

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. EMP-91, SUB 0  
DOCKET NO. SP-5640, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of North Carolina Renewable	) ORDER AMENDING CPCN,
Power-Lumberton, LLC for Amended	) ACCEPTING REGISTRATION
Certificate of Public Convenience and	) AND APPROVING METHOD OF
Necessity for a 35-MW Biomass Electric	) CALCULATING PORTIONS OF
Generating Facility and Registration as a	) BIOMASS FUEL AND THERMAL
New Renewable Energy Facility	) ENERGY

BY THE COMMISSION: On March 27, 2015, North Carolina Renewable Power-Lumberton, LLC (Applicant or NCRP-Lumberton) and Lumberton Investments 1, LLC (Lumberton Investments) filed a petition in Docket Nos. EMP-85, Sub 0 and EMP-91, Sub 0. The petition requested that the Commission approve the transfer to the Applicant of a 35-MW coal-fired electric generating facility located in Lumberton, Robeson County, North Carolina, and the associated certificate of public convenience and necessity (CPCN) granted to Lumberton Investments in Docket No. EMP-85, Sub 0.

The CPCN for the Lumberton facility was initially granted to Cogentrix of North Carolina, Inc., in Docket No. SP-16, Sub 0 by Commission Order dated January 12, 1984. The facility was built as a cogeneration facility that was a qualifying facility under the Public Utility Regulatory Policies Act of 1978. Over the years, the CPCN was transferred several times to various Cogentrix affiliates and others. However, the Lumberton facility ceased generating electricity in 2009. The petition stated that the Applicant is retrofitting the Lumberton facility to use poultry waste and woody biomass as fuel, and that the Applicant intends to seek registration of the facility as a new renewable energy facility by the Commission and certification as a qualifying facility by the Federal Energy Regulatory Commission.

On April 28, 2015, the Commission issued an Order approving the change in ownership and the transfer of the CPCN for the Lumberton facility from Lumberton Investments to the Applicant. The transfer was made subject to previously imposed restrictions that the owner of the facility and CPCN does not have the status of a private condemnor with the power of eminent domain under North Carolina law and that the approval of the change in ownership and the transfer of the CPCN is conditioned upon the owner abstaining from attempting to exercise any power of eminent domain.

On April 24, 2015, the Applicant filed a verified application requesting that the Commission amend the CPCN to authorize the Lumberton facility to burn a biomass

resource mix of wood waste (wood biomass), and poultry waste combined with wood shavings, straw, rice hulls or other bedding materials (poultry litter). In addition, the Applicant requests that the Commission approve the Applicant's proposed methodology, as set forth in detail in the application, for determining the amount of energy, including useful thermal energy, and the renewable energy certificates (RECs) that will be produced by burning the wood biomass and poultry litter. The Applicant states that it plans to sell the output of the Lumberton facility and a portion of the RECs to Duke Energy Progress, Inc. Further, the Applicant filed a registration statement requesting that the Commission accept registration of the Lumberton facility as a new renewable energy facility. Finally, the Applicant requests that the Commission transfer the CPCN and registration for the Lumberton facility to a Small Power (SP) docket.

On May 7, 2015, the Public Staff filed a statement describing the Public Staff's review of NCRP-Lumberton's amendment to CPCN, registration statement, and NCRP-Lumberton's proposed methodology and testing and sampling systems for determining and verifying the amount and energy content, including useful thermal energy, produced by the wood biomass and poultry litter to be used by NCRP-Lumberton at its Lumberton facility. In summary, the Public Staff recommends that the Commission accept the methods proposed by NCRP-Lumberton for calculating the portions of wood biomass and poultry litter, the associated RECs to be produced by each type of fuel, and the amount of thermal energy to be produced. In addition, the Public Staff recommends that the Commission amend the CPCN, accept the registration of NCRP-Lumberton's facility as a new renewable energy facility, and transfer the CPCN and registration to a Small Power docket.

Based on the foregoing and the record, the Commission concludes that there is good cause to amend the CPCN to allow the Applicant to burn at its Lumberton facility a biomass resource mix of biomass wood and poultry litter, and to approve the Applicant's proposed methodology for determining the amount of energy, including useful thermal energy, and the RECs that will be produced by burning the wood biomass and poultry litter. Further, the Commission finds good cause to accept the registration of the Lumberton facility as a new renewable energy facility, to transfer the CPCN and registration to a new docket, Docket No. SP-5640, Sub 0, and to close Docket No. EMP-91, Sub 0. In addition, the Commission concludes that NCRP-Lumberton should be required to annually file the information required by Commission Rule R8-66 on or before April 1, and will be required to participate in the NC-RETS REC tracking system (<http://www.ncrets.org>) in order to facilitate the issuance of RECs.

IT IS, THEREFORE, ORDERED as follows:

1. That the application filed by NCRP-Lumberton to amend the CPCN for its Lumberton facility to allow the facility to burn a biomass resource mix of biomass wood and poultry litter is hereby approved.
2. That the amended CPCN for NCRP-Lumberton's facility is attached hereto as Appendix A.

3. That the methodology proposed by NCRP-Lumberton for determining the amount of energy, including useful thermal energy, and the RECs that will be produced by burning the wood biomass and poultry litter is hereby accepted.

4. That the registration statement filed by NCRP-Lumberton for its Lumberton facility as a new renewable energy facility is hereby accepted.

5. That NCRP-Lumberton shall annually file the information required by Commission Rule R8-66 on or before April 1.

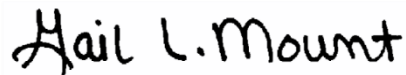
6. That the application, orders and other filings in Docket No. EMP-91, Sub 0 shall be transferred to Docket No. SP-5640, Sub 0.

7. That the Chief Clerk shall close Docket No. EMP-91, Sub 0.

ISSUED BY ORDER OF THE COMMISSION.

This the 20<sup>th</sup> day of May, 2015.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Gail L. Mount". The signature is written in a cursive, flowing style.

Gail L. Mount, Chief Clerk

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. SP-5640, SUB 0

North Carolina Renewable Power-Lumberton, LLC  
2100 South Bridge Parkway, Suite 585  
Birmingham, Alabama 35209

is hereby issued this

**CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
PURSUANT TO G.S. 62-110.1**

for a wood waste and poultry litter electric and thermal energy generating facility  
with a nameplate capacity of 35 MW

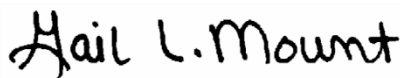
located at 1866 Hestertown Road, Lumberton, Robeson County, North Carolina,

subject to the reporting requirements of G.S. 62-110.1(f), Commission Rule R8-63,  
the requirement that the Commission must be notified in writing of any plans  
to sell, transfer, or assign ownership of the generating facility and certificate,  
and all orders, rules, regulations and conditions as are now or may  
hereafter be lawfully made by the North Carolina Utilities Commission,  
including those requirements set forth in the Commission Order of  
May 27, 2009, in Docket No. EMP-19, Sub 0. This certificate  
does not grant its holder the power of eminent domain.

ISSUED BY ORDER OF THE COMMISSION.

This the 20<sup>th</sup> day of May, 2015.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Gail L. Mount". The signature is written in a cursive, flowing style.

Gail L. Mount, Chief Clerk