariff be effective as of January 2, 2020.

Respectfully submitted,

/s/ Margaret H. Claybour
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COUNSEL FOR GOLDMAN SACHS RENEWABLE POWER
MARKETING LLC

cc: Official Service List, Docket No. ER20-547
Iana Volobuieva, FERC (via e-mail)

²⁶ See Letter at 1, 3.

FERC rendition of the electronically filed tariff records in Docket No. ER20-00547-001

Filing Data:

CID: C010465

Filing Title: Response to Letter Requesting Additional Information

Company Filing Identifier: 1321

Type of Filing Code: 170

Associated Filing Identifier: 1289

Tariff Title: Market-Based Rate Tariff

Tariff ID: 1750

Payment Confirmation:

Suspension Motion:

Tariff Record Data:

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

GSRP Marketing, MBR Tariff, 0.0.0, A

Record Narrative Name:

Tariff Record ID: 1

Tariff Record Collation Value: 1000000 Tariff Record Parent Identifier: 0

Proposed Date: 2020-01-02

Priority Order: 501

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier: 1289

Market-Based Rate Tariff

1. **Availability:** Goldman Sachs Renewable Power Marketing LLC (Seller) makes electric energy and capacity available under this Tariff to any purchaser for resale. Seller also makes available to any purchaser the ancillary services listed in this Paragraph 1:

RTO/ISO Specific

PJM: Seller offers regulation and frequency response service, energy imbalance service, and operating reserve service (which includes spinning, 10-minute, and 30-minute reserves) for sale into the market administered by PJM Interconnection, L.L.C. (PJM) and, where the PJM Open Access Transmission Tariff permits, the self-supply of these services to purchasers for a bilateral sale that is used to satisfy the ancillary services requirements of the PJM Office of Interconnection.

New York: Seller offers regulation and frequency response service, and operating reserve service (which include 10-minute non-synchronous, 30-minute operating reserves, 10-minute spinning reserves, and 10-minute non-spinning reserves) for sale to purchasers in the market administered by the New York Independent System Operator, Inc.

New England: Seller offers regulation and frequency response service (automatic generator control), operating reserve service (which includes 10-minute spinning reserve, 10-minute non-spinning reserve, and 30-minute operating reserve service) to purchasers within the markets administered by the ISO New England, Inc.

California: Seller offers regulation service, spinning reserve service, and

non-spinning reserve service to the California Independent System Operator Corporation (CAISO) and to others that are self-supplying ancillary services to the CAISO.

MISO: Seller offers regulation service and operating reserve service (which include 10-minute spinning reserve and 10-minute supplemental reserve) for sale to the Midcontinent Independent System Operator, Inc. (MISO) and to others that are self-supplying ancillary services to MISO.

Southwest Power Pool: Seller offers regulation service and operating reserve service (which include 10-minute spinning reserve and 10-minute supplemental reserve) for sale to the Southwest Power Pool, Inc. (SPP) and to others that are self-supplying ancillary services to SPP.

Third Party Provider: Third-party ancillary services: Seller offers Regulation Service, Reactive Supply and Voltage Control Service, Energy and Generator Imbalance Service, Operating Reserve-Spinning, Operating Reserve-Supplemental, and Primary Frequency Response Service. Sales will not include the following: (1) sales to an RTO or an ISO, i.e., where that entity has no ability to self-supply ancillary services but instead depends on third parties; and (2) sales to a traditional, franchised public utility affiliated with the third-party supplier, or sales where the underlying transmission service is on the system of the public utility affiliated with the third-party supplier. Sales of Operating Reserve-Spinning and Operating Reserve-Supplemental will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers, except where the Commission has granted authorization. Sales of Regulation Service and Reactive Supply and Voltage Control Service will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers, except at rates not to exceed the buying public utility transmission provider's OATT rate for the same service or where the Commission has granted authorization.

2. Applicability: This Tariff is applicable to all sales of energy, capacity, and ancillary services by Seller, which are (a) subject to the jurisdiction of the Commission, and (b) not made pursuant to another tariff on file with the Commission.
3. Rates: All sales shall be made at rates established by agreement between the purchaser and Seller.
4. Other Terms and Conditions: All other terms and conditions shall be established by agreement between the purchaser and Seller.
5. Compliance with Commission Regulations: Seller shall comply with the provisions of 18 C.F.R. Part 35, Subpart H, as applicable, and with any conditions the Commission

imposes in its orders concerning Seller's market-based rate authority, including orders in which the Commission authorizes Seller to engage in affiliate sales under this Tariff or otherwise restricts or limits the Seller's market-based rate authority. Failure to comply with the applicable provisions of 18 C.F.R. Part 35, Subpart H, and with any orders of the Commission concerning Seller's market-based rate authority, will constitute a violation of this Tariff.

6. Limitations and Exemptions Regarding Market-Based Rate Authority: The Commission granted Seller in Docket No. ER20-____-000 the following waivers and blanket authorization: (i) waiver of Parts 41, 101 with the exception that waiver of the provisions that apply to hydropower licensees has not been granted with respect to licensed hydropower projects, and 141 of the Commission's regulations except for Sections 141.14 and 141.15; (ii) waiver of Subparts B and C of Part 35 of the Commission's regulations, except for Sections 35.12(a), 35.13(b), 35.15 and 35.16; and (iii) blanket authorization as to Section 204 of the FPA and Part 34 of the Commission's regulations for all future issuances of securities and debt and assumptions of liabilities.
7. Seller Category: Seller is a Category 1 seller, as defined in 18 C.F.R. § 35.36(a), in the Central, Northeast, Northwest, Southeast, Southwest, and Southwest Power Pool regions.
8. Effective Date: This Tariff is effective on such date as set by the Commission.

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