

attorneys+counselors@law

1101 Haynes Street, Suite 101  
Raleigh, North Carolina 27604  
919.600.6270

StryersKemerait.com

cmitchell@StryersKemerait.com  
919.600.6277

OFFICIAL COPY FILED

March 3, 2011

MAR 03 2011

Clerk's Office  
N.C. Utilities Commission

**HAND DELIVERED**

Ms. Renne Vance  
Chief Clerk  
North Carolina Utilities Commission  
430 N. Salisbury Street  
Raleigh, NC 27603

**Re: Amended Blue Ridge Electric Membership Corporation  
("EMC") Cover Letter and Reply Comments  
Docket E-100, Sub 128**

Dear Ms. Vance:

Please find enclosed an original and thirty-one (31) copies of Blue Ridge EMC's amendment to the cover letter dated March 1, 2011. Regarding line should read **Blue Ridge Electric Membership Corporation ("EMC")**. Also, attached is a corrected version of the Reply Comments without the attached exhibits.

We would appreciate your filing the same and returning one "filed" stamped copy via our courier.

If you have any questions or comments regarding this amended cover letter, please do not hesitate to call me. Thank you in advance for your assistance and cooperation.

Sincerely,

Charlotte A. Mitchell

Enclosures

cc: All Parties of Record

M. Gray Styers, Jr.  
Karen M. Kemerait  
Charlotte A. Mitchell  
Deborah K. Ross

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**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

**DOCKET NO. E-100, Sub 128**

**FILED**

**MAR 03 2011**

**Clerk's Office  
N.C. Utilities Commission**

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

**In the Matter of:**

**Investigation of Integrated Resource  
Planning in North Carolina - 2010**

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**REPLY COMMENTS  
AND REQUEST FOR CLARIFICATION**

Blue Ridge Electric Membership Corporation ("Blue Ridge"), through undersigned counsel, hereby submits its Reply Comments in the above-captioned docket as follows:

1. Blue Ridge Electric Membership Corporation, headquartered in Lenoir, North Carolina, was created in the 1930s and initially financed pursuant to the Rural Electrification Act of 1936 to extend electric service to previously unserved, rural areas of the state. As an electric membership corporation, its member-owners are its customers, who elect Blue Ridge's boards of directors. Previously, Blue Ridge was a member of the North Carolina Electric Membership Corporation ("NCEMC"); effective January 1, 2004, Blue Ridge became an independent member of NCEMC.

2. Blue Ridge, throughout its history, has been served by Duke Energy Carolinas, LLC ("Duke Energy"), or its predecessors, as a wholesale customer. This historic service has been either at the wholesale rate of Duke Energy, as constituents of, and through agreements with the North Carolina Electric Membership Corporation, and/or most recently, through separate wholesale power agreements with Duke Energy.

3. On September 1, 2006 Blue Ridge entered into a partial requirements power purchase agreement with Duke Energy. Thereafter, on December 17, 2007, Blue Ridge entered

into a full requirements power purchase agreement with Duke Energy (the "Agreement"). On October 1, 2010, the Agreement was amended to extend the term through and until December 31, 2031 and to obligate Duke Energy to provide REPS compliance services for Blue Ridge.

4. Blue Ridge's current and future load requirements are included in Duke Energy's load obligation set forth in Duke Energy's Integrated Resource Plan ("IRP") dated September 1, 2010. Specifically, see Duke Energy Carolinas Integrated Resource Plan, Section II, Duke Energy Carolinas Current State, *Wholesale Power Sales Commitments*, pp. 38-39 and Section III, Resource Needs Assessment (Future State), *Load Forecast*, pp. 51-57, filed in N.C.U.C. Docket No. E-100, Sub 128 on September 1, 2010, attached hereto as **Exhibit 1**.

5. Pursuant to the Agreement and as shown in Duke Energy's IRP, Duke Energy's services to Blue Ridge include the delivery of renewable energy resources to Blue Ridge, as well as REPS compliance and reporting services. In accordance with N.C. Gen. Stat. § 62-133.8(c)(2)(e), Blue Ridge may rely on Duke Energy to provide such services. Accordingly, Duke Energy has aggregated the information required under Commission Rule R8-67 for Blue Ridge into its 2010 REPS compliance plan. Specifically, see Duke Energy Carolinas Renewable Energy and Energy Efficiency Portfolio Standard Compliance Plan, Section V, *Wholesale Customer Compliance*, p. 24, filed in N.C.U.C. Docket No. E-100, Sub 128 on September 1, 2010, attached hereto as **Exhibit 2**.

6. In its Comments, filed in this docket on February 10, 2011, the Public Staff recommends that Blue Ridge, having responsibility for procuring its own power, is required by Commission Rule R8-60(b) to file an IRP and should begin doing so in 2011.

7. However, the filing of an IRP by Blue Ridge—separate and apart from the filing of Duke Energy's IRP, which includes the information for Blue Ridge—would be unnecessarily

duplicative. The key point, worth re-stating, is that the information required of Blue Ridge by Rule R8-60 and R8-67 is already and currently fully included in the IRP filing of Duke Energy, as can be seen in the attached exhibits. To require a separate filing by Blue Ridge itself would be an unnecessary expenditure of the time and resources of Blue Ridge in having to prepare such a filing, and of the Public Staff and the Commission in having to review it.

WHEREFORE, Blue Ridge respectfully requests that the Commission enter an Order clarifying that, for so long as Blue Ridge's load requirement is included in Duke Energy's load obligation set forth in its IRP, and Duke Energy is providing REPS compliance services to Blue Ridge, including reporting, pursuant to their Agreement, then the filing of a separate IRP by Blue Ridge would be duplicative, burdensome, and unnecessary, and, therefore, is not required.

This 3<sup>rd</sup> day of March, 2011.

STYERS & KEMERAIT, PLLC



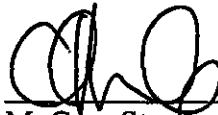
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M. Gray Styers, Jr.  
State Bar No. 16844  
Charlotte A. Mitchell  
State Bar No. 34106  
1101 Haynes Street, Suite 101  
Raleigh, North Carolina 27604  
Telephone: 919/600-6270  
Fax: 919/600-6290  
E-mail: [gstyers@styerskemerait.com](mailto:gstyers@styerskemerait.com)  
[cmitchell@styerskemerait.com](mailto:cmitchell@styerskemerait.com)

**CERTIFICATE OF SERVICE**

It is hereby certified that the foregoing CORRECTED REPLY COMMENTS has been served upon the parties of record in this proceeding, or their attorneys, by hand delivery, electronically, facsimile, or by depositing a copy of the same in the United States Mail, postage prepaid and properly addressed as follows

This 3<sup>rd</sup> day of March, 2011.



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M. Gray Styers, Jr.  
State Bar No. 16844  
Charlotte A. Mitchell  
State Bar No. 34106  
1101 Haynes Street, Suite 101  
Raleigh, North Carolina 27604  
Telephone: 919/600-6270  
Fax: 919/600-6290  
E-mail: [gstyers@styerskemerait.com](mailto:gstyers@styerskemerait.com)  
[cmitchell@styerskemerait.com](mailto:cmitchell@styerskemerait.com)