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DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

IN THE MATTER OF NorthWestern Energy's	)	
Application for Interim and Final Approval of	)	REGULATORY DIVISION
Revised Tariff No. QF-1,	)	DOCKET NO. D2016.5.39
Qualifying Facility Power Purchase	)	

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**Comments of Cypress Creek Renewables in response to NorthWestern Energy's Motion for Emergency Suspension of the QF-1 Tariff for New Solar Qualifying Facilities with Nameplate Capacities Greater than 100 kW**

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Cypress Creek Renewables ("Cypress Creek") respectfully submits these comments in response to the emergency motion of NorthWestern Energy ("NorthWestern") to suspend the effectiveness of its current QF-1 tariff with respect to solar qualifying facilities ("QFs") with a nameplate capacity over 100 kilowatts ("the Motion"). Cypress Creek has a number of solar PV projects at various stages of development in Montana, some of which could be adversely affected by NorthWestern's request for emergency relief from the Commission.

Cypress Creek has reviewed the comments in response to the Motion being submitted by FLS Energy, Inc. ("FLS") and is in overall agreement with FLS's comments. Specifically, Cypress Creek (like FLS) does not oppose NorthWestern's request for relief with respect to projects not yet in the interconnection process or not specifically identified to the Supply Department prior to the Commission's ruling on the Motion. Cypress Creek does oppose any

relief that would excuse NorthWestern from entering into PPAs with respect to QF-1 eligible projects that are already in the interconnection process and for which PPAs have already been requested prior to the Commission's ruling on the Motion. If the Commission were to grant such relief, it could render several of Cypress Creek's projects financially non-viable and devalue Cypress Creek's substantial investment in Montana. Cypress Creek respectfully requests the opportunity to participate (telephonically if possible) in any hearing conducted by the Commission to consider the Motion.

### **COMMENTS ON NORTHWESTERN'S MOTION**

Cypress Creek is a renewable energy development company that partners with local communities and utilities to provide widespread access to affordable clean energy by developing, building, owning, and operating utility-scale solar photovoltaic ("PV") generating facilities. We are a national provider of local solar with well over \$1 billion raised and invested and over 2.6 gigawatts of local solar farms deployed or in development. It is our practice to collaborate with utilities, landowners, communities, and investors to build solar farms that generate the highest possible return for everyone involved. Our project development model counts on each project selling its output at the utility's avoided cost, helping to maintain profitability for the utility without price increases for the end user. Cypress Creek typically sells the power generated by its facilities pursuant to long-term PPAs entered into pursuant to the Public Utility Regulatory Policies Act ("PURPA").

Cypress Creek is developing several solar projects in Montana and has expended significant financial and administrative resources in the state. All told, we have invested about \$770,000 developing projects in Montana already. Cypress Creek now has eleven projects in advanced stages of development and actively pursuing interconnection. Seven projects have

fully executed Interconnection Agreements, two have completed Facilities Studies and have requested Interconnection Agreements, and two others have nearly completed Facilities Studies. Of these eleven projects, all are 3 MW or under and are eligible for QF-1 rates. Five of these projects have fully-executed PPAs with NorthWestern, four have PPAs that have been partially executed and are pending NorthWestern's signature, and two have requested PPAs by informing NorthWestern's Supply Department of their intention to sell power to the utility. Beyond these projects, Cypress Creek does not have any current plans to request additional PPAs under the current QF-1 price schedule.

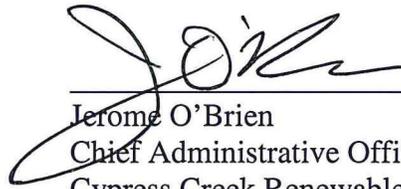
Cypress Creek has reviewed the comments being submitted by FLS in response to NorthWestern's motion, stating that FLS does not oppose NorthWestern's request for relief with respect to projects not yet in the interconnection process or not specifically identified to the Supply Department prior to the Commission's ruling on the Motion. We concur with this position and would not oppose such tailored relief. Cypress Creek would, as FLS does, oppose any relief from the Commission as applied to other projects, and in particular to any of the Cypress Creek projects referenced in these comments (all of which are in the NorthWestern interconnection queue and which have been identified to NorthWestern's Supply Department). Without the avoided cost pricing provided by the current QF-1 schedule, these projects would not be financially viable and Cypress Creek would likely have to terminate further development of these projects.

### **CONCLUSION**

Cypress Creek is excited to have the opportunity to participate in the development of clean, renewable energy in Montana in collaboration with landowners, local communities, and utilities. We respectfully urge the Commission not to grant any relief to NorthWestern that

would make Cypress Creek's current projects economically non-viable, unfairly undermine our substantial investments in Montana, and sharply curtail our further project development in the state.

Respectfully submitted, this 6<sup>th</sup> day of June 2016.

A handwritten signature in black ink, appearing to read "JO'Brien", written over a horizontal line.

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**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing **Cypress Creek Renewables** in response to **NorthWestern Energy's Motion for Emergency Suspension of the QF-1 Tariff for New Solar Qualifying Facilities with Nameplate Capacities Greater than 100 kW** in Docket No. 02016.5.39 have been: (1) transmitted by overnight mail to the Montana Public Service Commission; (2) electronically filed with the Commission via the PSC's website at <http://psc.mt.gov>; and (3) transmitted by overnight mail to the following recipients:

Montana Consumer Counsel  
111 N Last Chance Gulch, Suite 1B  
Helena, MT 59601

Northwestern Energy Company  
208 North Montana Avenue, Suite 205  
Helena, MT 59601

A courtesy copy has also been transmitted by electronic mail to the Commission staff.

Date: June 6, 2016

