

**PREFILED SUPPLEMENTAL REPLY TESTIMONY OF
MICHAEL STANTON
ON BEHALF OF AMERICAN BEECH SOLAR LLC
NCUC DOCKET NO. EMP-108, SUB 0**

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

A. My name is Michael Stanton. I am Senior Vice President with BayWa r.e. Solar Projects LLC (“BayWa Solar”), located at 18575 Jamboree Road, Suite 850 in Irvine, CA 92612. I have served BayWa in this capacity since May 2021.

Q. ARE YOU THE SAME MICHAEL STANTON WHO PROVIDED TESTIMONY IN THIS PROCEEDING ON MAY 24, 2022?

A. I am.

Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL REPLY TESTIMONY?

A. The purpose of my testimony is to respond to the Third Supplemental Testimony of Jay B. Lucas on behalf of the Public Staff, filed in this docket on June 27, 2022.

Q. WHAT RECOMMENDATION DOES MR. LUCAS MAKE WITH RESPECT TO AMERICAN BEECH’S CPCN APPLICATION?

A. Mr. Lucas recommends that the Commission approve American Beech’s application for a CPCN, subject to several conditions.

Q. DOES THE APPLICANT ACCEPT THE PUBLIC STAFF’S PROPOSED CONDITIONS?

A. Yes, with two clarifications. First, Mr. Lucas’s fourth proposed condition is that American Beech “shall file a copy of any executed Affected System Operating Agreement with

1 the Commission at the same time such filing is made at the Federal Energy Regulatory
2 Commission[.]” As stated in my supplemental testimony, American Beech does not anticipate
3 entering into an Affected System Operating Agreement (“ASOA”). If American Beech were to
4 enter into an ASOA, it could and would comply with the proposed condition and file that ASOA
5 with the Commission prior its being filed with FERC. Edgecombe Solar LLC (“Edgecombe
6 Solar”), which is not an affiliate of American Beech, has entered into an ASOA with DEP (“the
7 Edgecombe ASOA”). The Edgecombe ASOA, which was discussed in my Supplemental
8 Testimony, was filed with this Commission in docket no. E-100, sub 170 on May 6, 2022.

9 Second, Mr. Lucas’s fifth proposed condition is that “If at any time the Applicant seeks
10 reimbursement for any interconnection facilities, network upgrade costs, affected system costs, or
11 other costs required to allow energization and operation of the Facility, the Applicant shall notify
12 the Commission no later than 60 days before seeking reimbursement.” As stated in my direct
13 testimony, American Beech does not contemplate seeking reimbursement pursuant to a contract
14 with PJM, DEP, or any other utility for costs of the kind described by Mr. Lucas. However,
15 Edgecombe Solar is entitled to receive reimbursement of payments made for the DEP Upgrades
16 under its ASOA with DEP, and American Beech expects to receive a share of any such
17 reimbursement as described further below. It is my belief that this testimony provides sufficient
18 notice to the Commission regarding American Beech’s intentions regarding reimbursement. If at
19 any time American Beech were to seek reimbursement from PJM, DEP, or any other utility other
20 than as described herein, American Beech would promptly notify the Commission of its intent to
21 do so.

1 **Q. PLEASE DESCRIBE AMERICAN BEECH'S AGREEMENT WITH**
2 **EDGECOMBE SOLAR RELATING TO AFFECTED SYSTEM UPGRADE COSTS.**

3 A. American Beech is in the final stages of negotiating contracts with Edgecombe
4 Solar and certain of its affiliates regarding sharing the cost of funding the DEP Upgrade (as defined
5 and described further in my Supplemental Testimony). Under these agreements, American Beech
6 will commit to funding a share of the cost of the DEP Upgrades and will have the right to receive
7 a proportional distribution of any reimbursement for the cost of those DEP Upgrades that is
8 provided under the ASOA.¹ Edgecombe Solar will continue to be the party obligated to DEP to
9 fund the DEP Upgrade Costs pursuant to the Edgecombe ASOA. The transaction described above
10 is intended to fairly allocate the cost of funding the DEP Upgrade Costs between the projects in
11 the AC1 cluster that will benefit from the construction of the DEP Upgrade.

12 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

13 A. Yes.

¹ Although Edgecombe Solar will continue to be the obligated party under the ASOA, the agreements contemplate that Edgecombe Solar will assign the right to receive reimbursement from Duke to an affiliated company, which will provide a proportional distribution of that reimbursement to American Beech.

CERTIFICATE OF SERVICE

This is to certify that the undersigned has this day served the foregoing **PREFILED SUPPLEMENTAL REPLY TESTIMONY OF MICHAEL STANTON** upon the following by electronic mail as follows:

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This 14th day of July, 2022.

/s/ _____

Benjamin L. Snowden