

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

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Verified Petition of PowerTransitions	:	
LegacyOps II LLC for an Order Approving	:	Case 26-M-_____
Financings Pursuant to Section 69 of the Public	:	
Service Law	:	
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**VERIFIED PETITION FOR AN ORDER APPROVING FINANCING PURSUANT TO
SECTION 69 OF THE PUBLIC SERVICE LAW**

Dated: March 19, 2026

John W. Dax
William F. McLaughlin

HODGSON RUSS LLP
677 Broadway | Suite 401
Albany, New York 12207
Telephone: (518) 465-2333
E-mail: jdax@hodgsonruss.com
wmclaugh@hodgsonruss.com

*Attorneys for Petitioner
PowerTransitions LegacyOps II LLC*

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**VERIFIED PETITION FOR APPROVAL OF FINANCINGS PURSUANT TO SECTION
69 OF THE PUBLIC SERVICE LAW**

I. INTRODUCTION

PowerTransitions LegacyOps II LLC, (PTLO II), for itself and on behalf of its wholly owned direct and indirect subsidiaries (Petitioners), respectfully submits this Verified Petition (the Petition) requesting that the New York State Public Service Commission (the Commission) issue an Order pursuant to Section 69 of the Public Service Law (PSL) authorizing a proposed financing, as described herein, under the lightened regulatory regimes that the Commission previously determined applies to the following New York operating entities: Alliance NYGT, LLC (Alliance NYGT), Seneca Power Partners, L.P. (Seneca LP), Sterling Power Partners, L.P. (Sterling LP), Power City Partners, L.P. (Power City LP), and Alliance Energy Transmissions, LLC (AET) (collectively, the NY Entities).

In Case 26-M-0131, *Verified Joint Petition for Approval of Transfer of Ownership Interests Under Section 70 of the Public Service Law*, filed with the Commission on February 29, 2026,¹

¹ Case 26-M-0131 Verified Joint Petition of Alliance Energy Group, LLC, Alliance Energy, New York LLC, Alliance NYGT, LLC, Seneca Power Partners, L.P., Sterling Power Partners, L.P., Power City Partners, L.P., Alliance Energy Transmissions, LLC, Linger Energy Holdings, LLC, and PowerTransitions LegacyOps II LLC for Approval of Transfer of Ownership Interests Under Section 70 of the Public Service Law (the Transfer Petition)

Joint Petitioners requested an order authorizing Petitioners to acquire all the direct and indirect ownership interests in the NY Entities, inclusive of their respective electric and gas facilities located in New York (the Proposed Transaction). Under the terms of the Proposed Transaction, Petitioners will acquire the NY Entities unencumbered and without debt, including all encumbrances associated with financings previously approved by the Commission for benefit of the current owners.² Petitioners now seek original authority to enter into debt transactions.

Therefore, in anticipation of the Commission's approving the Proposed Transaction, Petitioners are requesting that the Commission concurrently review this Petition and issue an order granting authorization for Petitioners to enter into indebtedness in connection with the NY Entities with maturity dates more than twelve (12) months, in an aggregate amount up to forty-five million (\$45,000,000) dollars, including the authority to pledge security interests in the assets of the NY Entities as collateral security for repayment of that debt (the Proposed Financing). Petitioners further request that they be afforded the flexibility to modify, without prior Commission approval, the identity of the financing entities, payment terms, and the amount financed, up to the ceiling of forty-five million (\$45,000,000) dollars.

II. THE PARTIES AND PROPOSED FINANCING

A. The Parties

PTLO II³ upon approval of the Proposed Transaction in Case 26-M-0131, PTLO II, an

² See e.g., Case 15-M-0406, Petition of Alliance Energy, New York LLC, Alliance NYGT, LLC and Alliance Energy Transmissions, LLC for Approval of a Financing Pursuant to Lightened Regulation, Order Approving Financing (November 19, 2015) (Granting flexible financing authority up to 75 million dollars in the aggregate with permission to encumber, inter alia, Seneca Power Partners, L.P. (Seneca), Power City Partners, L.P. (Power City), Sterling Power Partners, L.P. (Sterling), Alliance NYGT, LLC (Alliance NYGT), and Alliance Energy Transmission, LLC (AET).) Under the terms of the Proposed Transaction, Seller is required to extinguish all existing debt and deliver the NY Entities unencumbered.

³ A full description of the PTLO II and Proposed Transaction, including the current and proposed ownership structure for the NY Entities, and a further description of the upstream ownership interest in Petitioners is provided in the Transfer Petition.

indirect, wholly owned subsidiary of various investment funds controlled by Partners Group, will acquire⁴ 100% of the partnership and membership interests in the following lightly regulated electric and gas corporations⁵ which are all operating in the New York Independent System Operator (NYISO) control area:

- Power City Partners (Power City LP), the owner of a 103.1 MW (nameplate) electric generation facility located in Massena, New York,
- Seneca Power Partners LP (Seneca LP), the owner of a 67.3 MW (nameplate) electric generation facility located in Batavia, New York, and,
- Sterling Power Partners LP, (Sterling LP), the owner of a 67.3 MW (nameplate) electric generation facility located in Sherrill, New York.
- Alliance NYGT, LLC (Alliance NYGT), the owner and operator of the 47 MW (nameplate) Hillburn Gas Turbine located in Hillburn, New York, and the 41.9 MW (nameplate) Shoemaker Gas Turbine located in Middletown, New York.⁶
- Alliance Energy Transmissions, LLC (AET), a gas corporation subject to lightened regulation, that holds the certificate for an approximately 11.2-mile intrastate natural gas pipeline in upstate New York, which is used solely to transport gas to the generating facility owned by Seneca LP.⁷

⁴ As indicated in the Transfer Petition, PTLO II may acquire such interests through a wholly owned subsidiary formed for purposes of holding the relevant equity interests but will be wholly owned by PTLO II.

⁵ Case 07-M-0906, *Joint Petition of Iberdrola S.A., Energy East Corporation, RGS Energy Group, Inc., Green Acquisition Capital, Inc., New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation for Approval of the Acquisition of Energy East Corporation by Iberdrola, S.A.*, Order Approving Transfer, Providing for Lightened Ratemaking Regulation, Establishing Rate Treatment and Making Other Findings (Oct. 18, 2013); Case 12-E-0294, *Joint Verified Petition of Alliance NYGT, LLC, Seneca Power Partners, L.P., Sterling Power Partners, L.P., Alliance Energy Transmissions, LLC, and Alliance Energy Transmissions-Syracuse LLC for an Order Approving Financing Pursuant to Public Service Law Section 69*, Order Approving a Transfer Subject to Conditions and Approving Financings (Sept 13, 2012) (continuing lightened regulatory regime); Case 88-E-1961, *Power City Partners, L.P.*, Order Providing for Lightened Regulation (Sept. 30, 1999); Case 98-S-1855, *Joint Petition of AG-Energy, L.P. and Sterling Power Partners, L.P. for a Declaratory Ruling that Certain Facilities are not Steam Corporations pursuant to Section 2(22) of the Public Service Law; or in the Alternative, for Certificates of Public Convenience and Necessity for These Facilities*, Declaratory Ruling on Exemption from Steam Corporation Regulation (Sept. 29, 1999); Case 02-M-1034, *Petition of AG-Energy, L.P. for an Order Granting Lightened Regulation as an Electric Corporation, Lightened and Incidental Regulation as a Steam Corporation and a Certificate of Public Convenience and Necessity to Sell Thermal Energy*, Order Providing for Lightened and Incidental Regulation and Granting a Certificate of Public Convenience and Necessity (Nov. 25, 2002).

⁶ Both facilities are interconnected to the transmission facilities owned by Orange and Rockland Utilities, Inc.

⁷ *Id.*; see also Case 09-G-0490, *Joint Petition of Alliance Energy Transmissions, LLC and Seneca Power Partners, L.P. for a Declaratory Ruling Regarding the Transfer of Pipeline Under Section 70, and Related Relief*, Declaratory Ruling on Review of a Transfer Transaction and Order Providing for Lightened Regulation (Nov. 17, 2009) (AET First Transfer Order); see also, Case 09-T-0489 *Joint Petition of Alliance Energy Transmissions, LLC and Seneca Power Partners, L.P., for approval of an Amendment to and Transfer of the Certificate of Environmental Compatibility and Public Need*

The Proposed Transaction, when consummated, will result in Petitioners acquiring all outstanding direct and indirect equity interests in the NY entities, including approximately 323 MW (nameplate) of electric generation capacity in the NYISO control area and approximately 11.2 miles of gas pipeline.

B. The Proposed Financing

Pursuant to Section 69 of the PSL, Commission authorization is required before a gas corporation or electric corporation may enter into indebtedness secured with jurisdictional assets, payable at periods of more than twelve (12) months.⁸ In this instance, Petitioners seek authorization to incur aggregate debt up to forty-five million (\$45,000,000) dollars, payable over more than twelve (12) months. Each of the NY Facilities is a lightly regulated exempt wholesale generator producing electric energy for sale into the competitive markets administered by the New York Independent System Operator (NYISO), or, in the case of AET, providing gas transportation services to limited facilities. According to Commission precedent, the scrutiny applicable to monopoly utilities may be reduced when reviewing the financial transactions of lightly regulated entities, such as the NY Entities.⁹

Once authorized, Petitioners intend to enter into financial transactions with lenders that have significant experience financing energy-related assets. As with previous financings approved for other lightly-regulated entities operating exclusively in the wholesale market, captive New

Granted to Seneca Power Partners, Order Approving Amendment and Transfer of Certificate (issued and effective November 17, 2009).

⁸ See PSL §69.

⁹ See e.g., Case 14-M-0143, Allegany Generating Station LLC, Alliance NYGT LLC, Carthage Energy LLC, Power City Partners LLC, Seneca Power Partners, L.P., Sterling Power Partners, L.P., Alliance Energy Transmissions LLC, and Alliance Energy Transmissions-Syracuse LLC - Petition for an Order Approving Financing Pursuant to Public Service Law §69, Order Approving Financing June 30, 2014) (the Allegany Order’); see also, Case 99-E-0839, Erie Boulevard Hydro Power L.P., Order Authorizing Issuance of Corporate Debt (June 28 1999)(the Erie Order) ; Case 06-E-0843, Noble Clinton Wind Park I, LLC et al, Order Approving Financing Subject to Conditions (September 25, 2006)(the Noble Wind Order); Case 11-M-0483, Sithe/ independence Partners, L.P., Order Approving Financing (December 21, 2011 (the Sithe I Order); Case 11-G-0413, DMP NY Inc. and Laser Northeast Gathering Company

York ratepayers cannot be harmed by the terms of the proposed financing described herein because Petitioners and their affiliates bear all the financial risk.¹⁰ Accordingly, Petitioners respectfully request that they be granted the authority to incur indebtedness in an aggregate principal amount of up to forty-five million (\$45,000,000) dollars, to grant liens on all or substantially all of the assets and properties owned by the NY Entities in connection with such indebtedness or guarantees. The proposed debt will be used for statutory purposes and will serve the public interest.¹¹

Petitioners also request that the Commission grant them flexibility to substitute financing entities and change payment terms and amounts of its financing without having to seek new Commission authorization so long as the total borrowing is less than or equal to forty-five million (\$45,000,000) dollars. This flexibility will allow Petitioners to quickly refinance to take advantage of changing market conditions.

The relief requested meets the standards the Commission has previously applied in reviewing previous requests from lightly regulated entities for approvals under PSL §69. As the Commission has routinely found, financings for lightly regulated entities operating in competitive environments do not create potential harm for captive New York ratepayers because the owners or its affiliates, together with the investors, bear all of the financial risk associated with the financing arrangements.¹²

¹⁰ See e.g., Case 03-E-1179 Equus Power I, L.P., *Order Providing for Lightened Regulation and Approving Financing* (October 30, 2003)

¹¹ See e.g., 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); accord, Case 08-G-0708. Petition of Corning Natural Gas Corporation for Authority Pursuant to PSL Section 69 to Issue Long-Term Indebtedness in the Principal Amount of \$6,000,000 for the Purpose of Refunding Existing Obligations and Financing New Construction, *Order Authorizing the Issuance of Long-Term Indebtedness* (Sept. 18, 2008)

¹² See, *Sithe Order* at 4.(Additional scrutiny is not required to protect captive New York ratepayers, who cannot be harmed by the terms arrived at for this financing because [the owners and investors] bear the financial risk associated with [their] financial arrangements.)

III. CORRESPONDENCE AND COMMUNICATIONS

Correspondence and communications concerning this filing should be directed to:

HODGSON RUSS LLP
677 Broadway | Suite 401
Albany, New York 12207
Telephone: (518) 465-2333
Attn: John W. Dax and William F. McLaughlin
E-mail: jdax@hodgsonruss.com
wmclaugh@hodgsonruss.com

IV. ENVIRONMENTAL REVIEW

PSL § 69 approval of securities issuance is a Type 2 action under the State Environmental Quality Review Act (SEQRA); 16 NYCRR §§ 7.2(a) and 7.2(b)(2)(v), therefore no further review of the financing is required.

Under Section 7 (2) of the New York State Climate Leadership and Community Protection Act (CLCPA [L 2019, ch 106]), the Commission must consider, in the context of its approvals, and orders, determine whether such decisions are inconsistent with or will interfere with the attainment of the statewide greenhouse gas emissions limits established by the New York State Department of Environmental Conservation under the CLCPA.¹³ If a Commission approval or order is found to be inconsistent or to interfere with those limits, it shall provide a detailed statement of justification as to why such limits/criteria may not be met and identify alternatives or greenhouse gas mitigation measures to be required where such project is located.¹⁴

Under the circumstances present here, the Commission has previously determined its decision to authorize such financing is consistent with the requirements of the CLPA.¹⁵ The

¹³ CLCPA §7[2].

¹⁴ Id.

¹⁵ Case 25-M-0349, *Petition of Beaver Falls, L.L.C.; Syracuse, LLC; Vistra Corp for a Declaratory Ruling Regarding Transfer of Ownership, or, in the Alternative, an Approval Pursuant to Sections 70 and 83 of the Public Service Law and an Approval of Financing Pursuant to Sections 69 and 82 of the Public Service Law*, Order on Financing and Ruling on Transfer (Oct. 20, 2025).

Proposed Financings do not involve physical or operational changes to existing facilities and thus no additional environmental or public health burdens may result. Accordingly, the Commission should conclude that no further justification or mitigation measures are required under the CLCPA.

V. CONCLUSION

For the reasons set forth herein, Petitioners request an order approving the Proposed Financing under PSL §69. Petitioners respectfully request that the Commission consider this Petition in conjunction with the associated Section 70 Petition in Case 26-M-0131 and issue an order approving the Proposed Financing at the same session.

Dated: March 19, 2026

Respectfully submitted,

/s/ John W. Dax

John W. Dax
William F. McLaughlin

HODGSON RUSS LLP
677 Broadway | Suite 401
Albany, New York 12207
Telephone: (518) 465-2333
E-mail: jdax@hodgsonruss.com
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Case 26-M-_____

STATE OF TEXAS)
) SS:
COUNTY OF HARRIS)

VERIFICATION

I, Justin Thekkekara, being duly sworn, deposes and states as follows:

1. I am the General Counsel & Secretary of PowerTransitions LegacyOps II LLC, the Petitioner in this proceeding.
2. I have read the Verified Petition and do hereby affirm that the statements made therein with respect to PowerTransitions LegacyOps II LLC and its affiliates are true and accurate to the best of my knowledge and belief.



Justin Thekkekara
General Counsel & Secretary

Sworn to before me this
18th day of March 2026


Notary Public

