

**BEFORE THE STATE OF WASHINGTON
ENERGY FACILITY SITE EVALUATION COUNCIL**

In the Matter of:

**WALLULA GENERATION, L.L.C.,
AND COMPETITIVE POWER
VENTURES HOLDINGS, L.L.C.**

WALLULA POWER PROJECT

COUNCIL ORDER No. 775

**ORDER ON APPLICATION
FOR TRANSFER OF
OWNERSHIP**

By a letter dated January 16, 2003, from Darrel Peebles, Wallula Generation, L.L.C. (Wallula Gen), advised the Council of changes to its ownership structure, and applied for approval of these changes pursuant to WAC 463-36-100. The Council has reviewed this request and finds as follows:

- (1). At the time the Application for Site Certification was filed, Wallula Gen was majority owned in equal shares by Wallula Power, Inc., and Newport Wallula, Inc., with a small (5%) interest held by Wallula Land Company. Wallula Power, Inc., and Newport Wallula, Inc., were in turn owned by Newport Generation Ventures, L.L.C. The majority interest in Newport Generation Ventures, L.L.C., was held by Warburg Pincus equity partners, with a minority interest held by individual investors. Under the revised structure, Wallula Gen is owned in equal shares by Wallula Power, Inc., and Newport Wallula, Inc., with the former 5% interest of Wallula Land Company being eliminated through redemption by Wallula Gen. Another revision is that Wallula Power, Inc., and Newport Wallula, Inc., are now owned by Competitive Power Ventures Holdings, L.L.C., which replaced Newport Generation Ventures, L.L.C. Although there are some differences in the minority individual investors, Competitive Power Ventures Holdings, L.L.C., is majority owned by the same Warburg Pincus equity partners which held Newport Generation Ventures (see Exhibits A and B attached hereto). Wallula Gen is now requesting that the Council recognize this change in its corporate structure through a resolution authorizing a technical change to the SCA, a change not to the language of the SCA, itself, but to portions of the Application for Site Certification incorporated therein (See Exhibit C attached hereto).
2. Wallula Gen is the holder of the Site Certification Agreement Between the State of Washington and Wallula Generation, L.L.C, for the Wallula Power Project executed December 18, 2002 (the SCA).

3. Although there have been some changes to its corporate structure, Wallula Gen remains the Certificate holder, and remains bound by all of the substantive terms and conditions of the SCA. To the extent they are applicable, Wallula Gen continues to satisfy the requirements of WAC 463-36-100(4).

4. No substantive term or condition of the SCA will be modified by the identified changes in the corporate structure of Wallula Gen.

5. Although there have been changes in the minority investors and the identity of an intermediate holding company, the ultimate, majority ownership behind Wallula Gen still remains with the same Warburg Pincus equity partners as it did prior to the changes in corporate structure.

6. The changes to its corporate structure will not lessen Wallula Gen's organizational, financial, managerial, or technical capability to comply with the terms and conditions of the original SCA.

THEREFORE, IT IS HEREBY ORDERED that the changes in the corporate structure of Wallula Gen identified above are approved pursuant to WAC 463-36-100.

DATED at Olympia, Washington and effective on this _____ day of March 2003.

WASHINGTON ENERGY FACILITY
SITE EVALUATION COUNCIL

James O. Luce, Chair
Energy Facility Site Evaluation Council

Attest:

Assistant Attorney General

Exhibits A, B, and C.