

1 PLACE: Via Videoconference
2 DATE: Monday, November 16, 2020
3 TIME: 7:00 p.m. - 7:18 p.m.
4 DOCKET NO: EMP-102, Sub 1
5 BEFORE: Hearing Examiner Kathryn Cooper, Presiding
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11 IN THE MATTER OF:
12 Application of Pitt Solar, LLC
13 for a Certificate of Public Convenience
14 and Necessity to Construct a 150-MW Solar
15 Facility in Pitt County, North Carolina
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A P P E A R A N C E S:
FOR PITT SOLAR, LLC:
Joseph W. Eason, Esq.
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4140 Parklake Avenue, Suite 200
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FOR THE USING AND CONSUMING PUBLIC:
Gina C. Holt, Esq.
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Raleigh, North Carolina 27699-4300

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T A B L E O F C O N T E N T S

E X A M I N A T I O N S

LAWRENCE WATTS

Direct Examination by Ms. Holt 9

Cross Examination by Mr. Eason 13

E X H I B I T S

Identified / Admitted

No exhibits of record

1 P R O C E E D I N G S

2 HEARING EXAMINER COOPER: Good evening.
3 Let's come to order, please, and go on the record. My
4 name is Kathryn Cooper. I'm a Staff Attorney with the
5 Commission and I'm serving as the Hearing Examiner
6 tonight in this hearing.

7 I now call for hearing Docket Number
8 EMP-102, Sub 1, In the Matter of the Application of
9 Pitt Solar, LLC, formally known as Bethel NC 11 Solar,
10 LLC, for a Certificate of Public Convenience and
11 Necessity to Construct a 150-megawatt Solar
12 Photovoltaic Electric Generating Facility, to be
13 located east of North Carolina Highway 11 South and
14 north of North Carolina Highway 30, in the Town of
15 Bethel in Pitt County, North Carolina, and to be
16 operated as a merchant generating facility.

17 On August 10, 2020, Bethel NC 11 Solar, LLC,
18 filed an Application for a Certificate of Public
19 Convenience and Necessity along with the prefiled
20 testimony of Linda Nwadike - and I may not have her
21 name right, pronounced correctly - and her exhibits
22 were filed as well, some of which contain confidential
23 information.

24 On August 19th, 2020, the Public Staff filed

NORTH CAROLINA UTILITIES COMMISSION

1 a notice required by Commission Rule R8-63(d) with
2 respect to the completeness of the Application filed
3 by the Applicant.

4 On October 5th, 2020, Staff of the
5 Commission's Chief Clerk's Office filed a letter -- a
6 copy of the letter sent to the State Clearinghouse
7 notifying the Clearinghouse of the Application. In
8 addition, the Commission issued its Order Scheduling
9 Hearings, Requiring Filing of Testimony, Establishing
10 Procedural Guidelines, and Requiring Public Notice.

11 On October 16, 2020, the Applicant filed
12 supplemental prefiled testimony of Linda Nwadike, some
13 of which also contained confidential information.

14 On October 23rd, 2020, the Applicant filed a
15 notice of name change, and motion to amend the
16 Application from the original name of Bethel NC 11
17 Solar, LLC, to the new legal name of the Applicant,
18 Pitt Solar, LLC. The Commission hereby acknowledges
19 the name change, and has changed the caption and the
20 docket accordingly.

21 On October 26th, 2020, the Public Staff
22 filed a motion for extensions of time, seeking an
23 extension of time until November 12th, 2020, to file
24 its direct testimony and exhibits, and an extension of

1 time until November 25th, 2020, for the Applicant to
2 file its rebuttal testimony and exhibits.

3 On October 30th, 2020, the Commission issued
4 an Order granting the extensions of time and canceling
5 the expert witness hearing scheduled for December 3rd,
6 2020.

7 On November 12th, 2020, Pitt Solar, LLC,
8 filed its Affidavit of Publication of the notice of
9 public witness hearing, which had been published in a
10 newspaper having general circulation in Pitt County,
11 once a week for four successive weeks, on
12 October 14th, October 21st, and October 28th, 2020,
13 and also on November 4th, 2020.

14 On November 12th, 2020, the State
15 Clearinghouse filed its comments concerning the
16 Application.

17 In addition, on November 12th, 2020, the
18 Public Staff filed the testimony of Dustin R. Metz,
19 Utilities Engineer, Electric Section, Energy Division,
20 Public Staff - North Carolina Utilities Commission.

21 And in compliance with the State Government
22 Ethics Act, I remind all members of the Commission of
23 their duty to avoid conflicts of interest, and note at
24 this time that no member of the Commission has a

1 conflict of interest with respect to the matter before
2 us this evening.

3 So I will now call for appearances of
4 counsel, beginning with the Applicant. Mr. Eason.

5 MR. EASON: Thank you, Ms. Cooper. My name
6 is Joe Eason. I'm with the Raleigh Office of Nelson,
7 Mullins, Raleigh and Scarborough. And I'm appearing
8 today and have appeared since the original filing of
9 the Application on behalf of the Applicant, Pitt
10 Solar, LLC. And attending with me is an officer of
11 that entity, Director of Planning, Linda Nwadike, is
12 also present.

13 HEARING EXAMINER COOPER: Ms. Holt.

14 MS. HOLT: Good evening. I'm Gina Holt with
15 the Public Staff here on behalf of the Using and
16 Consuming Public.

17 HEARING EXAMINER COOPER: Before we begin
18 with the testimony, I would like to say a few words
19 about the process that we will use tonight. I
20 appreciate members of the public calling in to voice
21 your views on this important matter, and we welcome
22 your testimony.

23 Because the Commission functions as a court,
24 the Commission cannot respond to any questions that

1 may be raised at this hearing, but I am here tonight
2 on behalf of the Commission to listen, to hear from
3 the public, and to receive evidence in the form of
4 your testimony.

5 Please note that a recording of this hearing
6 and the transcript will be available to the
7 Commissioners on this panel who will decide this
8 matter before them.

9 As far as the logistics this evening, when
10 the Public Staff calls your name, you will be unmuted
11 and I will affirm you for your testimony. Then the
12 court reporter will record all of this, so please be
13 sure to speak as clearly and as slowly as you can.

14 Once you have completed your testimony, the
15 attorney for each party and I may have further
16 questions for you. These questions are not intended
17 to challenge you or embarrass you, but they are to
18 make sure that everyone understands the testimony that
19 you are giving. We will generally give you five
20 minutes for your testimony, and that time will start
21 when you begin making your statement, not when you are
22 being affirmed.

23 Ms. Holt, will you please call your first
24 witness?

1 MS. HOLT: Yes. The Public Staff calls
2 Mr. Lawrence Watts.

3 MR. WATTS: I'm right here.

4 HEARING EXAMINER COOPER: Okay. Good
5 evening, Mr. Watts. I'm going to affirm you now.

6 LAWRENCE A. WATTS, JR.;
7 having been duly affirmed,
8 testified as follows:

9 THE WITNESS: Can you hear me?

10 HEARING EXAMINER COOPER: Yes, I can hear
11 you. And we're back with Ms. Holt right now.

12 DIRECT EXAMINATION BY MS. HOLT:

13 Q Mr. Watts, good evening. Could you please state
14 your name and your address for the record?

15 A My name is Lawrence A. Watts, Jr., and I live at
16 204a Hickory Street, Greenville, North Carolina.

17 Q Thank you. And you have a statement to make
18 tonight?

19 A I beg your pardon.

20 Q And you would like to make a statement tonight?

21 A Yes, I would like very much to make a statement
22 tonight.

23 Q Please proceed.

24 A Are you ready to receive it?

1 Q Yes, I am.

2 A May I start now?

3 Q Yes, you may start.

4 A The solar plant builders are not required to have
5 their building plans and specifications approved
6 by the County or the State Government. After
7 they get their building permits they are free to
8 shop around for the least expensive, lowest
9 quality, solar panels and minimize -- and
10 maximize their project on the construction phase
11 of the project.

12 Number two, it has been a practice
13 that a solar plant has the 100 percent solar
14 plant capacity in the plant's name. This
15 insinuates the plant can generate 100 percent
16 capacity. Since the fuel source for a solar
17 plant is sunshine, it is physically impossible
18 for a solar plant to produce electricity
19 100 percent of the time. This is a false
20 statement.

21 Number three, the law requires
22 that the generating company pay the receiving
23 company the receiving company's avoided cost.
24 The avoided cost is the receiving company's

1 selling price less the profit. So the avoided
2 cost is absolutely the lowest possible cost they
3 could get for the solar plant's electricity.

4 It just so happens that in North
5 Carolina, during the years that I was in the
6 power business, Duke Power Company had the lowest
7 production cost in the nation. We never could
8 understand how Duke could generate electric power
9 on a less cost than we did. And I still look at
10 this - avoided cost - as an invitation for solar
11 developers to come to North Carolina and flood
12 the North Carolina market, because our avoided
13 cost is the lowest in the nation right now.

14 It is proven in other states that
15 this particular phenomenon makes the cost of
16 electric power go up at the residential rate or
17 at the consumer's rate. Our residential power in
18 North Carolina is among the lowest in the
19 country. If we continue to build solar plants,
20 it's expected that our consumer cost -- our
21 consumer rates for electric power will increase
22 rapidly.

23 When I made this pitch before, I
24 didn't get this much time. As a matter of fact,

1 I didn't get any time at all, and now I'm just
2 having a good time telling you things.

3 But the county commissioners have
4 a great appreciation for the property tax a solar
5 farm pays them each year. Very few county
6 commissioners know this property tax has been
7 given an 80 percent discount from the tax rate
8 others must pay.

9 Do you think this is a fair thing
10 to do to those taxpayers in these counties?

11 (Pause)

12 Can you still hear me?

13 MS. HOLT: Yes. We can hear you, Mr. Watts.

14 HEARING EXAMINER COOPER: We can hear you,
15 Mr. Watts. You have one more minute.

16 A Local government agencies go to great lengths to
17 make sure the solar plant does not violate local
18 zoning laws or any other laws. But none of the
19 effort is given to advising the landowner the
20 damage that's going to take place on his land.
21 And these areas where solar farms are built have
22 to be treated severely to cut down on vegetation
23 growth and wild animal production. And it has
24 been -- it's been estimated that the poisons that

1 are spread on solar farm land will never be good
2 for anything that you could grow in any time in
3 the future. In other words, the land that's
4 under the solar farm is going to be a desert
5 wasteland. And if you have 1000 acres on a solar
6 farm, it's going to be 1000 acres wasteland when
7 it's over. That's all I have.

8 MS. HOLT: Thank you.

9 HEARING EXAMINER COOPER: Thank you,
10 Mr. Watson (sic). There may be some questions for
11 you, so if you could hold on for a minute.

12 Mr. Eason, did you have any questions for
13 Mr. Watts?

14 MR. EASON: I just wanted to clarify
15 something for the record, Ms. Cooper.

16 CROSS EXAMINATION BY MR. EASON:

17 Q Mr. Watts, can you hear me?

18 A I can hear you.

19 Q Okay. My name is Joe Eason. I just wanted to
20 confirm, it sounds like your concerns that you've
21 expressed apply generically to all solar farms
22 and not this specific project or this specific
23 Applicant; is that right?

24 A That is correct.

1 MR. EASON: Thank you. That's the only
2 thing I wanted to clarify.

3 Thank you, Ms. Cooper.

4 HEARING EXAMINER COOPER: Thank you,
5 Mr. Eason.

6 Ms. Holt, did you have any questions for
7 Mr. Eason -- I'm sorry, for Mr. Watts?

8 MS. HOLT: No, I don't. But the Public
9 Staff intends to follow up after the hearing with
10 Mr. Eason, tomorrow.

11 HEARING EXAMINER COOPER: All right. Thank
12 you very much.

13 And so, Mr. Watts, thank you so much for
14 your time tonight. The Commission does not have any
15 questions for you, and we thank you for your time.
16 And if you would like to get a copy of the recording
17 it will be in the docket on the Commission's website
18 as an audio recording and as a transcript. If you
19 have any questions, you can contact the Public Staff
20 about getting a copy of the transcript.

21 And are there any further --

22 A Yes. I would --

23 HEARING EXAMINER COOPER: Did you have any
24 questions?

1 A Yes. I'd like to hear the other people who are
2 speaking.

3 HEARING EXAMINER COOPER: You're the only
4 person speaking tonight.

5 A Well, I'm disappointed. I thought there would be
6 others. But I thank you very much for this
7 opportunity. I really do appreciate it.

8 HEARING EXAMINER COOPER: Well, we really do
9 thank you for your time and for your concern.

10 (The witness is excused)

11 HEARING EXAMINER COOPER: And are there any
12 further procedural matters before us by the parties?
13 Ms. Holt?

14 MS. HOLT: No, we have nothing --

15 MR. WATTS: When I did -- when I did this
16 before I could understand every word you said.
17 Tonight, I'm getting so much static between us that I
18 can very hardly understand what you're saying.

19 HEARING EXAMINER COOPER: When you get
20 the --

21 MR. WATTS: I hope you have been able to
22 understand --

23 HEARING EXAMINER COOPER: We've been able to
24 understand what you're saying.

1 MR. WATTS: I'll be anxious to get the
2 transcript.

3 HEARING EXAMINER COOPER: Okay.

4 MR. WATTS: Thank you very much.

5 HEARING EXAMINER COOPER: Thank you.

6 And, Mr. Eason, did you have any procedural
7 matters?

8 MR. EASON: No, Madam Hearing Examiner, I do
9 not.

10 HEARING EXAMINER COOPER: Seeing none, I
11 thank you all for your time. This hearing is
12 concluded.

13 (The proceedings were adjourned)

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C E R T I F I C A T E

I, KIM T. MITCHELL, DO HEREBY CERTIFY that
the Proceedings in the above-captioned matter were
taken before me, that I did report in stenographic
shorthand the Proceedings set forth herein, and the
foregoing pages are a true and correct transcription
to the best of my ability.

Kim T. Mitchell

Kim T. Mitchell
Court Reporter