



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

October 27, 2023

Ms. A. Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
4326 Mail Service Center  
Raleigh, North Carolina 27699-4300

Re: Docket No. EMP-115, Sub 0 - Application of Cherry Solar, LLC for a Certificate of Public Convenience and Necessity to Construct a 180-MW Solar Facility in Northampton County, North Carolina

Dear Ms. Dunston:

On October 6, 2023, the Commission issued an Order Requiring Proposed Orders in the above-referenced proceeding, directing parties to file proposed orders on or before October 27, 2023.

In reviewing the evidentiary record in this proceeding, the Public Staff noted that while the record contains a calculation of the levelized cost of transmission (LCOT) for the PJM network upgrades and Duke Energy Progress, LLC (DEP) affected system upgrades, combined, attributable to the Cherry Solar project, it does not contain an LCOT calculation for only the PJM network upgrades, the costs of which are borne solely by the Applicant. The Public Staff believes this information would be beneficial to the Commission in its consideration of the Application.

The Public Staff has calculated the LCOT for only the PJM network upgrades and has shared the calculation with the Applicant, who authorized the Public Staff to represent to the Commission that it agrees with the calculation and does not object to its inclusion in the record.

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In addition, the Public Staff notes that in its most recent testimony, filed on December 17, 2021, the Public Staff recommended denial of the CPCN requested in this proceeding. However, the proposed facility that is the subject of the application in this docket was part of PJM study cluster AC1, and one of the primary issues addressed by the pre-filed testimonies in this proceeding pertained to potential affected system costs for upgrades on the transmission system owned and operated by DEP resulting from the projects in the AC1 cluster. As a result of recent developments connected with filings at the Federal Energy Regulatory Commission of Affected System Operating Agreements entered into between DEP and other developers of North Carolina-sited projects in PJM cluster AC1, it is no longer expected that Cherry Solar will be responsible for the affected system costs attributable to the AC1 cluster. Edgecombe Solar LLC, which currently holds a CPCN, has assumed cost responsibility for the affected system upgrades necessitated by the AC1 cluster, the costs of which will be reimbursed by DEP ratepayers. There are currently no affected system costs assigned to Cherry Solar, and the Public Staff now recommends approval of the CPCN requested in this proceeding, subject to the following conditions:

1. The Applicant shall construct and operate the facility in strict accordance with applicable laws and regulations, including any local zoning and environmental permitting requirements.
2. The CPCN shall be subject to Commission Rule R8-63(e) and all orders, rules, and regulations as are now or may hereafter be lawfully made by the Commission.
3. The Applicant shall file with the Commission in this docket any significant revisions in the cost estimates for the construction of the facility itself, interconnection facilities, network upgrades, or affected system upgrades, or any other significant change in costs, within 30 days of becoming aware of such revisions.
4. The Applicant shall file a copy of any executed Affected System Operating Agreement with the Commission at the same time such filing is made at the Federal Energy Regulatory Commission (at least 61 days prior to commencing construction of the upgrades).
5. If at any time the Applicant seeks reimbursement for any interconnection facilities, network upgrade costs, affected system costs, or other costs required to allow energization and operation of the facility, the Applicant shall notify the Commission no later than 60 days before seeking reimbursement.

The Public Staff is authorized to represent that the Applicant is agreeable to the issuance of a CPCN subject to the conditions listed above.

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The Public Staff therefore respectfully requests that the Commission move into the record the LCOT calculation for Cherry Solar's PJM network upgrades, enclosed as Attachment A, for the purpose of providing more comprehensive information regarding the cost of the facility, and recommends approval of the CPCN, subject to the conditions listed above.

Sincerely,

/s/ Nadia L. Luhr  
Staff Attorney  
[nadia.luhr@psncuc.nc.gov](mailto:nadia.luhr@psncuc.nc.gov)

cc: Parties of Record

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Docket No. EMP, Sub 0

Public Staff Letter

Attachment A