STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on April 16, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 26-E-0047 – Joint Petition of OGPA Funding LLC and Champlain Power, LLC for a Declaratory Ruling Eschewing Further Review of the Transaction, or Alternatively, an Order Authorizing the Transaction Pursuant to Section 70 of the New York Public Service Law.

DECLARATORY RULING ON TRANSFER

(Issued and Effective April 17, 2026)

BY THE COMMISSION:

INTRODUCTION

In a joint petition filed on January 21, 2026, and supplemented on April 2, 2026 (the Petition), OGPA Funding LLC (Seller) and Champlain Power, LLC (Buyer) (together, Petitioners) seek a declaratory ruling that a proposed transfer from Seller to Buyer (Proposed Transfer) of upstream ownership interests in an approximately 286 megawatt (MW) natural gas-fired combined cycle cogeneration facility in Plattsburgh, New York (the Facility) does not require further review by the Public Service Commission (Commission) pursuant to Section 70 of the Public Service Law (PSL). In the alternative, Petitioners seek Commission approval of the Proposed Transfer under PSL §70.

Pursuant to the Commission's Rules of Procedure, 16 NYCRR §8.2(c), responses to the Petition were due within a 21-day period, which expired on February 11, 2026. No comments were received. As discussed below, the Commission finds that Petitioners have satisfied the presumption established in the Wallkill Order and its progeny (Wallkill Presumption) by demonstrating that the transfer of upstream ownership interests in the Facility would not present an ability to exercise horizontal or vertical market power or otherwise harm captive ratepayer interests.[1] Accordingly, no further review of the Proposed Transfer is required pursuant to PSL §70.

BACKGROUND

The Facility is currently owned and operated by Saranac Power Partners, L.P. (the Partnership). In a petition filed on March 18, 2009, the Partnership requested, inter alia, that its gas-fired generation facility in Plattsburgh, New York be lightly regulated after it relinquishes its status as a qualifying facility (QF) under the Public Utility Regulatory Policies Act of 1978.[2] Specifically, the Partnership stated that the Facility would cease operating as a QF after a then-active power purchase contract with New York State Electric and Gas Corporation expired on June 21, 2009, and would commence

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[1] Case 91-E-0350, Wallkill Generating Company, L.P., Order Establishing Regulatory Regime (issued April 11, 1994) (Wallkill Order) and Case 98-E-1670, Carr Street Generation Station, L.P., Order Providing for Lightened Regulation (issued April 23, 1999) (Carr Street Order).

[2] Case 09-M-0251, Application of Saranac Power Partners, L.P. for Certificate of Public Convenience and Necessity, Petition for an Order Providing for Incidental and Lightened Regulation, and Motion for Expedited Proceeding, Petition for an Order Providing for Incidental and Lightened Regulation, and Motion for Expedited Proceeding (filed March 18, 2009).

operating as an exempt wholesale generator as of that date.[3] On June 19, 2009, the Commission issued an order that, as relevant here, authorized a lightened regulatory regime for the Partnership with respect to the Facility's wholesale electric operations.[4]

THE PETITION

The Petitioners

According to the Petition, Seller is a Delaware limited liability company that owns 100 percent of the membership interests in OGPA Saranac Partner One LLC (OGPA One) and OGPA Saranac Partner Two LLC (OGPA Two) (collectively, the Limited Partners). The Limited Partners are each a limited partner of the Partnership, with each entity owning 10 percent of the interests in the partnership (for a combined total of 20 percent).[5] The Petition states that the Partnership currently has ownership interests in: (1) the Facility; and (2) a 22-mile intrastate pipeline running from the Canadian border near Champlain to the Plattsburgh area (North Country Pipeline).

The Petition states that Seller's current sole purpose is to hold the membership interests in the Limited Partners, and Seller is an indirectly wholly owned subsidiary of Osaka Gas USA Corporation (OGUSA), a Delaware corporation. OGUSA in turn is a wholly owned subsidiary of Osaka Gas Co., Ltd. (Osaka Gas), a

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[3] The Partnership separately sought a Certificate of Public Convenience and Necessity pursuant to PSL §81, authorizing it to operate as a steam corporation.

[4] Case 09-M-0251, supra, Order Providing for Lightened Regulation of an Electric Corporation and Making Findings on Steam Corporation Regulation (issued June 19, 2009) (Lightened Regulation Order).

[5] Saranac Energy Company, Inc., a subsidiary of BHE Gas, Inc., owns the remaining 80 percent of the Partnership.

major energy company headquartered in Osaka, Japan and organized under the laws of Japan. Osaka Gas is publicly traded on the Tokyo Stock Exchange, with its equity held by a broad base of institutional and individual investors, with no single shareholder owning 10 percent or more.[6]

According to the Petition, Buyer is a Delaware limited liability company and a wholly owned subsidiary of Rockland Power Partners V, LP (RPP V). The Petition explains that RPP V is a private equity fund with investors that include U.S. endowments and foundations, funds of funds, pension plans, and family offices. RPP V's General Partner is Rockland Power Partners V GP, LLC (RPP V GP), who has the authority to exercise control over the management and policies of RPP V.[7] The Petition states that no other owner of RPP V GP has the ability to exercise such control.

The Petition explains that RPP V GP is managed by Rockland Capital, LP (RCLP), a private equity company formed in 2008 for the purpose of managing investment funds engaged in

[6] The Petition notes that the Master Trust Bank of Japan, Ltd. (MTBJ) holds more than 10 percent of the shares of Osaka Gas on behalf of the beneficial owners of such shares, who have the power to vote those shares. None of the beneficial owners own 10 percent or more of the shares of Osaka Gas, and the Petition asserts that neither MTBJ nor the beneficial owners of the Osaka Gas shares held by MTBJ are affiliates of Osaka Gas or OGUSA.

[7] According to the Petition, five named individuals each hold a 10 percent or greater voting interest in RPP V GP, but none of these individuals holds a direct or indirect 10 percent or greater voting security interest in public utilities in the New York Independent System Operator, Inc. (NYISO) control area, any entity that has control over the supply of inputs used by producers of electricity, a franchised public utility with captive customers, or transmission facilities located in the United Stated or outside of the United States that can be used to reach markets in the United States.

acquiring and developing selected investment opportunities in power and energy infrastructure markets. The Petition further explains that RCLP manages portfolio investments through various investment funds, including RPP V. The Petition states that RCLP's portfolio investments have been located throughout the United States and the United Kingdom, have ranged in size from less than one MW to 1,875 MW, and have been fueled by natural gas, coal, biomass, oil, energy storage, wind, and solar power. RCLP-managed funds own interests in approximately 6.6 gigawatts (GW) of operating generation capacity in the United States.

The Petition asserts that funds managed by RCLP currently own: (1) the Bowline Point Power Plant, a 1,639 MW dual-fueled generation facility and related system infrastructure in West Haverstraw, New York (Bowline Project), and related facilities such as a 4.2-mile fuel gas transmission line exclusively serving the Bowline Project, and a 345 kV transmission line from the Bowline Project to the West Haverstraw substation; and (2) a 2 MW behind-the-meter solar project outside of the New York system in the Town of Monroe, Orange County. Other than these assets, neither Buyer nor RCLP-managed funds own any electric generation facilities, electric transmission assets, or natural gas transmission facilities in New York.

With respect to New York-adjacent markets, the Petition notes that funds managed by RCLP own approximately 4,158 MW of generation in the 180,000 MW PJM Interconnection, LLC (PJM) market, the vast majority which are located in the Midwest or Maryland, with only one 238 MW combined-cycle natural gas-fired facility located in any State that borders New York (i.e., New Jersey). Petitioners state that neither Buyer nor any RCLP-managed fund and/or affiliate(s) hold any ownership interests in generation or transmission facilities or gas infrastructure facilities in ISO-NE.

The Proposed Transfer

According to the Petition, the terms of the Proposed Transfer are set forth in a Membership Interest Purchase Agreement by and between Champlain Power, LLC and OGPA Funding LLC, dated as of December 19, 2025. Pursuant to the Proposed Transfer, Seller would sell, and Buyer would purchase, 100 percent of the membership interests in each of OGPA One and OGPA Two. Thus, once the Proposed Transfer is consummated, Buyer would own the Limited Partners and, through them, a combined 20 percent of the limited partnership interests in the Partnership and the Facility. Upon closing of the Proposed Transfer, Buyer would also have an indirect, 20 percent ownership interest in the North Country Pipeline.[8]

Petitioners request that the Commission apply the Wallkill Presumption to the Proposed Transfer and find that no further review is required under PSL §70. Petitioners argue that the Proposed Transfer does not raise any horizontal or vertical market power concerns. According to Petitioners, funds managed by RCLP do not own any electric generation facilities, electric transmission assets, or natural gas transmission facilities in New York other than the Bowline Project and its related facilities and, upon closing of the Proposed Transfer, the North Country Pipeline. Petitioners also assert that neither Buyer nor its affiliates, including any RCLP-managed funds, owns or controls any electric delivery infrastructure or fuel inputs for the generation of electricity in New York. Petitioners also assert that the amount of generation it owns in

[8] The Petition explains that post-transaction closing, the remaining 80 percent would continue to be owned by BHE Gas, Inc., through its subsidiary, Saranac Energy Company, Inc.

PJM in geographic proximity to New York is far too de minimis to have any consequence on New York consumers at all.

Petitioners also argue that once the Proposed Transfer is completed, the Facility will continue to be operated in the wholesale markets in the same manner as it is today (i.e., by the same operators that currently conduct the Facility's day-to-day operations), and Buyer will not have any captive customers. Petitioners further argue that Buyer has both the financial wherewithal and the technical operating capability to own and operate the Facility. According to Petitioners, Buyer and its affiliates manage well-capitalized funds that own interests in approximately 6.6 GW of operating generation capacity in the United States. Petitioners also note that RCLP was established 17 years ago for the purpose of managing funds that invest in the energy and infrastructure spaces, and parent company RPP V currently has in excess of $1.2 billion of assets and uncalled capital from its investors. Petitioners further note that the Proposed Transfer is an upstream transfer of control and there is no plan to change any of the operations of the Facility.

Based on the foregoing, Petitioners request that the Commission declare that no further review of the Proposed Transfer is required under PSL §70. In the alternative, Petitioners argue that the Commission should approve the Proposed Transfer under PSL §70 as in the public interest. Petitioners reiterate that the Proposed Transfer does not create any potential for vertical or horizontal market power, and does not harm the interests of captive ratepayers.

Petitioners also request that the Commission confirm that the Facility and the Partnership will continue to be subject to lightened regulation after consummation of the Proposed Transfer. Petitioners assert that the Proposed Transfer will not result in any physical changes to the Facility or any adverse changes to its operations, which will continue to be operated in the same manner as it is today and will remain subject to Commission regulation concerning all matters related to public safety and reliability to the same extent as has been in place since it was divested from regulated utility ownership.

LEGAL AUTHORITY

Pursuant to PSL §70, the Commission must review and approve proposed transfers of ownership interests in jurisdictional facilities. These review processes have been adapted over time to accommodate lightened ratemaking regulation policies. Entities subject to lightened regulation operate in competitive markets and, therefore, must support PSL §70 transfer requests with a demonstration under the Wallkill Presumption that the transaction would not present an opportunity to exercise either horizontal or vertical market power, or otherwise harm the interests of captive ratepayers of fully regulated utilities.[9]

The Commission is authorized to issue a declaratory ruling with respect to: (i) the applicability of any rule or statute enforceable by it to any person, property, or state of facts; and (ii) whether any action by it should be taken pursuant to a rule. The Commission may also decline to issue such a declaratory ruling. This authority is expressly established by State Administrative Procedure Act §204 and governed by the Commission's Rules of Procedure, contained in 16 NYCRR Part 8, implementing that statute. Declaratory rulings involving interpretations of existing statutes, rules, or regulation are not "actions" within the meaning of SEQRA and its

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[9] See Wallkill Order, p. 9; see also Carr Street Order, p. 8.

implementing regulations and, therefore, they may be issued without further SEQRA review.[10]

DISCUSSION AND CONCLUSION

Under the Wallkill Presumption, a transfer of ownership interests in entities upstream from a New York competitive electric generation subsidiary does not require further review under PSL §70 if the transfer does not create a potential for the exercise of market power, or the potential for harm to the interests of captive utility ratepayers, sufficient to override the presumption. For purposes of the Proposed Transfer, Petitioners have satisfied the Wallkill Presumption by demonstrating that the upstream transfer will not present an ability to exercise horizontal or vertical market power, or any potential for harm to captive utility ratepayers.

Here, the Proposed Transfer involves the transfer, from Seller to Buyer, of 100 percent of Seller's membership interests in OGPA One and OGPA Two, each of which hold a 10 percent partnership interest in Saranac Power Partners, L.P., which is the owner and operator of the Facility. Thus, after the Proposed Transfer is consummated, Buyer would collectively hold 20 percent of the total interests in the Partnership and, commensurately, the Facility and the North Country Pipeline.

The Proposed Transfer does not raise any substantial horizontal market power concerns. Initially, consummation of the Proposed Transfer would result in a total of only 20 percent of the Partnership's interests being transferred from Seller to Buyer. In other words, even after the Proposed Transfer is consummated, the remaining 80 percent of the Partnership would

[10] 6 NYCRR §617.5(c)(37) (defining "interpretation[s] of an existing code, rule or regulation," as Type II actions not subject to review under SEQRA).

continue to be owned by existing partners. The Petition further demonstrates that Buyer and its affiliates currently own only two generating assets in New York, totaling approximately 1,640 MW of generating capacity. Even assuming, arguendo, that the Proposed Transfer would provide Buyer sufficient ownership interests to exercise control over the day-to-day operations of the Facility, the addition of that Facility’s capacity to Buyer’s existing affiliated generation would result in a total generating capacity of approximately 1,900 MW.[11] This amount is less than five percent of the approximately 41,000 MW of installed capacity in the New York Control Area.[12] Such level of market concentration is near levels which the Commission has previously found to be insufficient to raise horizontal market power concerns in New York.[13] Outside of New York, Buyer and its affiliates only own 4,158 MW of generation in PJM (compared to

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[11] The Commission notes that, on February 3, 2026, Buyer’s affiliate filed a petition seeking Commission authorization to acquire 100 percent of the ownership interests in the 93 MW Carr Street generating facility in Onondaga County, New York. That petition is currently pending Commission action. See Case 26-E-0072, Brookfield Power New York Holding Corp., Carr Street Holding LLC, Carr Street Generating Station, L.P., and Syracuse Power Holdings, LLC, Petition (filed February 3, 2026).

[12] See NYISO, 2025 Load & Capacity Data Report (issued April 2025), p. 3, available at https://www.nyiso.com/documents/20142/2226333/2025-Gold-Book-Public.pdf.

[13] See, e.g., Case 08-E-0410, LS Power Development, LLC, Declaratory Ruling on the Acquisition of Common Stock (issued May 27, 2008) (finding that 8.1 percent of New York’s installed capacity is “insufficient to cause concern ....”); see also Case 17-M-0735, Sithe/Independence Power Partners, L.P. et al., Declaratory Ruling on Transfer and Making Other Findings (issued February 27, 2018) (finding that 4.8 percent of New York’s installed capacity is “below levels previously found insufficient to create market power”).

180,000 MW of total capacity in PJM), and only a de minimis amount of that generation (i.e., less than 250 MW) is located in a state adjacent to New York. Given these facts, the Commission finds that the Proposed Transfer does not raise horizontal market power concerns at this time.[14]

Regarding vertical market power, the Petition shows that, upon closing of the Proposed Transfer, Buyer and its affiliates would own: (1) a 4.2-mile fuel transmission line that exclusively serves the Bowline Project, as well as the 345 kV transmission line that connects the Bowline Project to its nearest substation; and (2) the North Country Pipeline. The Commission has reviewed information provided by Petitioners regarding the operation of these assets, and is satisfied that they do not raise any vertical market power concerns associated with the Facility. Outside of these limited assets, the Petition demonstrates that neither Buyer nor its affiliates, including any RCLP-managed funds, owns or controls any electric delivery infrastructure or fuel inputs for the generation of electricity.

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[14] While the information on the record provides an adequate basis for the Commission to make its finding at this time, the Commission also notes that transactions of this kind are becoming increasingly frequent and more complex. The Commission strongly encourages future petitioners to include more comprehensive market power analyses (e.g., withholding analysis, Delivered Price Test, Herfindahl-Hirschman Index analyses, etc.) as part of their filings, that demonstrate no market power concerns. Similarly, simultaneous or sequential transactions involving the same or related entities/facilities can create issues with piecemeal market power analyses. As such, future petitioners should also include, as part of their filings, a full and comprehensive list of ownership interests that an entity both holds or has taken initial steps to purchase, to ensure a full and transparent view of all relevant assets for purposes of determining whether a transaction poses market power concerns.

As to ratepayer harm, the Petition demonstrates that, following consummation of the Proposed Transfer, the Facility will continue to be operated in the wholesale markets in the same manner as it is today, and Buyer will not have any captive customers. Buyer and its affiliates also have a long history of investing in energy infrastructure in the United States, with ownership interests in approximately 6.6 GW of capacity across the country. Buyer's parent, RPP V, also currently has more than $1.2 billion of assets and uncalled capital investors. These facts support Commission findings that Buyer has the financial wherewithal to own and operate the Facility, and that the Proposed Transfer will not result in harm to captive ratepayers.

The Commission further finds that issuance of this declaratory ruling is not inconsistent with the requirements of the Climate Leadership and Community Protection Act (CLCPA). Here, consummation of the Proposed Transfer will not cause any physical alterations to the operations of the Facility or its surroundings, and Facility operations are not expected to change post-transaction (i.e., the Facility's current operators will continue to conduct its day-to-day operations and operate within the existing permits issued by the Department of Environmental Conservation (DEC) that limit air emissions). In other words, consummation of the Proposed Transfer would not disrupt the status quo, and therefore is not inconsistent with, and would not interfere with the attainment of, the statewide greenhouse gas emissions limits established by DEC, as required by CLCPA §7(2). Likewise, while the Facility is located near several disadvantaged communities, the Proposed Transfer meets the criteria of CLCPA §7(3) insofar that the transaction itself will not change the Facility's operations and therefore will not disproportionately burden those disadvantaged communities. For all those reasons, the Commission concludes that issuance of this Declaratory Ruling meets the requirements of CLCPA §§7(2) and 7(3).

Based on the foregoing, Petitioners have satisfied the requirements of the Wallkill Presumption at this time. Accordingly, the Commission declares that the Proposed Transfer requires no further review under PSL §70.[15] To keep apprised of potential market power concerns in the future, however, the Commission also finds it appropriate and within the public interest to require Buyer, as a new upstream owner of the Project, to provide an annual report listing all electric generating facilities and other energy-related assets, including energy storage facilities and transmission lines associated with storage or generation participating in the markets administered by the NYISO, PJM, and ISO-NE, and gas pipelines or other similar facilities used to supply natural gas-fired generation facilities in New York, where Buyer and/or any subsidiaries or affiliates thereof holds a direct or indirect ownership or controlling interest. These reports should include the percentage of ownership or control, where applicable, and shall be filed by January 30th of each calendar year.

After the Proposed Transfer is consummated, lightened regulation of the Partnership (i.e., Saranac Power Partners, L.P.) will continue, as described in the Lightened Regulation Order. Petitioners are reminded that, under lightened regulation, the Partnership will remain subject to the PSL with

[15] See Wallkill Order; see also Case 18-E-0333, Cassadaga Wind LLC, Declaratory Ruling on Transfer Transactions (issued July 17, 2018) and Case 17-E-0620, AP Cricket Valley Holdings I Inc., et al., Declaratory Ruling on Transfer Transaction (issued December 14, 2017).

respect to matters such as annual reporting,[16] enforcement, investigation, safety, reliability, and system improvement, and the other requirements of PSL Articles 1 and 4, to the extent discussed in prior orders.

The Commission finds and declares:

1. No further review will be conducted of the proposed transaction described in the petition filed in this proceeding on January 21, 2026, and supplemented on April 2, 2026, and discussed in the body of this Declaratory Ruling.

2. OGPA Funding LLC and Champlain Power, LLC shall provide notice to the Secretary within 15 days after completing the proposed transfer transaction described in the petition filed in this proceeding on January 21, 2026, and supplemented on April 2, 2026, and discussed in the body of this Declaratory Ruling.

3. Champlain Power, LLC shall file an annual report by January 30th of each calendar year detailing all electric generating facilities and other energy-related assets (including, but not limited to, energy storage facilities and transmission lines associated with storage or generation) that participate in markets administered by the New York Independent System Operator, Inc. and neighboring control regions (including PJM Interconnection, LLC and ISO New England, Inc.) in which Champlain Power, LLC and/or any subsidiaries or affiliates thereof has a direct or indirect ownership or controlling interest, noting the percentage of ownership or control where applicable, as discussed in the body of this Declaratory Ruling.

[16] Pursuant to the Order Adopting Annual Reporting Requirements Under Lightened Ratemaking Regulation, issued January 23, 2013, in Case 11-M-0294, the owners of lightly regulated entities are required to file Annual Reports.

4. In the Secretary's sole discretion, the deadlines set forth in this Declaratory Ruling may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

5. This proceeding is closed pending compliance with the above clauses.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS
Secretary