

**SUPPLEMENTAL REPLY TESTIMONY OF MICHAEL C. GREEN  
ON BEHALF OF NTE CAROLINAS II, LLC  
IN RESPONSE TO PUBLIC STAFF TESTIMONY**

**NCUC DOCKET NO. EMP-92, SUB 0**

**I. INTRODUCTION AND SUMMARY**

1 **Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.**

2 A. My name is Michael C. Green. I am the Managing Partner of NTE Carolinas II, LLC, together  
3 with its affiliate entities ("NTE"). I am responsible for the development of the 500 MW  
4 natural gas-fired generating facility ("Reidsville Energy Center" or "Facility") proposed for  
5 Rockingham County, North Carolina, by NTE. My business address is: 24 Cathedral Place,  
6 Suite 300, Saint Augustine, Florida 32084.

7  
8 **Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS DOCKET?**

9 A. Yes, in addition to the testimony and affidavit filed in support of the granting of the CPCN  
10 in 2017, I filed Supplemental Direct Testimony on October 12, 2020. My Direct Testimony  
11 filed on July 29, 2016 describes my professional experience and background.

12  
13 **Q. WHAT IS THE PURPOSE OF THIS TESTIMONY?**

14 A. The purpose of my testimony is to respond to the testimony of Dustin R. Metz on behalf  
15 of the Public Staff before the North Carolina Utilities Commission ("Commission"), filed

1 on November 9, 2020. The Public Staff was the only party that filed Response Testimony  
2 pursuant to the Commission's Order dated September 9.

3  
4 **Q. DO YOU SUPPORT MR. METZ TESTIMONY?**

5 A. Yes, in general. We appreciate the Public Staff's thorough review of our Motion to Renew  
6 the CPCN for the Reidsville Energy Center and my Supplemental Direct Testimony. In his  
7 testimony Mr. Metz stated that he believes NTE answered the Commission's questions in  
8 a complete and satisfactory manner with the exception of Question 5. NTE is glad to  
9 provide additional information and clarification with regards to Question 5 with the intent  
10 that this will answer that question in a more complete and satisfactory manner.

11  
12 **Q. DO THE DISTRIBUTION UTILITIES UNDER CONTRACT OR CONSIDERING CONTRACTING**  
13 **WITH NTE HAVE LONG-RANGE PLANS, AND HOW DOES THE FACILITY'S OUTPUT**  
14 **CONFORM TO OR VARY FROM THE THOSE LONG-RANGE RESOURCE PLAN?**

15 A. As noted in Footnote 2 of Mr. Metz's testimony, the requirement to develop and keep a  
16 current biennial integrated resource plan (IRP) does not apply to municipal distribution  
17 systems, and North Carolina Session Law 2013-187 exempts individual EMCs and NCEMC  
18 from filing IRPs with the Commission. Most of the customers that NTE intends to serve  
19 from the Facility are municipal systems and EMCs. Because, however, it is at the core of  
20 NTE's business model, I am glad to explain in greater detail our observations of how these

1 wholesale customers plan for their future long-term energy and capacity supply needs  
2 and how NTE's Facility will meet those needs.

3  
4 Some larger utilities have their own generation arrangements and seek partial solutions  
5 to their total supply needs. These larger customers have detailed "Long Range Plans"  
6 indicating their projected growth and how they plan to meet those demands. Some of  
7 these larger distribution utilities seek a supply solution through a combination of long-  
8 term supply contracts, and/or shorter term supply contracts, from different suppliers. In  
9 either case, if NTE (or any IPP) is awarded such a contract, that contract would be  
10 reflected in the utility's subsequent long-range plans.

11  
12 Often, the long-range plans of the distribution utility may not specify the Power Purchase  
13 Agreement (PPA) counterparty, but may, instead identify the supply more generically –  
14 e.g. just listing the amount of capacity purchased through PPAs. NTE bids capacity and  
15 energy from the Reidsville Energy Center, as a partial solution to these longer term needs,  
16 on terms that are agreed upon by the two parties.

17  
18 Smaller wholesale customers do not have detailed "long range plans." Examples of IRPs  
19 from potential customers of NTE are labeled Confidential Exhibit MCG-9 (filed separately  
20 under seal). These smaller distribution utilities are already "*all requirement customers*"  
21 of a current supplier. By "*all requirements*", the distribution utility is contracting with the

1 generation supplier to provide 100% of their needs, whatever their demands may be. This  
2 was the case for the twelve distribution customers with whom NTE executed contracts in  
3 the past. The “All Requirement” contract provisions detail the mechanisms and terms to  
4 accommodate their total capacity and energy needs, as well as any filings that may be  
5 required by that distribution utility. These utilities would typically issue a Request for  
6 Proposals for a new all-requirements contract prior to the expiration of their current  
7 supply contract. We have previously provided under seal to the Public Staff typical all-  
8 requirement contracts from customers contracting for energy and capacity from the Kings  
9 Mountain Energy Center.

10  
11 In either instance described above – a larger distribution utility that has an integrated  
12 resource plan and supplies from multiple sources or a smaller all-requirements utility  
13 looking to meet all of its needs in a single contract – the wholesale customers would not  
14 be interested in contracting with NTE (or another IPP) unless there was a legitimate and  
15 real need for that energy and capacity. The Reidsville Energy Center will only be  
16 constructed if there is demand for the Facility. There is no risk to ratepayers that the  
17 Facility will be constructed but not be used and useful.

1 **Q. BASED UPON THIS ADDITIONAL INFORMATION, ARE YOU ASKING THAT THE NORTH**  
2 **CAROLINA UTILITIES COMMISSION RENEW THE CERTIFICATE OF PUBLIC CONVENIENCE**  
3 **AND NECESSITY FOR THE FACILITY AND ANCILLARY TRANSMISSION FACILITIES?**

4 A. Yes. As stated in more detail in my Supplemental Direct Testimony, NTE reaffirms that  
5 there is still very much the need for the additional generation in North Carolina and the  
6 Reidsville Energy Center will provide highly reliable, competitively priced, and necessary  
7 new capacity to meet that need.

8  
9 **Q. DO YOU WANT TO RESPOND TO ANY OTHER PART OF MR. METZ' TESTIMONY?**

10 A. Yes. NTE supports the Public Staff's request for the Commission to require additional  
11 information from intervenor Duke Energy Carolinas ("DEC"). If the Commission were to  
12 order DEC to file additional information as requested in Mr. Metz's testimony or  
13 otherwise, NTE respectfully requests the opportunity to review and respond to that  
14 information, if necessary, with another filing in this docket within fifteen days of DEC's  
15 filing and service of that information.

16  
17 **Q. DOES THIS CONCLUDE YOUR PRE-FILED TESTIMONY?**

18 A. Yes, at this time.

CERTIFICATE OF SERVICE

This is to certify that the undersigned has this day served the foregoing SUPPLEMENTAL RESPONSE OF MICHAEL GREEN TO PUBLIC STAFF TESTIMONY IN DOCKET G-92-Sub 0 upon all parties of record by electronic mail as follows:

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This the 7<sup>th</sup> day of December, 2020.

**/s/M. Gray Styers, Jr.**

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M. Gray Styers, Jr.

Confidential

**Exhibit MCG – 9**

Filed Separately and Under S Confidential

**Exhibit MCG – 9**

Filed Separately and Under Seal

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