

THE STATE OF NEW HAMPSHIRE
BEFORE THE SITE EVALUATION COMMITTEE

Docket No. 2016-

Joint Petition of IFM Global Infrastructure Fund and Nautilus Generation, LLC
For Approval of the Transfer of Membership Interests in
Essential Power Newington, LLC

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2. Pre-filed Testimony of William Felts on Technical and Managerial Capability

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NOW COME IFM Global Infrastructure Fund (“IFM”) and Nautilus Generation, LLC (“Nautilus” and jointly with IFM as “Petitioners”) to request that the New Hampshire Site Evaluation Committee (“SEC” or “Committee”) approve the proposed transfer of membership interests in Essential Power Newington, LLC (“EP Newington”) from IFM to Nautilus.¹ This Petition involves the Certificate of Site and Facility issued to Newington Energy, LLC in 1999.

The Petitioners respectfully request the appointment of a three-member subcommittee under RSA 162-H:4-a and expedited review and approval of the proposed transfer of membership interests.

In support of this Joint Petition, the Petitioners state as follows:

I. Introduction and Overview

Project and Owner

¹ Nautilus will acquire such membership interests in EP Newington indirectly through Nautilus’ acquisition of membership interests in Essential Power Investments, LLC. Essential Power Investments, LLC owns the membership interests in EP Newington as shown on the Pre-Transfer Organizational Chart appended to the Joint Petition at Appendix A (the “Pre-Transfer Organizational Chart”).

Essential Power Investments, LLC (“Essential Power Investments”) owns, through several wholly-owned subsidiaries, a 100% equity interest in EP Newington, as shown on the chart showing the current corporate organization of Essential Power Investments and EP Newington, attached hereto as Appendix A (the “Pre-Transfer Organizational Chart”).²

EP Newington owns and operates a 525 megawatt (MW)³ combined-cycle, dual fuel merchant electric generation facility located in Newington, New Hampshire (the “Facility”). EP Newington operates the Facility pursuant to a Certificate of Site and Facility issued in Docket No. 98-01 effective May 25, 1999 (the “Certificate”). The Certificate was issued to, and is currently held by, EP Newington (which was known as “Newington Energy, LLC” at the time the Certificate was issued).

Essential Power, LLC (“EPLLC”), a subsidiary of Essential Power Investments, acquired 100% of the membership interests in EP Newington, and thus acquired the Facility, in 2008 after this Committee authorized the transfer of all membership interests in EP Newington to EPLLC. *Decision and Order Approving Transfer, Joint Application of Newington Energy, LLC, et al.*, Docket No. 2008-01 (April 18, 2008).⁴

² Subsequent to the *Decision and Order Approving Transfer, Joint Application of Newington Energy, LLC, et al.*, Docket No. 2008-01 (April 18, 2008):

- (1) “Newington Energy, LLC”, the owner of the Facility, changed its name to “Essential Power Newington, LLC”, and
- (2) “North American Energy Alliance, LLC”, which acquired the membership interests in Newington Energy, LLC, pursuant to such *Decision and Order*, changed its name to “Essential Power, LLC”.

³ In 2014, EP Newington made minor modifications to the combustion turbines that resulted in facility capacity being increased to 553.5 MW (summer rating). NHDES reviewed this minor modification and issued an amended temporary air permit authorizing it.

⁴ At the time of the Joint Application, EPLLC was a wholly-owned subsidiary of Essential Power Holdings, LLC (f/k/a North American Energy Alliance Holding, LLC) (“Essential Power Holdings”) which was, in turn, a wholly owned by Codan Trust Company (Cayman) Limited (as trustee of the IFM Global Infrastructure Fund) (“IFM”). On August 8, 2012, pursuant to a corporate restructuring, IFM contributed its interest in Essential Power Holdings to Essential Power Investments, LLC (“Essential Power Investments”), which resulted in the current corporate organization of Essential Power Investments and EP Newington, as shown on the Pre-Transfer

Proposed Transaction

As shown in the Pre-Transfer Organizational Chart, IFM itself owns 100% of the membership interests in Essential Power Investments. IFM and Nautilus have entered into a Purchase and Sale Agreement dated as of February 1, 2016 (the “PSA”), under which IFM will sell 100% of its membership interests in Essential Power Investments to Nautilus. The ownership of Nautilus at the time of the transfer of membership interests in Essential Power Investments to Nautilus is detailed below under Section IV of this Joint Petition.

Since the ownership of EP Newington (and consequently the Facility) is being transferred through the proposed transfer of IFM’s membership interests in Essential Power Investments to Nautilus, the Petitioners now seek approval of the proposed transfer of IFM’s membership interests in EP Newington to Nautilus.

After consummation of the transfer of membership interests in Essential Power Investments to Nautilus, the ownership of the Facility will essentially stay the same as it is today in that (1) Essential Power Investments will continue to own EP Newington, (2) EP Newington will continue to own and (through a service contract with its affiliate) operate the Facility, and (3) EP Newington will continue to hold, and be responsible for the performance of, the Certificate. The only change to the corporate structure will be the transfer of the membership interests in Essential Power Investments from IFM to Nautilus, as shown on the chart showing the post-transfer corporate organization, attached hereto as Appendix B (the “Post-Transfer Organizational Chart”). In this respect, the transfer of membership interests

Organizational Chart. There was no change in IFM’s ownership of the Essential Power family of companies nor in EPLLC’s ownership of Essential Power Newington

in Essential Power Investments is similar to the transfer of membership interests approved by the Committee in Docket No. 2015-07, where Granite Ridge Energy, LLC transferred its membership interests in the entity owning the Granite Ridge facility in Londonderry to Calpine Granite Holdings, LLC. The principal differences are that in the Granite Ridge transaction only the membership interests in the entity owning the Londonderry facility were being transferred, while the transfer proposed herein will involve (1) a transfer of the membership interests of a parent company that is several parent companies above the company that owns the applicable facility and (2) in connection with the transfer of membership interests of this parent company, ownership of several other power generating facilities will also be transferred.

The transfer of membership interests in Essential Power Investments to Nautilus and, consequently, transfer of ownership of the Facility is expressly subject to this Committee's approval in accordance with General Condition 6 (Attachment A) of the Certificate. The Certificate and all of the Facility's existing permits and approvals will remain in place at EP Newington through this proceeding and the transfer of ownership process overall, and they will not be terminated by reason of this Joint Petition. As will be demonstrated through this Joint Petition, EP Newington will continue to operate and maintain the Facility in compliance with all conditions in the Certificate following the closing of the transfer of membership interests in Essential Power Investments to Nautilus.

Because time is of the essence in closing the transfer of membership interests in Essential Power Investments to Nautilus, the Petitioners respectfully seek expeditious review and approval of the Joint Petition by the three-member subcommittee. Petitioners will cooperate in any necessary review processes and will pay properly assessed costs and expenses.

Representatives of Nautilus met with officials of the Town of Newington on February 23, 2016, and the Town has been provided with a courtesy notice of the filing of this Joint Petition.

II. Jurisdiction and Standard of Review

A certificate of site and facility “shall not be transferred or assigned without approval of the committee.” RSA 162-H:5, I. In this instance, the Certificate itself is not being transferred or assigned. The Certificate will continue to be held by EP Newington while the membership interests in Essential Power Investments (which owns EP Newington through several subsidiaries) will be transferred to Nautilus upon closing the transaction, as shown on the Post-Transfer Organizational Chart. The Certificate itself, however, provides that “[a]ny change in ownership of the Applicant, Newington Energy, LLC [now known as Essential Power Newington, LLC], without the approval of this Committee, shall render the Certificate subject to revocation. The Certificate itself shall not be transferred or assigned to any other person or entity without the approval of the Committee. RSA 162-H:5-I.” Moreover, in its Order approving a prior transfer of a former owner’s membership interests, the Committee noted that “[a]ny future changes in ownership, or attempts to transfer the Certificate itself, are subject to the approval of the Committee. RSA 162-H:5.”, *Decision and Order Approving Transfer, Joint Application of Newington Energy, LLC, et al.*, Docket No. 2008-01 (April 18, 2008), at p. 9.

In cases involving a transfer of ownership or equity interests in energy facilities that have already been granted a certificate of site and facility, the Petitioners must demonstrate, by a preponderance of the evidence, that the new owner possesses the financial, technical and managerial capability to continuously meet all conditions of the Certificate. *Decision and Order Approving Transfer of Ownership Interests in Granite Ridge Energy, LLC*,

Docket No. 2015-07 (Feb. 3, 2016); *Decision and Order Approving Transfer of Ownership Interest in Granite Reliable Power LLC*, Docket No. 2010-03 (Feb. 8, 2011); *Decision and Order Approving Transfer, Newington Energy, LLC and North American Energy Alliance, LLC*, Docket No. 2008-01 (Apr. 18, 2008); see RSA 162-H:16, IV (a). Further, “[o]ngoing environmental compliance and the safe operation of the facility are of the utmost concern to the Committee and the State of New Hampshire.” *Decision and Order Approving Transfer, Newington Energy, LLC and North American Energy Alliance, LLC*, Docket No. 2008-01 (April 18, 2008).

As recently stated by the SEC in the Granite Ridge *Decision and Order* of February 3, 2016, the SEC’s newly promulgated revised rules on the criteria relative to findings of financial, technical and managerial capability only apply to applications for a new energy facility. The Committee concluded in that very recent case, however, that the new siting rules at Site 301.13 (a-c) “provide valuable guidance for determining [the new owner’s] financial, managerial, and technical capacity to continue operation of the Facility in accordance with the Certificate.” *Decision and Order* of February 3, 2016. at p. 8.

For the reasons described below in Sections V and VI, consummation of the transfer of membership interests in Essential Power Investments to Nautilus is consistent with the intent of the statute and these new rules, and with precedent established under this Committee's decisions in the *Granite Ridge*, *Newington* and *Granite Reliable/Brookfield* decisions cited above. Nautilus and Essential Power Investments have the financial, technical and managerial capability to enable EP Newington to continue to meet the conditions of the Certificate.

III. Background of Facility and Certificate

The Facility, currently owned and operated by EP Newington, consists of a 525-megawatt (MW) combined-cycle, dual fuel merchant electric generation facility located near the Piscataqua River in Newington, New Hampshire. The Facility has two GE 7FA combustion turbines, two heat recovery steam generators with supplemental firing, and one steam turbine in combined-cycle configuration. The Facility has low NOx burners and selective catalytic reduction for emissions control. The primary fuel is natural gas, and the secondary fuel is ultra-low sulfur distillate ("ULSD").

The Facility includes a water supply pipeline and intake structure in the Piscataqua River and an electric transmission line interconnecting the facility to the substation at the Public Service Company of New Hampshire ("PSNH") Newington Power Station. A natural gas pipeline runs from the Portland Natural Gas Transmission System and Maritimes Northeast (joint facilities) interconnection point to the Facility's site to transport the primary fuel. An oil transfer pipeline, which is owned by Sprague Energy, transmits alternate ULSD to the Facility's site. One above ground ULSD fuel storage tank ("AST"), with one million gallons of storage capacity, is also located on the Facility's site.

The Facility first came under the Committee's review on July 2, 1998 when EP Newington (then named Newington Energy, LLC) filed an application with the Committee for approval to construct and operate the Facility. That application was duly and fully considered by the Committee, and by Order dated May 25, 1999, the Committee issued the Certificate for the Facility. The Certificate, including the SEC Decision and Order with conditions, is found at this link to the SEC website:

<http://www.nhsec.nh.gov/projects/1998-01/documents/decision-dated-may-25-1999.pdf>.

In 2001, the Committee authorized EP Newington to construct a 345kV overhead transmission line along the route referred to as Option 2 among the two alternative routes for the transmission corridor discussed in the Certificate of Site and Facility. *Order on Request to Proceed with Option 2*, Docket No. 98-01 at 1 (Jan. 24, 2001). This Order was revised by subsequent Order dated April 17, 2001, pursuant to EP Newington's request to conform the Order's description of the alignment of Option 2 to the Meridian plan, Revision W, dated September 15, 2000, as submitted by NEL. *Revised Order on Request to Proceed with Option 2*, Docket 98-01 at 1 (Apr. 17, 2001).

EP Newington filed a Conditional Request with the Committee on or about April 30, 2001, requesting revision to the Certificate of Site and Facility to authorize construction of one AST for back-up fuel storage, where construction of two ASTs was originally authorized. EP Newington determined that it no longer required two ASTs, after entering into a terminal agreement with Sprague Energy Corp. ("Sprague"), in which Sprague proposed to construct and operate a fuel transfer pipeline to the Facility's site and lease additional fuel storage capacity to EP Newington. The Committee approved EP Newington's conditional request. *Decision and Order on Conditional Request for Authorization to Construct One AST and to Revise NEL's Certificate Consistent Therewith*, Docket No. 1998-01 at 3 (June 29, 2001).

Construction of the Facility commenced on or about April 2000, and was substantially completed on or about September 25, 2002. The Facility commenced commercial operation and began selling power into the NEPOOL wholesale market, as administered by ISO-New England ("ISO-NE"), during November, 2002. The Facility has since operated reliably and efficiently in compliance with the Certificate of Site and Facility and its various conditions. The dual fuel capability (e.g., natural gas, backed-up

by ULSD via a pipeline, not trucks) of the Facility makes it an excellent and dependable resource of electricity for New Hampshire.

The Facility subsequently came before this Committee's review when EP Newington and EPLLC filed a "Joint Application of Newington Energy, LLC and North American Energy Alliance, LLC for Approval of Transfer of Membership Interests in NEL" on January 14, 2008. In the Joint Application, the co-applicants sought approval to transfer the ownership interests in certain entities, including the transfer of ownership interests in EP Newington to EPLLC. After full consideration of this request, by Order dated April 18, 2008 the Committee approved the transfer of EP Newington's membership interests to EPLLC. Pursuant to the Order, Essential Power Investments took control of those interests subject to the same conditions contained in the Certificate. The Committee noted that the Order "does not change or modify any of the terms and conditions of the Certificate." *Joint Application of Newington Energy, LLC, et al., Decision and Order Approving Transfer*, Docket No. 2008-01 (April 18, 2008), p. 9. That approval also contained the continuing condition that any future changes in ownership of the Certificate are subject to Committee approval.

IV. Financial Capability of the Buyer/Transferee

Essential Power Investments owns and operates a portfolio of power generating assets in PJM Interconnection ("PJM") and ISO-NE with a total net nominal capacity of 1,742 MW. EP Newington represents almost one third of the total capacity of Essential Power Investments' asset portfolio, and it is a key asset to the overall acquisition. Approximately 96% (measured on a MW-basis) of Essential Power Investments' asset portfolio is gas fired with approximately 54% (measured on a MW-basis) of its asset portfolio having dual fuel capabilities (as is the case with the Facility). The Facility is well positioned to benefit from ISO-NE's "Pay for Performance" opportunities (ISO-NE's

forward capacity auction market) as well as further coal retirements, carbon regulation and demand growth.

At the time of the transfer of membership interests in Essential Power Investments to Nautilus, Nautilus will be owned by certain funds and investment affiliates managed and sponsored by The Carlyle Group L.P. (as described below), namely CPP II (as defined below).

The Carlyle Group L.P. (collectively with its affiliates, “Carlyle”) was founded in 1987 and, as of December 31, 2015, holds \$183 billion in assets across 126 funds. Carlyle has 36 offices across six continents and serves over 1,700 investors from 78 countries. Carlyle’s power generation investment strategy includes a group of funds and investment affiliates commonly referred to as Carlyle Power Partners (collectively, “CPP”).

CPP was established to raise capital to invest in power generation facilities and related assets in North America. The CPP entities that are proposed to own Nautilus as a result of the transfer of membership interests in Essential Power Investments to Nautilus will include Carlyle Power Partners II, L.P. as well as certain other affiliates (collectively, “CPP II”). CPP has 10 dedicated investment professionals to actively manage its investment and portfolio management activities.

Carlyle Power Partners II, L.P. is a private equity fund focused on investing in power generation assets in North America. CPP II raises its capital from various institutional investors both in the US and globally. CPP II represents the second dedicated Carlyle power investment fund since December 2012. At the time of IFM’s transfer of membership interests in Essential Power Investments to Nautilus, Nautilus will be owned by CPP II. Nautilus was formed as a Delaware limited liability company on January 28, 2016 to be the acquisition entity for CPP II’s purchase of the membership interests.

CPP has substantial financial expertise and financial capabilities to support EP Newington. The CPP personnel hail from many established names in energy finance and enjoy strong relationships with the lending community and other stakeholders. The CPP personnel have careers that span credit and commodity cycles, so that they have the wherewithal and patience to address the impact of market shifts on a given investment.

CPP currently manages a North American portfolio of power investments consisting of 17 assets with a total net capacity of approximately 4,080 MW, excluding the proposed acquisition of the membership interests in Essential Power Investments. Below is a summary of CPP's existing asset portfolio.

Facility(ies)	Location	Acquisition Date	Ownership (%)	Net Owned Capacity (MW)	Fuel Type
Hopewell & Portsmouth (2 facilities)	Virginia	Dec-12	50%	115	Coal
Alamosa	Colorado	Dec-12	100%	30	Solar
CalPeak (4 facilities)	California	Sep-13	100%	198	Gas
Midway	California	Sep-13	100%	122	Gas
Red Oak	New Jersey	Nov-13	100%	823	Gas
Southeast PowerGen (6 facilities)	Georgia	Dec-14	75%	2,113	Gas
Malaga	California	Apr-15	100%	96	Gas
Rhode Island Energy Center	Rhode Island	Dec-15	100%	583	Gas
Total				4,080	

The existing portfolio includes large combined-cycle assets, namely the Effingham Facility, a 510 MW facility located in Georgia, Red Oak Power, a 823 MW facility in New Jersey, and the Rhode Island State Energy Center ("RISEC"), a 583 MW facility in Rhode Island.

The equity capital necessary to complete the purchase of membership interests in Essential Power Investments is expected to be provided by CPP II. To support its investment activity, CPP II has received commitments from institutional and personal investors, including pension funds, sovereign wealth funds, insurance companies, asset managers, endowments, and Carlyle employees. CPP II is sufficiently capitalized to finance the contemplated transaction, with over \$1.1 billion in committed capital as of December 31, 2015 and an expected total of \$1.5 billion by April 2016. CPP II will have more than sufficient capital to operate the Facility effectively and productively, and CPP II is motivated to ensure that EP Newington, a core asset to this investment, performs.

As part of the proposed transfer of membership interests in Essential Power Investments, Nautilus will also acquire Essential Power Investments' ability to access capital to operate and maintain its generation facilities. A subsidiary of Essential Power Investments currently has a debt facility in place, and EP Newington is a party to this debt facility. This debt facility contains working capital lines of credit and letter of credit facilities that will be available for use in order to provide additional financial resources to operate and maintain Essential Power Investments' power generation facilities, including the Facility. In connection with the transfer of membership interests in Essential Power Investments to Nautilus, the intention is to keep this debt facility in place. The terms are relatively standard in the industry with a 1% mandatory amortization but an obligation to use cash flow after operating and maintenance expenses for additional debt paydown. There will be no material changes to the structure, terms or obligations of Essential Power or its subsidiaries currently associated with this debt facility.

V. Technical and Managerial Capability of the Transferee/Buyer

The Facility is currently operated by a subsidiary of Essential Power Investments, Essential Power Operating Company, LLC (“EPOC”) pursuant to an operation and maintenance services agreement. The Facility is the largest of Essential Power Investments’ assets, and EPOC employs a plant staff of 22 on-site employees for the operation and maintenance of the Facility. The plant staff is comprised of 1 facility manager, 1 EHS manager, 1 site administrator, 1 operations manager, 1 plant engineer, 1 maintenance manager, 5 shift supervisors, 5 operators, 3 mechanical specialists and 3 instrument and control technicians. The station is manned 24 hours per day. The EPOC personnel at EP Newington maintain a culture of compliance and continuous improvement. This culture has led to compliance with all applicable regulatory requirements in all material respects, including the terms and conditions of the Certificate and the ISO-NE tariff, which will be maintained in the future. Comprehensive regulatory compliance programs have been implemented to meet the applicable environmental, safety, and electric reliability standards.

After consummation of the transfer of membership interests in Essential Power Investments to Nautilus, CPP intends that day-to-day operations of the Facility will largely remain with the same personnel. Further, General Electric International, Inc. (together with its affiliates, “GE”) provides certain long term maintenance services (including certain inspection services) in respect of EP Newington’s combustion turbine generators and steam turbine generator pursuant to a Contractual Service Agreement, as amended, dated January 21, 2011 between EP Newington and GE.

In addition to the capabilities described above, CPP owns Cogentrix Energy Power Management, LLC (together with its predecessors and its and their subsidiaries, “Cogentrix”), which serves as CPP’s in-house management team for engineering, operations and asset management of its power generation assets. Cogentrix was acquired by CPP in 2012.

Cogentrix is a leading independent power producer with a long track record of successfully acquiring, developing, constructing, operating, managing and improving performance of power generation assets. Since its founding in 1983, Cogentrix has been involved in the development, ownership, operation and management of power generation facilities with a combined generating capacity of over 10 gigawatts (including assets that have been divested). Cogentrix’ engineering and operational experience extends across a broad range of generation technologies, including: (a) gas- and oil-fired combined cycle, (b) gas-fired simple cycle, (c) coal-fired technologies, including scrubbed pulverized and stoker coal units and circulating fluidized bed and waste coal units, (d) solar technologies, including solar thermal and concentrating photovoltaic and (e) run-of-river hydroelectric generation. Through the ownership, management and operation of these plants, Cogentrix has participated in most of the major power regions in the U.S., including New England, with the recent acquisition by CPP of the RISEC facility. Other than the RISEC facility, subsidiaries of Cogentrix operate and maintain each of the facilities owned by CPP (listed in Section IV of this Joint Petition) through operation and maintenance agreements with the entities owning such facilities. Cogentrix, itself, manages the facilities owned by CPP (listed in Section IV of this Joint Petition), including day-to-day administration, through asset management agreements with the entities owning such facilities.

During its history, Cogentrix has managed and operated over 7,600 MWs of gas- and oil-fired combined cycle facilities, as shown in the chart below. In addition, Cogentrix has developed, designed, built, managed and/or operated seven gas-fired combined cycle plants utilizing the same combustion turbine technology as the Facility (i.e., General Electric 7FA technology). The chart below shows natural gas, combined cycle facilities that Cogentrix has experience with (totaling over 4,000 MWs), noting with an asterisk each facility that uses the same combustion turbine technology as the Facility.

Cogentrix Combined Cycle O&M Experience			
Facility	Combustion Turbine Technology	Capacity (MW)	GE7FA (MW)
Batesville Cogen	Westinghouse 501FC	835	
Cottage Grove	Westinghouse 501FC	245	
Dominican Republic	Siemens V.64.3A	300	
Masspower	GE 7EA	265	
Selkirk Cogen	GE 7EA	345	
Green Country*	GE 7FA	810	810
Caledonia*	GE 7FA	810	810
Ouachita*	GE 7FA	816	816
Rathdrum*	GE 7FA	270	270
Southaven*	GE 7FA	810	810
Effingham*	GE 7FA	510	510
Whitewater	Westinghouse 501FC	249	
Red Oak	Siemens 501FD2	823	
RISEC	Siemens 501FD2	583	
Total		7,671	4,026

Two other facilities in the Essential Power Investments asset portfolio, namely, the OPP and Rock Springs facilities, also employ similar General Electric 7FA technology to the Facility.

Upon its acquisition by Nautilus, it is not expected that EP Newington will immediately enter into any direct contracts with Cogentrix or CPP entities. However, the

Facility's operating capabilities currently in place will be enhanced, as Nautilus's resources become available to the Facility if and when the need for such resources arises (for instance, through the expertise of CPP or on an as-needed basis through contracts with Cogentrix). EP Newington will, through its affiliation with Cogentrix, gain immediate access to the substantial expertise and capabilities of that Cogentrix (on an as-needed basis through contracts with Cogentrix), plus the benefits of affiliation with CPP's existing portfolio of assets. These benefits would include access to CPP's and Cogentrix' substantial expertise in managing and operating assets like the Facility, potential savings from scaled purchasing and expanded relationships with suppliers and vendors, access to a larger inventory of supplies and replacement equipment across assets, and support and assistance in engineering, financing activities and power marketing.

Cogentrix also has an extensive repair and maintenance services group that provides on-call management and support for planned and unplanned outages. This group can be dispatched within hours of an event at a plant and provides combustion and steam turbine outage maintenance, boiler inspection and repairs, generator inspection and testing and electrical testing. This team minimizes the costs of planned and unplanned outages and reduces downtime exposure.

Consistent with its engineering origins and culture, Cogentrix maintains a disciplined and well-designed approach to asset improvement. The firm's ability to enhance value has resulted in achieving superior operating performance from its power generation assets. It employs close to 300 full-time personnel.

Over Cogentrix' 30 years of existence, the power generating facilities managed by Cogentrix have enjoyed a historically strong record of compliance with all applicable regulatory requirements. CPP and Cogentrix have succeeded at materially enhancing

operations and management of electric generation facilities through environmental improvements, operational enhancements, energy management and asset management. Cogentrix has developed and implemented a set of universal operating practices governing employee safety and health, equipment maintenance and operation, budgeting and reporting, compliance with federal regulatory reporting requirements, environmental compliance and customer and community relations.

CPP and Cogentrix have performed extensive due diligence on the Facility to understand and ascertain any existing engineering, operations, environmental, compliance or other issues of the Facility, and they are highly confident in their ability to operate and manage the Facility in compliance with all applicable requirements, including the conditions of the Certificate.

VI. Conclusion

The Facility has been operated effectively and in material compliance with the terms and conditions of the Certificate of Site and Facility since it began operation in 2002, including the 8 years since the SEC approved the transfer of ownership interests in the Facility's owner to Essential Power Investments in 2008. After the transfer of membership interests in Essential Power Investments to Nautilus is consummated, the operational and maintenance capabilities of Essential Power Investments will be enhanced by the strengths of Nautilus's affiliates and parent company, including Cogentrix.

For the reasons stated above, the Petitioners respectfully request:

- a. The appointment of a three-member subcommittee;
- b. Expedient review and approval of the transfer of the membership interest in Essential Power Investments to Nautilus; and

c. Such other relief as may be just and proper.

Respectfully submitted,

**IFM GLOBAL INFRASTRUCTURE
FUND**

By Its Attorney,

MCLANE MIDDLETON,
PROFESSIONAL ASSOCIATION

Dated: 2/29, 2016

By: 

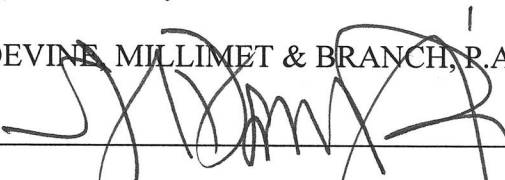
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**NAUTILUS GENERATION, LLC, a
Delaware Limited Liability Company**

By Its Attorney,

DEVINE MILLIMET & BRANCH, P.A.

Dated: February 29, 2016

By: 

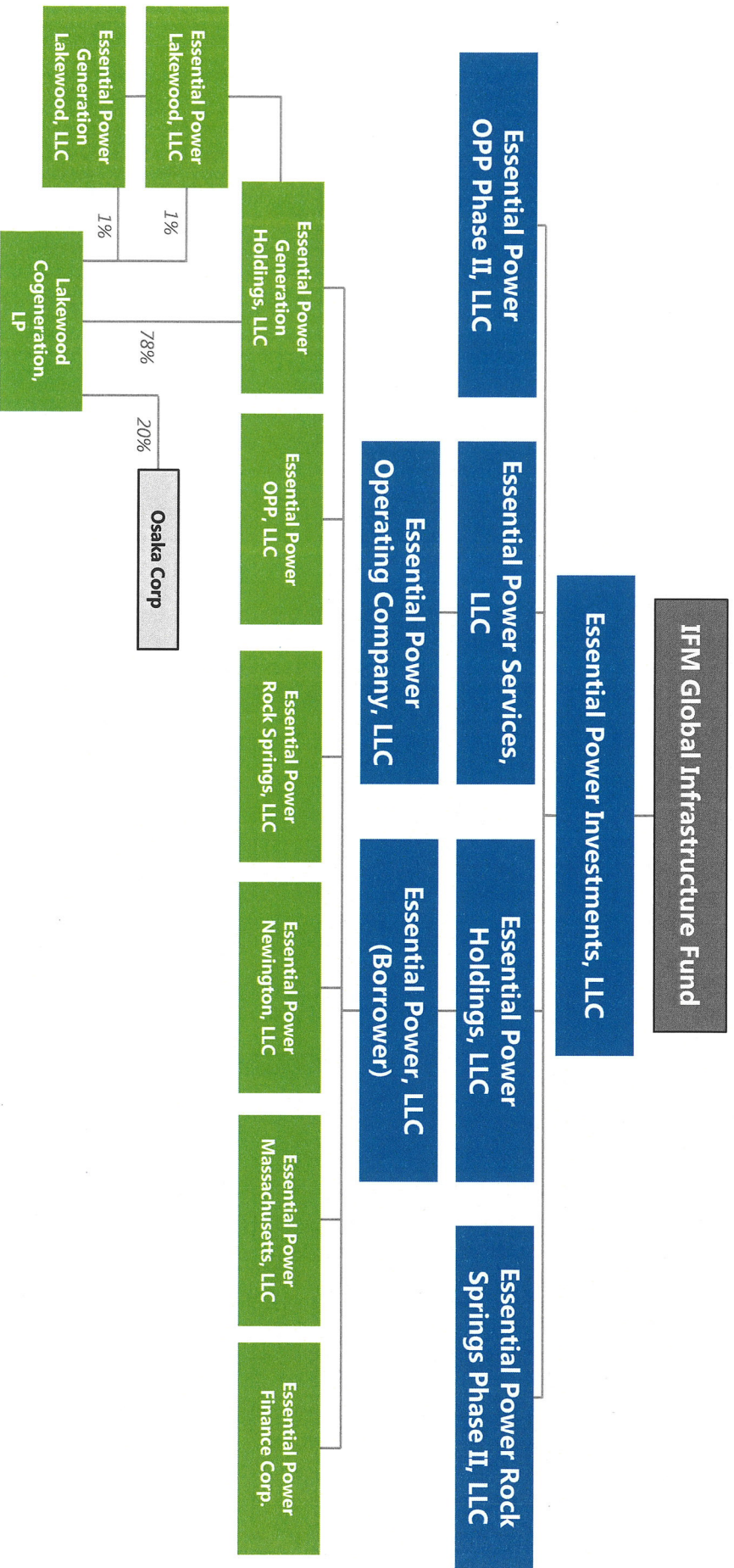
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Certificate of Service

I hereby certify that on this 29th day of February, 2016, the original of the forgoing Joint Petition was sent electronically to K. Allen Brooks, Sr. Assistant Attorney General, Department of Justice, Concord, NH.


George Dana Bisbee

Appendix A Pre-Transfer Organizational Chart



Appendix B

Post-Transfer Organizational Chart

