STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Verified Petition of Fort Covington Solar, LLC, for Approval of Financing Pursuant to Public Service Law Section 69.

Case 25-E_____

VERIFIED PETITION OF FORT COVINGTON SOLAR, LLC, FOR APPROVAL OF FINANCING PURSUANT TO PUBLIC SERVICE LAW SECTION 69

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On August 21, 2025, the New York State Office of Renewable Energy Siting and Electric Transmission ("ORES" or, the "Office") issued a final Siting Permit to Fort Covington Solar, LLC ("FCS" or "Petitioner"), for the construction of a 250 MW solar electric generating facility in the Town of Fort Covington, Franklin County, New York ("Project" or "Facility").[1] As discussed further below, Petitioner hereby requests authorization under Public Service Law ("PSL") § 69 to finance the construction of the Fort Covington 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 between 10 and 20 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

[1] Matter No. 23-02990: *Application of Fort Covington Solar, LLC for a Major Renewable Energy Facility Siting Permit Pursuant to Article VIII of the New York State Public Service Law to Develop, Design, Construct, Operate, Maintain, and Decommission a 250-Megawatt (MW) Solar Energy Facility Located in the Town of Fort Covington, Franklin County*, Siting Permit (August 21, 2025).

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 solar photovoltaic energy generating project in the Town of Fort Covington, Franklin County, New York, consisting of the following major components: solar PV arrays utilizing bifacial panel modules mounted to a single-axis tracker racking system with two modules in portrait configuration surrounded by an agricultural style fence, direct current wiring and communication lines connecting the panel arrays to inverters, new permanent access roads, planting modules for vegetative screening, inverters and their support structures, overhead and underground 34.5 kV electric collection lines connecting the inverters to a collection substation, 34.5/345 kV collection substation and associated equipment contained within chain-link security fencing, and a new point of interconnection switchyard and associated equipment contained within chain-link security fencing, which will interconnect the Facility to the existing electric system. The Facility will interconnect to the existing New York Power Authority (NYPA) Haverstock – Willis E HW1 transmission line, which is being upgraded by NYPA from 230 kV to 345 kV under a separate permit. According to the draft permit, the total nameplate capacity of the Facility shall not exceed 250 MW.

The proposed Project will directly contribute significantly to New York State's Climate Leadership and Community Protection Act targets by producing up to 250 MW of renewable solar energy directly to New York's energy market. The Project will produce enough zero-emissions energy to power approximately 25,000 New York households. The Project 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. Fort Covington Solar, LLC

FCS is a special purpose entity created to own and operate the Facility. FCS, a Delaware limited liability company is a wholly owned subsidiary of Boralex US Development LLC ("Boralex").

ii. Boralex

Boralex is a power producer whose core business is dedicated to the development and the operation of renewable energy power stations. Boralex develops, builds, and operates renewable energy power facilities in Canada, France, the United Kingdom, and the United States. A leader in the Canadian market and France's largest independent producer of onshore wind power, Boralex is recognized for its solid experience in optimizing its asset base in four power generation types – wind, hydroelectric, storage and solar. Boralex ensures sustained growth by leveraging the expertise and diversification developed over 30 years. Boralex owns and operates approximately 3,268 MW of renewable power plants globally, including seven hydroelectric projects in New York State, and more than a hundred facilities in Canada and France. Boralex currently has 78 MW of operational projects in New York and 970 MW of proposed projects.

Boralex's shares are listed on the Toronto Stock Exchange under the ticker symbol BLX. Boralex's market capitalization as of August 25, 2025, is ~CAD $3.0 billion. Boralex's strong financial profile is underpinned by stable cash-flow generation, as 92% of Boralex's generation capacity is contracted under long-term power purchase agreements at fixed or indexed prices with an average term remaining in the contracts of approximately 10 years - with 11 years in North America and 10 years in Europe. Boralex's strong financial profile is documented in the latest annual report and quarterly results available on Boralex's website: https://www.boralex.com/investors/events-and-presentations/.

II. THE COMMISSION SHOULD AUTHORIZE 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.[2] In this instance, Petitioner seeks authorization to incur aggregate debt up to $ 505 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.[3] FCS 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 FCS 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.

As noted above, Boralex plans to finance the development and construction of Fort Covington 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. Boralex estimates that sponsor

[2] PSL § 69.

[3] Case 25-E-0351: *Petition of Fort Covington 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 June 17, 2025).

equity will comprise between 10 and 20 percent of the total capital required for the construction of the project.

More specifically, Boralex plans to fund the construction of the Fort Covington 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"). Boralex 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, Boralex estimates that up to 90 percent of the construction costs could be funded with debt—or approximately $505 million. The Debt Facilities will have a term of approximately 18 months, commensurate with the construction period for Fort Covington. 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 $505 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 $505 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."[4]

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

As the Commission routinely finds relative to proposed financings for lightly-regulated entities operating in a competitive environment, 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."[5] Such is the case here and Petitioner respectfully requests Commission approval of the Financing.

III. CONCLUSION

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

Dated: September 17, 2025

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[5] *Id.*