

189 FERC ¶ 61,174
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Willie L. Phillips, Chairman;
Mark C. Christie, David Rosner,
Lindsay S. See and Judy W. Chang.

Sonoran West Solar Holdings, LLC
Sonoran West Solar Holdings 2, LLC

Docket No. IN24-13-000

ORDER APPROVING STIPULATION AND CONSENT AGREEMENT

(Issued December 5, 2024)

1. The Commission approves the attached Stipulation and Consent Agreement (“Agreement”) between the Office of Enforcement (Enforcement) and Sonoran West Solar Holdings, LLC (“Sonoran 1”) and Sonoran West Solar Holdings 2, LLC (“Sonoran 2”) (collectively, the “Sonoran Entities”). This order is in the public interest because it resolves on fair and equitable terms Enforcement’s investigation (“Investigation”) under Part 1b of the Commission’s regulations, 18 C.F.R. Part 1b (2024), into whether the Sonoran Entities violated the California Independent System Operator Corporation’s (“CAISO”) Open Access Transmission Tariff (“CAISO Tariff”) or Commission regulations in connection with operating the Crimson 1 battery energy storage system (“Crimson 1”) (directly owned by Sonoran 1) and the Crimson 2 battery energy storage system (“Crimson 2”) (directly owned by Sonoran 2) (together, the “Crimson Battery Project”) during the period October 1, 2022 through February 17, 2023 (“Relevant Period”).

2. The Sonoran Entities stipulate to the facts in Section II of the Agreement, but neither admit nor deny the violations described in Section III of the Agreement. The Sonoran Entities agree to: (a) disgorge \$2,473,265, plus interest, in payments that the Sonoran Entities received from certain transactions during the Relevant Period; (b) pay a civil penalty of \$1,000,000 to the United States Treasury; and (c) provide compliance monitoring reports to Enforcement as described in the Agreement.

I. Facts

Enforcement and the Sonoran Entities hereby stipulate and agree to the following facts.

3. Each of the Sonoran Entities is directly owned by RE Crimson, LLC, which in turn is directly owned by RE Crimson Holdings, LLC. RE Crimson Holdings, LLC is a

limited liability company owned directly by Axiom Crimson Holdings, LLC, as majority (80%) owner, and Recurrent Energy Development Holdings, LLC (“Recurrent”), as minority (20%) owner. Recurrent is an indirect subsidiary of Canadian Solar Inc.

4. Caerus Commodities Partnerships, LLC (“Caerus”) is a contractor that provides energy optimization services for the Sonoran Entities. During the Relevant Period, Caerus worked with the Sonoran Entities to develop the Crimson Battery Project’s Day-Ahead bids into CAISO. Caerus then entered the Crimson Battery Project’s Day-Ahead bids into the APX, Inc. (“APX”) portal. APX is a contractor that provides scheduling coordinator services for the Sonoran Entities. APX then submitted the Crimson Battery Project’s bids to CAISO on a daily basis. Canadian Solar O&M (US), LLC is the operations and maintenance service provider for the Crimson Battery Project, responsible during the Relevant Period for instructing APX to submit outage cards or tickets to CAISO, which included the Maximum Stored Energy parameter, relative to the Crimson Battery Project.

5. Crimson 1 is a 200 MW (800 MWh) battery and Crimson 2 is a 150 MW (600 MWh) battery. 200 MW and 150 MW indicate the per hour technical capacities of the batteries.

6. At all times, a battery has a “State of Charge,” which is a number representing the then-available stored energy of the battery. Under the CAISO Tariff, when a battery submits a Day-Ahead bid at 10:00 a.m., it has the option of forecasting its State of Charge at the beginning of the next operating day (*i.e.* midnight), which is called the battery’s “Initial State of Charge” or “Day-Ahead Initial State of Charge.”¹

7. Allowing batteries to provide their Initial State of Charge as a bid parameter in the Day-Ahead market allows resource bids to better reflect operational conditions, which helps CAISO more precisely manage the resources participating in its markets.

8. During the Relevant Period, CAISO Tariff § 30.5.6.1 included:

In addition to the Bid components listed in this Section 30.5, Scheduling Coordinators representing Non-Generator Resources may submit Bids including the State of Charge for the Day-Ahead Market [– *i.e.*, “Initial State of Charge” –] to indicate the forecasted starting physical position of the Non-Generator Resource.

9. And CAISO Tariff § 37.3.1.1 included:

¹ CAISO Tariff, §§ 30.5.6.1 and 30.5.6, State of Charge Bid Components.

Expected Conduct. Market Participants must submit Bids for Energy, RUC Capacity and Ancillary Services and Submissions to Self-Provide an Ancillary Service from resources that are reasonably expected to be available and capable of performing at the levels specified in the Bid, and to remain available and capable of so performing based on all information that is known to the Market Participant or should have been known to the Market Participant at the time of submission.

10. According to CAISO, during the Relevant Period, CAISO's market engines would model the day-ahead Initial State of Charge as a physical constraint which would be considered in determining what awards the battery would be eligible to receive in the Day-Ahead market for each hour in the next operating day.

11. The Maximum Stored Energy parameter, which may be set within a CAISO outage card, is the maximum energy that can be held by a battery resource when charging or discharging and is the state of charge maximum. The Maximum Stored Energy parameter is a physical limitation.

12. During the Relevant Period, the Sonoran Entities frequently submitted to CAISO biddable Initial State of Charge parameters that reflected a value that was other than a "forecasted starting physical position" – *i.e.*, other than the actual state of charge the batteries were forecasted to hold at the start of the real time market.

13. The Sonoran Entities submitted Initial State of Charge values indicating the batteries would be available to receive discharge awards at midnight and the early morning hours of the following day when the batteries were typically at lower charge levels that were often close to 0 MWh. On average, the Initial State of Charge values submitted on behalf of the Sonoran Entities on such dates were 480 MWh and 426 MWh higher than Crimson 1 and Crimson 2's telemetered State of Charge at midnight, respectively.

14. Bid Cost Recovery ("BCR") is the CAISO settlement process through which eligible resources recover their bid costs.

15. During the Relevant Period, the Sonoran Entities, for at least the following four dates, submitted outage cards including Maximum Stored Energy = 0 MWh: (a) October 24, 2022; (b) November 28, 2022; (c) January 14, 2023; and (d) January 15, 2023. A Maximum Stored Energy value of 0 MWh indicates that the battery needed to be fully discharged (or emptied) in advance of the outage.

16. Relative to each such outage, the Sonoran Entities would not have been required to fully discharge the relevant battery energy storage system in advance of such outage.

17. As a result of such Initial State of Charge reporting and the Maximum Stored Energy reporting for such outages, the Sonoran Entities received Day-Ahead awards to discharge to sell energy prior to the start of such outages.

18. Because the Sonoran Entities had Day-Ahead discharge bids at or near the CAISO offer cap of \$1,000 during such hours, the Day-Ahead awards were uneconomic and resulted in Day-Ahead BCR payments that the Sonoran Entities would not have obtained if they had submitted an Initial State of Charge that was a forecasted starting physical position and correct Maximum Stored Energy values. As a result, the Sonoran Entities received BCR payments totaling \$2,473,265 as follows: (a) \$164,684 for October 24, 2022; (b) \$128,002 for November 28, 2022; (c) \$1,081,378 for January 14, 2023; and (d) \$1,099,202 for January 15, 2023.

19. The Investigation arose out of a referral from the CAISO Department of Market Monitoring.

20. In response to the awards of BCR, the inquiries from the CAISO DMM, and the Investigation, the Sonoran Entities began implementing processes to minimize the likelihood that Initial State of Charge and Maximum Stored Energy for outages is misreported to CAISO. Specifically, the Sonoran Entities implemented corrective measures and training intended to address communication and scheduling regarding outages and state of charge, as well as continuously updating their procedures and training to abide with the CAISO Tariff, business manuals, and Commission orders.

II. Violations

Enforcement made the following determinations.

21. CAISO Tariff § 30.5.6.1 includes that “[i]n addition to the Bid components listed in this Section 30.5, Scheduling Coordinators representing Non-Generator Resources may submit Bids including the State of Charge for the Day-Ahead Market to indicate the forecasted starting physical position of the Non-Generator Resource.” Enforcement’s Investigation determined that the Sonoran Entities reported Initial State of Charge values during the Relevant Period that did not reflect a forecasted starting physical position.

22. CAISO Tariff § 37.3.1.1 includes that “Market Participants must submit Bids for Energy, RUC Capacity and Ancillary Services . . . from resources that are reasonably expected to be available and capable of performing at the levels specified in the Bid”

23. Section 35.41(b) of the Commission’s regulations, 18 C.F.R. § 35.41(b), provides that “[a] Seller must provide accurate and factual information and not submit false or misleading information, or omit material information, in any communication with the Commission, Commission-approved market monitors, Commission-approved regional

transmission organizations, Commission-approved independent system operators, or jurisdictional transmission providers, unless Seller exercises due diligence to prevent such occurrences.”

24. Enforcement determined that the Sonoran Entities’ Initial State of Charge values submitted to CAISO during the Relevant Period were false and misleading. Such false reporting violated CAISO Tariff § 30.5.6.1 and 18 C.F.R. § 35.41(b), as the Initial State of Charge information did not reflect a “forecasted starting physical position.” Enforcement also determined that the Initial State of Charge information did not reflect the Sonoran Entities’ reasonably expected availability of the batteries at midnight, in violation of CAISO Tariff § 37.3.1.1.

25. Enforcement determined that the Sonoran Entities reported false and misleading Max Stored Energy = 0 MWh values relative to outages on October 24, 2022, November 28, 2022, January 14, 2023, and January 15, 2023. Such false reporting violated 18 C.F.R. § 35.41(b) because the batteries did not have to have a 0 MWh state of charge during the outages.

III. Stipulation and Consent Agreement

26. Enforcement and the Sonoran Entities have resolved the Investigation by means of the attached Agreement.

27. The Sonoran Entities stipulate to the facts set forth in Section II of the Agreement, but neither admit nor deny the violations described in Section III of the Agreement.

28. The Sonoran Entities agree to pay a civil penalty of \$1,000,000 to the United States Treasury.

29. The Sonoran Entities agree to pay \$2,473,265, plus interest, in disgorgement to CAISO.

30. The Sonoran Entities agree to submit an annual compliance monitoring report to Enforcement for one year with a second year at Enforcement’s sole discretion.

IV. Determination of Appropriate Sanctions and Remedies

31. In recommending the appropriate remedy, Enforcement considered the factors in the Revised Policy Statement on Penalty Guidelines,² including the fact that the Sonoran Entities cooperated with Enforcement during the Investigation.

² *Enforcement of Statutes, Orders, Rules and Regulations*, 132 FERC ¶ 61,216 (2010).

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32. The Commission concludes that the Agreement is a fair and equitable resolution of the matters concerned and is in the public interest, as it reflects the nature and seriousness of the conduct.

33. The Commission also concludes that the Sonoran Entities' civil penalty is consistent with the Revised Policy Statement on Penalty Guidelines.

34. The Commission directs the Sonoran Entities to satisfy disgorgement and pay the civil penalty as required under the Agreement within 10 business days of the Effective Date of the Agreement.

35. The Commission directs the Sonoran Entities to comply with the provisions in the Agreement including requiring the Sonoran Entities to submit an annual compliance monitoring report to Enforcement for one year with a second year at Enforcement's sole discretion.

36. The Commission directs CAISO to allocate the disgorged funds in its discretion for the benefit of CAISO customers and upon approval by Enforcement of CAISO's plan for doing so.

The Commission orders:

The attached Stipulation and Consent Agreement is hereby approved without modification.

By the Commission.

(S E A L)

Carlos D. Clay,
Acting Deputy Secretary.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Sonoran West Solar Holdings, LLC
Sonoran West Solar Holdings 2, LLC

Docket No. IN24-13-000

STIPULATION AND CONSENT AGREEMENT

I. INTRODUCTION

1. The Office of Enforcement (“Enforcement”) of the Federal Energy Regulatory Commission (“Commission”) and Sonoran West Solar Holdings, LLC (Sonoran 1) and Sonoran West Solar Holdings 2, LLC (“Sonoran 2”) (collectively, the “Sonoran Entities”) enter into this Stipulation and Consent Agreement (this “Agreement”) to resolve a nonpublic, preliminary investigation (“Investigation”) conducted by Enforcement pursuant to Part 1b of the Commission’s regulations, 18 C.F.R. Part 1b (2024). The Investigation examined whether the Sonoran Entities violated the California Independent System Operator (“CAISO”) Open Access Transmission Tariff (“CAISO Tariff”) and the Commission’s regulations in connection with operating the Crimson 1 battery energy storage system (“Crimson 1”) (directly owned by Sonoran 1) and the Crimson 2 battery energy storage system (“Crimson 2”) (directly owned by Sonoran 2) (together, the “Crimson Battery Project”) during the period from October 1, 2022 through February 17, 2023 (“Relevant Period”).

2. The Sonoran Entities stipulate to the facts in Section II, but neither admit nor deny the alleged violations in Section III. The Sonoran Entities agree to: (a) disgorge \$2,473,265, plus interest, in payments that the Sonoran Entities received from certain transactions; (b) pay a civil penalty of \$1,000,000 to the United States Treasury; and (c) provide compliance training to its personnel and provide compliance monitoring reports to Enforcement as provided more fully below.

II. STIPULATIONS

Enforcement and the Sonoran Entities hereby stipulate and agree to the following facts.

3. Each of the Sonoran Entities is directly owned by RE Crimson LLC, which in turn is directly owned by RE Crimson Holdings LLC. RE Crimson Holdings LLC is a limited liability company owned directly by Axium Crimson Holdings LLC, as majority (80%)

owner, and Recurrent Energy Development Holdings, LLC (“Recurrent”), as minority (20%) owner. Recurrent is an indirect subsidiary of Canadian Solar Inc.

4. Caerus Commodities Partnerships LLC (“Caerus”) is a contractor that provides energy optimization services for the Sonoran Entities. During the Relevant Period, Caerus worked with the Sonoran Entities to develop the Crimson Battery Project’s Day-Ahead bids into CAISO. Caerus then entered the Crimson Battery Project’s Day-Ahead bids into the APX, Inc. (“APX”) portal. APX is a contractor that provides scheduling coordinator services for the Sonoran Entities. APX then submitted the Crimson Battery Project’s bids to CAISO on a daily basis. Canadian Solar O&M (US) LLC is the operations and maintenance service provider for the Crimson Battery Project, responsible during the Relevant Period for instructing APX to submit outage cards or tickets to CAISO, which included the Maximum Stored Energy parameter, relative to the Crimson Battery Project.

5. Crimson 1 is a 200 MW (800 MWh) battery and Crimson 2 is a 150 MW (600 MWh) battery. 200 MW and 150 MW indicate the per hour technical capacities of the batteries.

6. At all times, a battery has what the CAISO Tariff calls a “State of Charge,” which is a number representing the then-available stored energy of the battery. Under the CAISO Tariff, when a battery submits a Day-Ahead bid at 10:00 a.m., it has the option of forecasting its State of Charge at the beginning of the next operating day (*i.e.* midnight), which is called the battery’s “Initial State of Charge” or “Day-Ahead Initial State of Charge.”³

7. Allowing batteries to provide their Initial State of Charge as a bid parameter in the Day-Ahead market allows resource bids to better reflect operational conditions, which helps CAISO more precisely manage the resources participating in its markets.

8. During the Relevant Period, CAISO Tariff § 30.5.6.1 included:

In addition to the Bid components listed in this Section 30.5, Scheduling Coordinators representing Non-Generator Resources may submit Bids including the State of Charge for the Day-Ahead Market [– *i.e.*, “Initial State of Charge” –] to indicate the forecasted starting physical position of the Non-Generator Resource.

9. And CAISO Tariff § 37.3.1.1 included:

³ CAISO Tariff § 30.5.6.1, State of Charge Bid Components (Effective December 15, 2021) and CAISO Tariff § 30.5.6.1, State of Charge Bid Components (Effective February 1, 2023).

Expected Conduct. Market Participants must submit Bids for Energy, RUC Capacity and Ancillary Services and Submissions to Self-Provide an Ancillary Service from resources that are reasonably expected to be available and capable of performing at the levels specified in the Bid, and to remain available and capable of so performing based on all information that is known to the Market Participant or should have been known to the Market Participant at the time of submission.

10. According to CAISO, during the Relevant Period, CAISO's market engines would model the day-ahead Initial State of Charge as a physical constraint which would be considered in determining what awards the battery would be eligible to receive in the Day-Ahead market for each hour in the next operating day.
11. The Maximum Stored Energy parameter, which may be set within a CAISO outage card, is the maximum energy that can be held by a battery resource when charging or discharging and is the state of charge maximum. The Maximum Stored Energy parameter is a physical limitation.
12. During the Relevant Period, the Sonoran Entities frequently submitted to CAISO biddable Initial State of Charge parameters that reflected a value that was other than a "forecasted starting physical position" – *i.e.*, other than the actual state of charge the batteries were forecasted to hold at the start of the real time market.
13. The Sonoran Entities submitted Initial State of Charge values indicating the batteries would be available to receive discharge awards at midnight and the early morning hours of the following day when the batteries were typically at lower charge levels that were often close to 0 MWh. On average, the Initial State of Charge values submitted on behalf of the Sonoran Entities on such dates were 480 MWh and 426 MWh higher than Crimson 1 and Crimson 2's telemetered State of Charge at midnight, respectively.
14. Bid Cost Recovery ("BCR") is the CAISO settlement process through which eligible resources recover their bid costs.⁴
15. During the Relevant Period, the Sonoran Entities, for at least the following four dates, submitted outage cards including Maximum Stored Energy = 0 MWh: (a) October 24, 2022; (b) November 28, 2022; (c) January 14, 2023; and (d) January 15, 2023. A Maximum Stored Energy value of 0 MWh indicates that the battery needed to be fully discharged (or emptied) in advance of the outage.

⁴ CAISO Tariff §§ 11.8-11.8.6.

16. Relative to each such outage, the Sonoran Entities would not have been required to fully discharge the relevant battery energy storage system in advance of such outage.

17. As a result of such Initial State of Charge reporting and the Maximum Stored Energy reporting for such outages, the Sonoran Entities received Day-Ahead awards to discharge to sell energy prior to the start of such outages.

18. Because the Sonoran Entities had Day-Ahead discharge bids at or near the CAISO offer cap of \$1,000 during such hours, the Day-Ahead awards were uneconomic and resulted in Day-Ahead BCR payments that the Sonoran Entities would not have obtained if they had submitted an Initial State of Charge that was a forecasted starting physical position and correct Maximum Stored Energy values. As a result, the Sonoran Entities received BCR payments totaling \$2,473,265 as follows: (a) \$164,684 for October 24, 2022; (b) \$128,002 for November 28, 2022; (c) \$1,081,378 for January 14, 2023; and (d) \$1,099,202 for January 15, 2023.

19. The Investigation arose out of a referral from the CAISO Department of Market Monitoring.

20. In response to the awards of BCR, the inquiries from the CAISO DMM, and the Investigation, the Sonoran Entities began implementing processes to minimize the likelihood that Initial State of Charge and Maximum Stored Energy for outages would be misreported to CAISO. Specifically, the Sonoran Entities implemented corrective measures and training intended to address communication and scheduling regarding outages and state of charge, as well as continuously updating their procedures and training to abide with the CAISO Tariff, business manuals, and Commission orders.

III. VIOLATIONS

21. CAISO Tariff § 30.5.6.1 includes that “[i]n addition to the Bid components listed in this Section 30.5, Scheduling Coordinators representing Non-Generator Resources may submit Bids including the State of Charge for the Day-Ahead Market to indicate the forecasted starting physical position of the Non-Generator Resource.” Enforcement’s Investigation determined that the Sonoran Entities reported Initial State of Charge values during the Relevant Period that did not reflect a forecasted starting physical position.

22. CAISO Tariff § 37.3.1.1 includes that “Market Participants must submit Bids for Energy, RUC Capacity and Ancillary Services ... from resources that are reasonably expected to be available and capable of performing at the levels specified in the Bid. . . .”

23. Section 35.41(b) of the Commission’s regulations, 18 C.F.R. § 35.41(b), provides that “[a] Seller must provide accurate and factual information and not submit false or misleading information, or omit material information, in any communication with the

Commission, Commission-approved market monitors, Commission-approved regional transmission organizations, Commission-approved independent system operators, or jurisdictional transmission providers, unless Seller exercises due diligence to prevent such occurrences.”

24. Enforcement determined that the Sonoran Entities’ Initial State of Charge values submitted to CAISO during the Relevant Period were false and misleading. Such false reporting violated CAISO Tariff § 30.5.6.1 and 18 C.F.R. § 35.41(b), as the Initial State of Charge information did not reflect a “forecasted starting physical position.” Enforcement also determined that the Initial State of Charge information did not reflect the Sonoran Entities’ reasonably expected availability of the batteries at midnight, in violation of CAISO Tariff § 37.3.1.1.

25. Enforcement determined that the Sonoran Entities reported false and misleading Max Stored Energy = 0 MWh values relative to outages on October 24, 2022, November 28, 2022, January 14, 2023, and January 15, 2023. Such false reporting violated 18 C.F.R. § 35.41(b) because the batteries did not have to have a 0 MWh state of charge during the outages.

IV. REMEDIES AND SANCTIONS

26. For purposes of settling any and all claims, civil and administrative disputes and proceedings arising from or related to the Sonoran Entities’ conduct evaluated in Enforcement’s Investigation, each of the Sonoran Entities agrees with the facts as stipulated in Section II of this Agreement, and neither admits nor denies the violations described in Section III of this Agreement. The Sonoran Entities further agree to undertake the obligations set forth in the following paragraphs.

A. Civil Penalty

27. The Sonoran Entities agree to pay a civil penalty of \$1,000,000 to the United States Treasury, by wire transfer, within ten days after the Effective Date of this Agreement as defined herein.

B. Disgorgement

28. The Sonoran Entities agree to pay \$2,473,265 in disgorgement, plus interest, within ten days of the Effective Date of this Agreement to CAISO, by wire transfer, to be allocated by CAISO in its discretion for the benefit of CAISO customers and upon approval by Enforcement of CAISO’s plan for doing so.

B. Compliance

29. The Sonoran Entities shall make annual compliance monitoring reports to Enforcement for one year with a second year at Enforcement's sole discretion. The first report shall be submitted no later than one year and 30 days after the Effective Date of the Agreement. If a second report is required, it shall be submitted no later than two years and 30 days after the Effective Date of the Agreement.

30. Each compliance monitoring report shall: (1) identify any known violations of Commission regulations that occurred during the prior year, including a description of the nature of the violation and what steps were taken to rectify the situation; (2) describe all compliance measures and procedures the Sonoran Entities instituted or modified during the prior year related to compliance with Commission regulations; and (3) describe all Commission-related compliance training that the Sonoran Entities administered during the prior year, including the dates such training occurred, the topics covered, and the procedures used to confirm which personnel attended.

31. Each compliance monitoring report shall also include an affidavit executed by an officer(s) of each Sonoran Entity stating that it is true and accurate to the best of his/her knowledge.

32. Upon request by Enforcement, the Sonoran Entities shall provide to Enforcement documentation supporting the contents of its reports.

33. In addition to the foregoing reporting, the Sonoran Entities shall effectuate the following compliance measures. The Sonoran Entities shall designate a person (the Compliance Officer) and team responsible for and duly enabled to effectuate and maintain this plan and compliance with all applicable Commission regulations and the CAISO Tariff. The Sonoran Entities shall develop and implement a comprehensive regulatory compliance program, which shall be the responsibility of and administered by the Compliance Officer. Such compliance program shall include comprehensive instruction and training on the responsibilities of a public utility under Commission regulations and of a market participant in the CAISO market. The Sonoran Entities also shall develop new training on compliance with the CAISO Tariff and Commission regulations for the Sonoran Entities' managers, employees, and contractors involved with offering the resources into the CAISO market. Training shall remind managers of their accountability for reporting potential violations and for encouraging all employees to do the same. The Sonoran Entities shall provide compliance training to the individuals conducting all energy sales and/or communicating information on behalf of the Sonoran Entities to CAISO, the CAISO Department of Market Monitoring, or the Commission.

V. TERMS

34. The “Effective Date” of this Agreement is the date on which the Commission issues an order approving this Agreement without material modification. When effective, this Agreement resolves the matters specifically addressed herein that arose on or before the Effective Date as to the Sonoran Entities and any affiliated entity, and their respective agents, officers, directors, or employees, both past and present.

35. Commission approval of this Agreement without material modification shall release the Sonoran Entities and forever bar the Commission from holding the Sonoran Entities, any affiliated entity, any successor in interest, and their respective agents, officers, directors, or employees, both past and present, liable for any and all administrative or civil claims arising out of the conduct covered by the Investigation, including conduct addressed and stipulated to in this Agreement, which occurred on or before the Agreement’s Effective Date.

36. Failure by the Sonoran Entities to make the civil penalty payment, disgorgement, or to comply with the compliance obligations agreed to herein, or any other provision of this Agreement, shall be deemed a violation of a final order of the Commission issued pursuant to the FPA, and may subject the Sonoran Entities to additional action under the enforcement provisions of the FPA.

37. If the Sonoran Entities do not make the required civil penalty or disgorgement payments described above within the time agreed by the parties, interest will be calculated pursuant to 18 C.F.R. § 35.19a(a)(2)(iii)(A), (B) from the date that payment is due, in addition to the penalty specified above and any other enforcement action and penalty that the Commission may take or impose.

38. This Agreement binds each of the Sonoran Entities and their parents, agents, successors, and assignees. This Agreement does not create any additional or independent obligations on the Sonoran Entities, or any affiliated entity, its agents, officers, directors, or employees, other than the obligations identified in this Agreement.

39. The signatories to this Agreement agree that they enter into the Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of Enforcement or the Sonoran Entities has been made to induce the signatories or any other party to enter into the Agreement.

40. Unless the Commission issues an order approving the Agreement in its entirety and without material modification, the Agreement shall be null and void and of no effect whatsoever, and neither Enforcement nor the Sonoran Entities shall be bound by any

provision or term of the Agreement, unless otherwise agreed to in writing by Enforcement and the Sonoran Entities.

41. In connection with the civil penalty provided for herein, the Sonoran Entities agree that the Commission’s order approving the Agreement without material modification shall be a final and unappealable order assessing a civil penalty under section 316A(b) of the FPA, 16 U.S.C. § 825o-1(b). The Sonoran Entities waive findings of fact and conclusions of law, rehearing of any Commission order approving the Agreement without material modification, and judicial review by any court of any Commission order approving the Agreement without material modification.

42. This Agreement can be modified only if in writing and signed by Enforcement and the Sonoran Entities, and any modifications will not be effective unless approved by the Commission.

43. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity, and accepts the Agreement on the entity’s behalf.

44. The undersigned representative of the Sonoran Entities affirms that he or she has read the Agreement, that all of the matters set forth in the Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Agreement is entered into by Enforcement in express reliance on those representations.

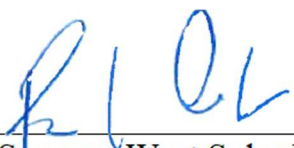
45. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Agreed to and Accepted:

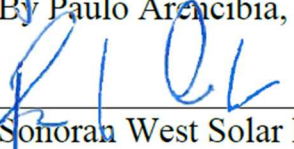
JANEL
BURDICK
Janel Burdick
Director, Office of Enforcement

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BURDICK
Date: 2024.12.03 12:20:40
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Federal Energy Regulatory Commission



Sonoran West Solar Holdings, LLC
By Paulo Arencibia, President



Sonoran West Solar Holdings 2, LLC
By Paulo Arencibia, President

Date: 12/3/2024

Date: 9/9/2024

Document Content(s)

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