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March 27, 2024

Ms. A. Shonta Dunston  
Chief Clerk  
NC Utilities Commission  
430 N. Salisbury Street  
Room 5063  
Raleigh, NC 27603-5919

Re: In the Matter of Application of Albemarle Beach Solar, LLC for a Certificate of Public Convenience and Necessity to Construct an 80-MW Solar Facility in Washington County, NC  
NCUC Docket EMP-103, Sub o  
***Motion To Withdraw Proposed Amendment, Lift Stay, and Amend CPCN***

Dear Ms. Dunston:

On behalf of Albemarle Beach Solar, LLC (“Albemarle Beach” or “Applicant”), we herewith submit Applicant’s ***Motion To Withdraw Proposed Amendment, Lift Stay, and Amend Certificate of Public Convenience and Necessity***. Supporting testimony and exhibits will be filed under separate cover.

We further request that the Commission enter an Order reflecting the following procedural schedule, which the Public Staff has agreed to:

- Within 45 days of this submission, Public Staff to provide responsive Testimony;
- Within two weeks following receipt of Public Staff’s responsive Testimony, Applicant to provide Reply Testimony;
- Evidentiary Hearing, if required, to be scheduled at the Commission’s earliest convenience.

A Pennsylvania Limited Liability Partnership



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Please do not hesitate to contact me if you have any questions concerning this submission.

Thank you for your assistance.

Sincerely,

*/s/ Benjamin L. Snowden*

Ben Snowden

pbb

Enclosure

Copy to: Parties and Counsel of Record  
NC Public Staff

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NOS. EMP-103, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	
Application of Albemarle Beach	)	MOTION TO WITHDRAW
Solar, LLC, for a Certificate of	)	PROPOSED AMENDMENT,
Public Convenience and	)	LIFT STAY, AND AMEND
Necessity to Construct an 80-MW	)	CERTIFICATE OF PUBLIC
Solar Facility in Washington	)	CONVENIENCE AND
County, North Carolina	)	NECESSITY

NOW COMES Applicant Albemarle Beach Solar, LLC (“Albemarle Beach” or “Applicant”), by and through the undersigned counsel, and respectfully requests that the North Carolina Utilities Commission (“Commission”) (1) deem the application for an amended Certificate of Public Convenience and Necessity (“CPCN”) filed in this docket on January 21, 2020, withdrawn; (2) lift the stay of proceedings entered in this docket on October 20, 2020; and (3) amend the CPCN to permit an increase in the maximum alternating current (AC) capacity of the Facility to 140 megawatts (MW). The Applicant has not changed and does not plan to change the physical layout (including the number of acres used for the project), the number of solar panels used, or the electrical configuration of the facility. This increase in capacity can be accomplished by changing the plant controller settings at the Facility to raise the limits on AC export that are imposed by the Facility’s equipment. This increase in maximum export has been studied and approved by PJM Interconnection and Virginia Electric and Power Company, and has also determined to have no impact on the Duke Energy Progress (“DEP”) system. Allowing the requested change will have no financial or other impact on North Carolina ratepayers.

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Mar 27 2024

This Motion is supported by the Supplemental Prefiled Testimony of witnesses Kenny Habul and Jason Hathcock, filed this same day.<sup>1</sup>

In support of its motion, Applicant states the following:

#### BACKGROUND

1. On September 21, 2015, Applicant filed an application for a CPCN to construct an 80 MW AC solar facility in Washington County in docket no. SP-6476, Sub 0. On November 29, 2018, the Commission issued an Order Transferring Record, Closing Docket, and Finding Application Incomplete. That order opened the instant docket, to which the Application and related proceedings were transferred.

2. Applicant filed an interconnection request with PJM Interconnection on April 30, 2015. The request was assigned queue number AA2-178. Applicant entered into an Interconnection Construction Service Agreement (ICSA) and an Interconnection Service Agreement (ISA) with PJM with an effective date of March 19, 2018, which allowed the Facility to interconnect to the PJM system with a maximum output of 80 MW AC.

3. On July 15, 2019, a Recommended Order Issuing Certificate was issued by the Commission, which granted a CPCN for the construction of an 80 MW AC solar generation facility as a merchant plant, subject to the conditions therein stated.

4. On January 21, 2020, Albemarle Beach filed a request to amend the CPCN (the "Proposed Amendment") to: (1) add additional parcels of land to the original project footprint, enabling it to construct more panels (which would increase the DC rating of the

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<sup>1</sup> Mr. Hathcock's testimony also includes updates to certain information included in the original and amended CPCN applications.

project) in a possible, future second phase of the project (which was never effected); and  
(2) increase the AC capacity of the project from 80 MW to 140 MW.

5. On June 22, 2020, the Public Staff filed a letter stating that it had found the application for the Proposed Amendment to be deficient, and stating that “in consideration of the magnitude of the proposed changes” to the Facility, the Public Staff recommended that the Applicant be required to file a complete amended application. The Public Staff further recommended that the Applicant be required to file accompanying testimony, including testimony regarding the need for the requested additional capacity and the cost of any required system upgrades.

6. In an order issued on August 13, 2020, the Commission determined the application for the Proposed Amendment to be incomplete and directed the Applicant to provide additional information regarding network upgrades or affected system upgrades triggered by the facility, as well as the applicant’s offtake plans.

7. On October 15, 2020, the Applicant filed a Motion to Stay Proceedings, which requested that all activities in this docket be stayed until further order of the Commission. Applicant’s request was based in part on the fact that PJM studies of the proposed facility change had not been completed and would not be available before an indefinite date in 2021.

8. On October 20, 2020, the Commission issued an Order staying all proceedings in this docket.

9. The Facility achieved Substantial Completion, within the footprint of the approved site plan, on May 31, 2021.

PJM Study of AC Capacity Increase

10. On May 2, 2016, Applicant filed a request to PJM to study an increase in AC injection capability from the Facility from 80 MW to 140 MW. This request was assigned PJM queue no. AE2-034.

11. PJM completed studies of the requested capacity increase and entered into a revised Interconnection Service Agreement (“Revised ISA”) with Applicant, with an effective date of July 27, 2023.<sup>2</sup> As indicated in the Revised ISA, PJM concluded that it could safely accommodate a capacity increase up to 140 MW AC without causing impacts to its system that would require the construction of any additional Upgrades. When it tendered the Revised ISA to the Applicant, PJM did not indicate that any affected system studies might be required before Facility could safely increase its maximum AC output to 140 MW AC.

12. In reliance on PJM’s approval for the increase in AC capacity in July 2023, Applicant adjusted the maximum AC capacity settings on the Facility’s plant controller from 80 MW to up to 140 MW. This change did not require any physical modification to the Facility.

13. This increase in the Facility’s AC capacity was studied and approved by PJM. However, the SunEnergy1 personnel who were at that time responsible for compliance with North Carolina regulatory requirements did not appreciate that any increase in the Facility’s AC capacity would require notice to this Commission as no land nor equipment was added to the project, and did not file such notice.

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<sup>2</sup> The Revised ISA is included as **Exhibit C** to Mr. Hathcock’s Supplemental Direct Testimony.

14. Applicant identified the need to seek an amendment to its CPCN allowing a change in AC capacity in December 2023, in connection with proceedings related to modifying the CPCN for Aulander-Holloman Solar, another merchant solar project formerly under common ownership with Albemarle Beach Solar. After identifying the need to amend its CPCN, Applicant changed the settings on the Facility's plant controller to limit output to the authorized capacity of 80 MW AC, unless and until the Commission approves an amendment to its CPCN.

15. In the process of preparing this request for an amendment, the Applicant reviewed the most recent list of Affected System Studies filed by DEP in Commission Docket No. E-100, Sub 170. Duke's February 1, 2024, report stated that an affected system study for queue no. AE2-034 (the Albemarle Beach uprate) was "underway." Because prior Orders of this Commission (including the Order Determining Amended Application to be Incomplete filed in this docket on August 13, 2020) have expressed interest in and concern regarding the possibility that a merchant facility in PJM might trigger reimbursable Upgrades on DEP's system, the Applicant determined not to apply for an amendment until it was clear what Upgrades, if any, on DEP's system might be triggered by AE2-034.

16. Applicant reached out to DEP directly regarding the potential affected system study, and was informed that Applicant would need to submit a request for an Affected System Study agreement before DEP would initiate the study. The Applicant submitted a request on February 13, 2024.

17. On March 7, 2024, DEP informed the Applicant that DEP had completed a "screening" of AE-034 (as well as numerous other PJM projects that were flagged as

potentially affecting the DEP system), and had determined that no affected system study is necessary.

18. Based on the communications received from DEP, the Applicant can safely increase its AC capacity to 140 MW AC without causing any impacts to DEP's system or triggering any affected system upgrades.

REQUEST TO WITHDRAW PROPOSED AMENDMENT,  
LIFT STAY, AND AMEND CPCN TO AUTHORIZE INCREASE IN AC CAPACITY

19. At the present time, the Applicant has no plan to pursue the changes to the layout of the Facility reflected in the Proposed Amendment sought in 2020. The Facility has been fully constructed and its as-built layout is consistent with the site map that was filed in support of the existing CPCN for the Facility.<sup>3</sup> Accordingly, the Applicant respectfully requests to withdraw the Proposed Amendment filed on January 21, 2020.

20. However, PJM has now completed the Interconnection studies required for the Facility to safely inject up to 140 MW AC of energy onto the grid. This work has not involved any construction or other activities that would increase the environmental impacts of the Facility or otherwise result in any impacts on adjacent landowners.

21. The existing DC capacity and original design of the Facility is 150.49 MW DC. This configuration increases the capacity factor of the Facility, but results in energy being "clipped" (i.e., lost) when the panels are generating more than 80 MW DC. Increasing the AC capacity of the Facility will result in less energy being clipped and will increase the overall output of the Facility without expanding the area of the project, doing additional construction, adding equipment, or otherwise incurring additional costs.

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<sup>3</sup> The current site map for the Facility was filed on April 11, 2019.



22. PJM has concluded its study of the proposed increase in injection capability of the Facility from 80 MW AC to 140 MW AC, and has concluded that the increase can be accommodated without triggering the need for any Upgrades to its system. The July 2023 ISA gives Applicant the right to inject up to 140 MW AC onto PJM's system.

23. The Capacity Increase also will not cause any impacts to DEP or any other system.

24. The Applicant has performed levelized cost of transmission (LCOT) calculations for the Capacity Increase. As discussed in the Prefiled Supplemental Testimony of Jason Hathcock filed herewith, the Capacity Increase does not trigger any Upgrade costs or Affected System Upgrade costs, and the LCOT of the incremental increase in capacity is \$0/MWh. In fact, by increasing the projected generation of the Facility, the Capacity Increase will *decrease* the LCOT of the Facility as a whole from \$0.49/MWh to \$0.42/MWh.

25. There is demonstrated need for the additional generation that would be facilitated by increasing the AC capacity of the Facility. As detailed in Mr. Hathcock's testimony, the Applicant has entered into a long-term power purchase agreement ("PPA") with a commercial offtaker who is purchasing the entire output of the Facility. The current PPA offtaker may purchase the additional energy, or the Applicant may sell it into the PJM market. Demand for energy (and renewable energy) in PJM is strong and has been growing even stronger as load increases.

26. Authorizing the Facility to increase its AC capacity from 80 MW to 140 MW (a) would allow the Applicant to generate and sell more energy, for which there is immediate demand; (b) would not cause any adverse impacts to PJM, DEP, or any other

system; (c) would not result in any costs being allocated to North Carolina ratepayers; and (d) would not increase the environmental or other impacts of the Albemarle Beach Facility. For these reasons, Applicant respectfully submits that permitting this change would be consistent with the public convenience and necessity.

For the foregoing reasons, Applicant respectfully requests that the Commission issue an Order amending the CPCN issued in this docket on July 15, 2019, to increase the authorized capacity of the Facility from 80 MW to 140 MW AC.

Respectfully submitted this the 27th day of March, 2024.

/s/ Ben Snowden  
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**CERTIFICATE OF SERVICE**

I certify that I have served a copy of the foregoing Motion on all parties of record in accordance with Commission Rule R1-39, by United States mail, postage prepaid, first class; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 27th day of March, 2024.

Electronically submitted,

/s/ Benjamin L. Snowden