

145 FERC ¶ 62,006
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Western Minnesota Municipal Power Agency

Project No. 12576-013

ORDER APPROVING PROJECT FINANCING PLAN PURSUANT TO ARTICLE 305

(October 2, 2013)

1. On August 6, 2013, and supplemented on September 23, 2013, Western Minnesota Municipal Power Agency (licensee) filed a Project Financing Plan pursuant to Article 305 of the license for the Red Rock Hydroelectric Project No. 12576.¹ The project is located at the U.S. Army Corps of Engineers' Red Rock Dam on the Des Moines River in Marion County, Iowa.

Background

2. Article 305 requires the licensee, at least 90 days before starting construction, to file with the Commission, for approval, a project financing plan. The plan must show that the licensee has acquired the funds, or commitment for funds, necessary to construct the project in accordance with the license. The licensee shall not start any project construction or ground-disturbing activities that are inseparably associated with the project, before the project financing plan is approved.

Project Financing Plan

3. The licensee's plan includes a combination of equity funding, short-term financing through a Revolving Credit Agreement, and long-term financing through the issuance of tax-exempt debt. The licensee plans to utilize the equity funding prior to drawing funds from the Revolving Credit Agreement, and to collect the interest during construction costs through its rates, instead of using additional debt. The long-term debt will be issued during the first half of 2014, and will be used to pay the balance of the Revolving Credit Agreement and fund the remaining construction costs.

Review

4. Based on staff's review of the Project Financing Plan, there is reasonable assurance the licensee has acquired the funds, or commitment for funds, necessary to

¹ *CRD Hydroelectric LLC, Iowa*, 135 FERC ¶ 62,055 (2011).

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construct the Red Rock Hydroelectric Project. The Project Financing Plan adequately fulfills the requirements of Article 305, and is approved by this order.

The Director orders:

(A) The Project Financing Plan filed on August 6, 2013, and supplemented on September 23, 2013, by Western Minnesota Municipal Power Agency, pursuant to Article 305 of the license for the Red Rock Hydroelectric Project, is approved.

(B) This order constitutes final agency action. Any party may file a request for rehearing of this order within 30 days from the date of its issuance, as provided in section 313(a) of the Federal Power Act, 16 U.S.C. § 8251 (2012), and the Commission's regulations at 18 C.F.R. § 385.713 (2013). The filing of a request for rehearing does not operate as a stay of the effective date of this order, or of any other date specified in this order. The licensee's failure to file a request for rehearing shall constitute acceptance of this order.

Kelly Houff
Chief, Engineering Resources Branch
Division of Hydropower Administration
and Compliance

Document Content(s)

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