STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. EMP-92, SUB 0

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BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of NTE Carolinas II, LLC, for a Certificate of Public Convenience and Necessity to Construct a 500-MW Natural Gas-Fueled Merchant Power Plant in Rockingham County, North Carolina

ORDER SCHEDULING HEARINGS, REQUIRING FILING OF TESTIMONY, ESTABLISHING PROCEDURAL GUIDELINES, AND REQUIRING PUBLIC NOTICE

BY THE COMMISSION: On July 29, 2016, NTE Carolinas II, LLC (NTE or Applicant) filed an application pursuant to G.S. 62-110.1 and Commission Rule R8-63 for a certificate of public convenience and necessity (CPCN) to construct a natural-gas fueled merchant electric generating facility in Rockingham County, North Carolina. The application was supported by the direct testimony of Michael C. Green, Vice-President of NTE.

In summary, the Applicant states that it intends to construct a 500-MW combined cycle combustion turbine electric generating facility to be fueled by natural gas. Construction is anticipated to begin in the first quarter of 2018. The location of the proposed facility is an approximately 90 acre tract located at 4781 NC Highway 65, and bounded by NC Highway 65 to the east and New Lebanon Church Road to the west, in Reidsville, Rockingham County, North Carolina. The facility will interconnect with the electric transmission grid operated by Duke Energy Carolinas, LLC (DEC) via the Ernest Switching Station immediately adjacent to the facility site. All interconnection equipment will be located on the facility site, except a portion of the line connecting the facility to the Ernest Switching Station, which portion will be on DEC's property. NTE is in discussions with Piedmont Natural Gas Company, Inc. to provide services as the natural gas distribution company for the facility. The expected service life of the facility is 30 years.

On August 10, 2016, the Public Staff filed a Notice of Completeness stating that the Public Staff has reviewed the application as required by Commission Rule R8-63(d) and that the Public Staff considers the application to be complete. In addition, the Public Staff requested that the Commission issue a procedural order setting the application for hearing, requiring public notice pursuant to G.S. 62-82, and addressing other procedural matters.

The Commission is of the opinion that good cause exists to schedule a public witness hearing and an expert witness hearing to consider NTE's application. The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition which a party desires to take shall be taken before the deadline for filing of Public Staff and intervenor testimony. Notice of deposition shall be served on all parties at least seven days prior to the taking of the deposition. Notice of deposition and all other discovery notices, requests and motions shall be served on the appropriate parties by hand delivery or facsimile, or by electronic delivery if the receiving party has agreed to receipt by electronic delivery.

2. Any motion for subpoena of a witness to appear at the evidentiary hearing shall be filed with the Commission before the deadline for filing of Public Staff and intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. <u>See</u> G.S. 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena 24 hours after such motion is filed.

3. Formal discovery requests related to the application and the Applicant's prefiled direct testimony shall be served on the Applicant not later than fourteen days prior to the deadline for filing of Public Staff and intervenor testimony. The party served shall have up to ten calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten days prior to the deadline for filing of Public Staff and intervenor testimony.

4. Formal discovery requests of the Public Staff or intervenors shall be served not later than three days after such testimony is filed. The party served shall have up to three calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than five days after that party's testimony was filed.

5. Formal discovery requests related to the Applicant's prefiled rebuttal testimony shall be served on the Applicant not later than two days after such testimony is filed. The party served shall have up to two calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three days after the rebuttal testimony was filed. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery from the Applicant.

6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two days to file a motion to compel with the Commission, and the party objecting to discovery shall have one day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery because of that party's late intervention or other delay in initiating discovery.

The Commission recognizes that in the past most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

IT IS, THEREFORE, ORDERED as follows:

1. That a public witness hearing shall be held on Tuesday, October 25, 2016, at 7:00 p.m., at the Rockingham County Courthouse, Superior Courtroom A, 170 Highway 65, Reidsville, North Carolina, for the purpose of receiving public witness testimony regarding NTE's application for a CPCN;

2. That an expert witness hearing solely for the purpose of receiving expert testimony of the parties shall be held on Wednesday, November 2, 2016, at 2:00 p.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering NTE's application for a CPCN;

3. That any person having an interest in this proceeding may file a petition to intervene stating such interest on or before Tuesday, October 18, 2016;

4. That the direct testimony and exhibits of the Public Staff and other intervenors shall be filed Tuesday, October 18, 2016;

5. That NTE may file rebuttal testimony and exhibits on or before Thursday, October 27, 2016;

6. That the Chief Clerk of the Commission shall deliver copies of the application and the Public Notice attached hereto as Appendix A to the Clearinghouse Coordinator of the Office of Policy and Planning of the Department of Administration for distribution by the Coordinator to State agencies having an interest in the application.

7. That NTE shall publish the Public Notice attached hereto as Appendix A in a newspaper having general circulation in Rockingham County once a week for four successive weeks beginning at least 30 days prior to the hearing;

8. That NTE shall file affidavits of publication on or before the date of the expert witness hearing; and

9. That the parties shall comply with the discovery guidelines established herein.

ISSUED BY ORDER OF THE COMMISSION.

This the <u>16th</u> day of August, 2016.

NORTH CAROLINA UTILITIES COMMISSION

Jonice H. Fulmore

Janice H. Fulmore, Deputy Clerk

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

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BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of NTE Carolinas II, LLC, for a Certificate of Public Convenience and Necessity to Construct a 500-MW Natural Gas-Fueled Merchant Power Plant in Rockingham County, North Carolina

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing on Tuesday, October 25, 2016, at 7:00 p.m., at the Rockingham County Courthouse, Superior Courtroom A, 170 Highway 65, Reidsville, North Carolina. The purpose of the hearing is to receive public witness testimony regarding the application of NTE Carolinas II, LLC (NTE) for a certificate of public convenience and necessity (CPCN) to construct a 500-MW natural-gas fueled merchant electric generating facility in Rockingham County, North Carolina. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

In summary, NTE states that it intends to construct a 500-MW combined cycle combustion turbine electric generating facility to be fueled by natural gas. Construction is anticipated to begin in the first quarter of 2018. The location of the proposed facility is an approximately 90 acre tract located at 4781 NC Highway 65, and bounded by NC Highway 65 to the east and New Lebanon Church Road to the west, in Reidsville, Rockingham County, North Carolina. The facility will interconnect with the electric transmission grid operated by Duke Energy Carolinas, LLC (DEC) via the Ernest Switching Station immediately adjacent to the facility site. All interconnection equipment will be located on the facility site, except a portion of the line connecting the facility to the Ernest Switching Station, which portion will be on DEC's property. NTE is in discussions with Piedmont Natural Gas Company, Inc. to provide services as the natural gas distribution company for the facility. The expected service life of the facility is 30 years.

Specific information about NTE's application for a CPCN may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Raleigh, North Carolina, where a copy of NTE's application, exhibits and supporting testimony are available for review by the public, and on the Commission's website at <u>www.ncuc.net</u>.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Roy Cooper, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Written statements are not evidence unless persons appear at a public hearing and testify concerning the information contained in their written statements.

Any person desiring to intervene in the proceeding as a formal party of record should file a petition under North Carolina Utilities Commission Rules R1-5 and R1-19 on or before Tuesday, October 18, 2016. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before Tuesday, October 18, 2016.

ISSUED BY ORDER OF THE COMMISSION.

This the <u>16th</u> day of August, 2016.

NORTH CAROLINA UTILITIES COMMISSION

Janice H. Fulmore

Janice H. Fulmore, Deputy Clerk