

August 17, 2018

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

**RE: DOCKET NO. G-9, SUB 726**  
*Application of Optima TH, LLC for Approval to Participate in Pilot Program in*  
*Docket No. G-9, Sub 698*

Dear Ms. Jarvis:

We hereby submit this **Supplemental Information and Request for**  
**Approval of Receipt Interconnect Agreement in DOCKET NO. G-9, SUB 726**  
on behalf of Optima TH, LLC in the above-referenced docket.

If you have any questions or comments regarding this filing, please do not  
hesitate to call me.

Thank you in advance for your assistance.

Very truly yours,

  
/s/Deborah K. Ross

skb

Enclosure

cc: Parties of Record

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-9, SUB 726

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	
Application of Optima TH, LLC for	)	Supplemental Information
Approval to Participate in Pilot Program	)	and Request for Approval of
in Docket No. G-9, Sub 698	)	Receipt Interconnect Agreement

**BACKGROUND**

1. On July 12, 2018, Optima TH, LLC (“Optima TH” or the “Applicant”) filed an Application for Approval to Participate in the Pilot Program created by the North Carolina Utilities Commission’s Order Approving Appendix F and Establishing Pilot Program in Docket No. G-9, Sub 698 issued on June 19, 2018 (the “Order”) (“Application”) and respectfully requested that the Commission expeditiously approve Optima TH’s participation in the pilot program.
2. On July 13, 2018, the Public Staff filed a letter in this Docket stating that they have no objection to Optima TH’s application to participate in the pilot program.
3. On August 8, 2018, Duke Energy Carolinas, LLC and Duke Energy Progress, LLC filed a letter in this Docket in support of the pilot program stating that Duke Energy currently has a supply agreement with Optima KV and has no objection to Optima TH’s application to participate in the pilot program.
4. On August 13, 2018, Smithfield Foods filed a letter in this Docket supporting Optima TH’s application for participation in the pilot program.

5. Optima TH indicated in the Application that it was in final contract negotiations with Piedmont.
6. Since Optima TH's initial filing in this Docket, Optima TH and Piedmont Natural Gas Company, Inc. ("Piedmont") have agreed to terms for a Receipt Interconnect Agreement ("Agreement") for the construction of new natural gas distribution lines and facilities to receive Alternative Gas supplies from Optima TH. This Agreement is confidential in nature, and is a propriety trade secret under N.C. Gen. Stat. § 132-1.2. As a proprietary trade secret, the Agreement has been filed separately under seal in this Docket.

Optima TH respectfully requests that the Commission approve both its Application and the Agreement at the Commission's earliest convenience. In support of this request, Optima TH hereby submits the following to the Commission.

**REQUEST FOR APPROVAL OF RECEIPT INTERCONNECT  
AGREEMENT**

7. Optima TH and Piedmont have agreed on the terms of the Agreement and have made provisions in the Agreement for future changes to Appendix F, the pilot program and the Order. Specifically, the Agreement provides that it shall only be effective upon approval of the Commission and for so long as the Commission authorizes the delivery of Alternative Gas to Piedmont by Optima TH, and also provides that the gas quality specifications applicable to the Agreement will be those ultimately approved by the Commission in Docket No. G-9, Sub 698.
8. The Agreement requires Commission approval in the same manner that the agreements for the two projects currently in pilot program were approved by the Commission in Docket No. G-9, Sub 699 and Docket No. G-9, Sub 701.

9. Before Optima TH can sell its Alternative Gas and provide information and data sought by the Commission for the pilot program, natural gas lines and facilities must be constructed to allow the Alternative Gas to flow through Piedmont's facilities to the user of natural gas. This construction process can take more than a year.
10. In order to have a project that is operational and gathering information early within the three (3) year pilot program, it is essential that the natural gas lines and facilities are operational as quickly as possible.
11. Optima TH has invested considerable time, energy and resources in the project in anticipation of construction. Further delay of this project will not only inure to the financial detriment of Optima TH, but to subcontractors, vendors and other businesses in North Carolina.
12. The proposed Agreement is in the public interest.

### CONCLUSION

With this submission of the proposed Agreement, the only impediment to commencing the Optima TH project is the Commission's authorization to proceed. For all of these reasons, Optima TH respectfully requests that the Commission approve both its Application and the proposed Agreement at the Commission's earliest convenience.



## CERTIFICATE OF SERVICE

This is to certify that the undersigned has this day served the foregoing

**Supplemental Information and Request for Approval of Receipt Interconnect**

**Agreement in DOCKET NO. G-9, SUB 726** upon all parties of record by electronic mail as follows:

Christopher Ayers, Esq.  
Executive Director – NC Public Staff  
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This the 17<sup>th</sup> day of August, 2018.

  
Deborah K. Ross