

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Petition of Yellow Barn Solar, LLC, for an
Order Approving Financing Pursuant to
Section 69 of the New York State Public
Service Law.

Case 25-E-_____

**PETITION OF YELLOW BARN SOLAR, LLC, FOR AN ORDER
APPROVING FINANCING PURSUANT TO SECTION 69 OF THE NEW YORK STATE
PUBLIC SERVICE LAW**

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On August 21, 2025, the NYS Office of Renewable Energy Siting and Electric Transmission (“ORES”) issued a Siting Permit to Yellow Barn Solar, LLC (“YBS” or “Petitioner”), for the construction of the Yellow Barn Solar Project (the “Project”), a 160-Megawatt (“MW”) solar energy facility located in the Towns of Groton and Lansing, Tompkins County, New York. As discussed further below, Petitioner hereby requests authorization under Public Service Law (“PSL”) § 69 to finance the construction of the Project through a mix of debt and equity capital. Development and pre-construction activities (*e.g.*, tree clearing) will be funded with sponsor equity. Construction will be funded with a combination of debt facilities, tax equity, and sponsor equity (the “Financing”). Sponsor equity will comprise a minimum of 10 percent of the total capital required for the construction of the Project.

Approval of this request will provide Petitioner and its affiliates with continuing access to capital to construct the Facility and strengthen their ability to provide cost-effective, safe, and reliable service. This request is in the public interest as the Project is consistent with the State’s

climate and renewable energy policies, and timely action on this Petition will ensure that the necessary approvals are in place to allow for the construction of the Project on the timeline that will allow it to contribute to keeping the State on track to meeting renewable energy targets.

I. BACKGROUND

A. The Project

The Facility is a 160 MW solar photovoltaic energy generating project in the Towns of Groton and Lansing, Tompkins County, New York, consisting of the following major components: photovoltaic bifacial solar panels on a single-axis tracking racking system installed on steel driven posts; 8-foot tall agricultural style solar array fencing with self-locking gates; underground direct current electrical and communication cables connecting the panels to decentralized inverters; skid mounted medium voltage power station inverters and their foundations; underground medium voltage alternating current 34.5 kV collection cables connecting the inverters to the collection substation; a 115/34.5 kV collection substation and associated equipment enclosed with chain link fencing; a 115 kV POI switchyard substation and associated equipment enclosed with chain link fencing; access roads; temporary construction laydown areas; planting modules; and ancillary features. The Facility will interconnect to National Grid's existing 115 kV transmission line #975 between the Milliken and Etna substations through a new 115 kV transmission line connecting the POI switchyard station and the existing offsite transmission line.

The proposed Solar Facility will directly contribute to New York's Climate Leadership and Community Protection Act targets by producing and delivering up to 160 MW of renewable solar energy directly to New York's energy market. The Facility will produce enough zero emissions energy to power approximately 40,900 households in New York State. The Facility will also create

job opportunities, support economic growth, and protect public health, safety, and the environment by significantly reducing greenhouse gas emissions.

B. The Parties

i. Yellow Barn Solar, LLC

Yellow Barn is a special purpose entity created to own and operate the Yellow Barn Solar Energy Center. Yellow Barn, a Delaware limited liability company, is an indirect subsidiary of Lydian Energy LLC (“Lydian”).

In 2024, the New York State Energy Research and Development Authority (“NYSERDA”) selected the Facility as a Tier 1 award recipient in its sixth annual request for proposals under the Clean Energy Standard (RESRFP24-1). The Yellow Barn Solar Facility will generate revenue through sales of energy into the New York Independent System Operator’s wholesale markets and through the sale of renewable energy credits to NYSERDA under a Renewable Energy Services Agreement.

ii. Lydian Energy LLC

Lydian is an independent power producer engaged in developing, constructing, and operating utility-scale solar projects and battery energy storage systems in key markets across the United States. Lydian was founded in 2023 and is backed by Excelsior Energy Capital. More specifically, Lydian is 100% owned by Excelsior Renewable Energy Investment Fund II LP (“Excelsior Fund II”), and is the first, and only, portfolio company of Excelsior Fund II. The total capital commitment for Excelsior Fund II closed in April 2025 with just over \$1 billion in total capital commitments.

The Lydian team represents hundreds of years of combined experience in renewables development, origination, engineering, construction and asset management. Across the United

States, Lydian has over 5,000 MW of energy generation assets in development, including over 500 MW under construction.

Founded in 2017, Excelsior has two active funds totaling over \$1.5 billion of equity capital. Excelsior is a renewable infrastructure fund focused on middle market investments in wind, solar and battery storage plants and businesses across North America. The Excelsior team also brings over 100 years of combined experience and a comprehensive set of strategic, financial, legal and operational expertise.

II. PETITIONER RESPECTFULLY REQUESTS THAT THE COMMISSION APPROVE THE FINANCING

Pursuant to PSL § 69, Commission authorization is required before an electric corporation may enter into indebtedness payable at a period of greater than twelve months.¹ In this instance, Petitioner seeks authorization to incur aggregate debt up to \$204 million dollars or such amount as may be necessary in order to procure construction financing for the facility, payable over a period of approximately eighteen (18) months. In a separate proceeding, Petitioner is seeking an order from the Commission granting a certificate of public convenience and necessity and lightened regulation.² YBS will operate the Project as a competitive wholesale generator, and as such, anticipates that the Commission will find, as has been done for numerous generators operating under similar circumstances, that YBS is entitled to a lightened regulatory regime. Petitioner respectfully requests that the Commission review the instant petition with the reduced level of scrutiny afforded lightly regulated entities.

¹ PSL § 69.

² Case 25-E-0462: *Petition of Yellow Barn Solar, LLC for an Order Granting a Certificate of Public Convenience and Necessity Pursuant to Public Service Law Section 68 and Lightened Regulation*, Petition (Filed July 31, 2025).

As the Commission routinely finds relative to proposed financings for lightly regulated entities operating in a competitive environment, the scrutiny applicable to monopoly utilities under PSL § 69 may be reduced when reviewing a proposed financing. Captive New York ratepayers cannot be harmed by the terms of the proposed Financing described herein because Petitioner and its affiliates and investors bear all the financial risk associated with these financing arrangements. According to the Commission, “[a]dditional scrutiny is not required to protect captive New York ratepayers, who cannot be harmed by the terms arrived at for this financing because [the project’s owners and/or investors] bear[] the financial risk associated with [their] financial arrangements.”³

More specifically, the Commission has stated that,

“[f]inancings proposed under PSL § 69 by lightly regulated companies operating in a competitive environment may be addressed on the basis of representations made in the petition, and do not require an in-depth analysis. Provided that the proceeds of a financing are for a statutory purpose and in the public interest, petitioners typically are afforded broad latitude to determine the amount and type of debt that is needed to support corporate operations.”⁴

Consistent with this precedent, the Commission can rely on the representations made in this petition by Petitioner, and an in-depth analysis is not necessary, and Petitioner should be granted broad latitude because Project is for a statutory purpose and in the public interest.

As noted above, Lydian plans to finance the development and construction of the Project through a mix of debt and equity capital. Development and pre-construction activities (e.g., tree

³ *Id.*

⁴ Case 22-E-0183: *Petition of Flint Mine Solar LLC and DESRI Flint Mine Development, LLC for an Order Approving Financing Pursuant to Section 69 of the New York State Public Service Law*, Order Approving Financing (July 15, 2022) at 6; See Case 21-E-0485: *Joint Petition of Generation Bridge II, LLC and PSEG Power, LLC for a Declaratory Ruling Eschewing Further Review of Transaction or, in the Alternative, an Order Approving Transaction Pursuant to Section 70 of the New York Public Service Law and Consent to Assignment and Release of the Bethlehem Facility Guaranty, and Petition of Generation Bridge II, LLC for an Order Authorizing Financing Pursuant to Section 69 of the New York Public Service Law*, Order Approving Financing and Transfer, With Conditions, and Making Other Findings (February 18, 2022) at 15; see also Case 21-E-0182, *Petition of Rensselaer Generating LLC and Roseton Generating LLC For Approval to Secure Long-Term Financing*, *Order Approving Financing* (July 15, 2021).

clearing) will be funded with sponsor equity. Construction will be funded with a combination of debt facilities, tax equity, and sponsor equity. Lydian estimates that sponsor equity will comprise a minimum of 10 percent of the total capital required for the construction of the Project.

More specifically, Lydian plans to fund the construction of the Yellow Barn Project through a combination of sponsor equity and debt facilities—namely, a construction-to-term loan facility and a tax equity bridge loan facility (together, the “Debt Facilities”). Lydian plans to source the Debt Facilities from a group of its core relationship banks who are active in the sector. Based on current market conditions and lender feedback, Lydian estimates that up to 90 percent of the construction costs could be funded with debt—or approximately \$ 204 million. The Debt Facilities will have a term of approximately 18 months, commensurate with the construction period for the Project. Because the Debt Facilities are for a term greater than 12 months, Commission approval pursuant to PSL § 69 is required and by the instant Petition, Petitioner seeks authority to enter into this type of short-term indebtedness of up to \$204 million and/or guarantee and pledge ownership interests in itself and the Facility as collateral security for the repayment of this debt.

Petitioner further seeks the flexibility to modify or refinance, without prior Commission approval, this indebtedness, including the identity of the financing entities, payment terms, and the amount financed, up to the \$204 million dollar limit. The Commission routinely grants such requests by lightly-regulated wholesale generators, *i.e.*, “[g]iven that [Petitioners are] regulated lightly, [they] are afforded the flexibility to modify, without our prior approval, the identity of the financing entities, payment terms, and amount financed” because “[t]he exercise of financing

flexibility will allow [Petitioners] to avoid disruption of its financing arrangements and enable it to operate more effectively in competitive electric wholesale . . . markets.”⁵

III. NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT

Pursuant to the Commission’s regulations at 16 NYCRR §§ 7.2(a) and 7.2(b)(2)(v), PSL § 69 approval of a securities issuance is a Type 2 action for which no further environmental review of the Financing is required under the New York State Environmental Quality Review Act.

IV. CONCLUSION

For the foregoing reasons, Petitioner respectfully requests that the Commission approve the proposed Financing as described herein.

Dated: December 10, 2025

Respectfully submitted,

/s/ *Steven D. Wilson*

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Young / Sommer LLC

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⁵ See, e.g., Case 11-M-0483, *Sithe/Independence Partners, L.P.*, "Order Approving Financing" (Dec. 21, 2011), at 4 ("Sithe Order").