



NORTH CAROLINA PUBLIC STAFF UTILITIES COMMISSION

12/05/2018

Ms. M. Lynn Jarvis, Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

Re: Docket No. SP-5640, Sub 0 North Carolina Renewable Power-Lumberton, LLC Review of Proposed Revisions to Multi-Fuel Calculations

Dear Ms. Jarvis:

On October 18, 2018, as amended on November 30, 2018, North Carolina Renewable Power-Lumberton, LLC (NCRP-Lumberton, or the Applicant) filed a memorandum updating the Commission of the fuel mixture at its facility in Robeson County, North Carolina (the Facility). The Applicant stated that it is currently testing and planning to use the waste from renderings or processing of poultry products (Press Cake) as a fuel source which, consistent with the Commission's April 24, 2018, Order in Docket No. SP-100, Sub 33 qualifies as poultry waste for purposes of N.C. Gen. Stat. § 62-133.8(f). The Applicant states that the higher energy content of the Press Cake compared to the woody biomass it will displace will result in an increase in the output of Poultry renewable energy certificates (RECs) from the Facility, while the tonnage of fuel consumed remains the same.

The Public Staff and NCRP-Lumberton have engaged in discussions regarding the proposed methodology to calculated the energy production associated with each type of fuel at the Facility to ensure that the methodology complies with the requirements of Appendix C of the NC-RETS Operating Procedures (Documentation Requirements for Multi-fuel Generation Projects) and with Commission Rule R8-67(g)(4). During the course of its review, the Public Staff evaluated whether the methodology: (1) utilizes adequate testing and sampling systems to determine and verify the BTU content, and the amount of each fuel type used by the Facility; (2) properly accounts for all metered electric and thermal generation data; and (3) utilizes the appropriate measurements to ensure that the Facility earned renewable energy certificates (RECs) based only upon the energy derived from renewable energy resources in proportion to the relative energy content of the various fuel types used.

The Public Staff believes that the methodology used to calculate the amount of RECs derived from each fuel source for both electrical and thermal energy generation is satisfactory. The Public Staff

Executive Director	Communications	Economic Research	Legal	Transportation
733-2435	733-2810	733-2902	733-6110	733-7766
Accounting	Consumer Services	Electric	Natural Gas	Water
733-4279	733-9277	733-2267	733-4326	733-5610

Recommends the Commission accept the multi-fuel methodology and thermal energy calculations proposed by the Applicant.

I certify that a copy of this letter has been served on the individuals or businesses shown above by e-mail. If necessary, please contact me at 919-715-7847 or Evan.Lawrence@psncuc.nc.gov.

Regards,

Evan Janvance

Evan Lawrence Utilities Engineer – Electric Division

cc: John Colucci – NCRP-Lumberton, LLC Katherine Ross – Parker Power Adams & Bernstein, LLP M. Gray Styers, Jr. – Fox Rothschild LLP