PREFILED SECOND SUPPLEMENTAL TESTIMONY OF DONNA ROBICHAUD ON BEHALF OF SWEETLEAF SOLAR LLC

NCUC DOCKET NO. EMP-111, SUB 0

1	INTRODUCTION		
2	Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.		
3	A. My name is Donna Robichaud. I am senior vice president of development		
4	strategy for Geenex Solar LLC ("Geenex Solar") based in Charlotte, North Carolina. The		
5	company's address has changed to 1000 NC Music Factor Blvd, Suite – C3, Charlotte, NC		
6	28206.		
7	Q. ARE YOU THE SAME DONNA ROBICHAUD WHO CAUSED TO		
8	BE FILED PREFILED DIRECT TESTIMONY IN THIS MATTER ON JUNE 2,		
9	2020, AND SUPPLEMENTAL TESTIMONY ON AUGUST 11, 2020 ("2020		
10	SUPPLEMENTAL TESTIMONY")?		
11	A. I am.		
12	Q. WHAT IS THE PURPOSE OF THIS SUPPLEMENTAL DIRECT		
13	TESTIMONY?		
14	A. My testimony is intended to provide additional information related to		
15	updated interconnection studies received for the proposed Sweetleaf Solar facility ("the		
16	Facility").		
17	Q. PLEASE LIST THE LATEST INTERCONNECTION STUDIES		
18	RECEIVED FOR THE PROPOSED FACILITY.		
19	A. Sweetleaf Solar has received the following studies:		

1	0	Generation Interconnection System Impact Study ("SIS") Report for
2		PJM Generation Interconnection Request Queue Position AD1-056/57
3		("June 2022 SIS Report") (Attachment A). Previous SIS reports were
4		received in December 2019, December 2021, and March 2022. The
5		December 2019 and December 2021 reports were filed with the
6		Commission in this docket. Per the Commission's directives, the March
7		2022 Rev 2 and Rev 3 reports are included as Attachment B and
8		Attachment C respectively, although the results are no longer valid.
9		The June 2022 SIS Report supersedes the previous retooled SIS reports.
10	0	Affected System Study for Cluster AD1 by Duke Energy Progress LLC
11		("DEP") (Apr. 5, 2021), which was filed in this docket on May 27, 2021.
12	0	Affected System Study for Cluster AD1 by Duke Energy Progress LLC
13		(Sept. 9, 2021) (Revision 1) ("September 2021 Affected System
14		Study"), included as Attachment D.
15	0	Affected System Study for Cluster AD1 by Duke Energy Progress LLC
16		(June 8, 2022) (Revision 2) ("June 2022 Affected System Study"),
17		included as Attachment E.
18	Sweetleaf	Solar is one of the earliest-queued active projects in the Dominion
19	territory of PJM	without an executed Interconnection Service Agreement ("ISA"). As a
20	result, Applicant	does not expect any further retools of the SIS due to previously queued
21	projects withdraw	ving from the PJM queue.

SHARED NETWORK UPGRADES IN THE JUNE 2022 SIS REPORT?

A. Yes. There are four Network Upgrades identified in the report, although Sweetleaf has cost responsibility for three of them. Sweetleaf Solar is allocated all or a portion of the Upgrade identified as n6618, n6223 and n6114. Another upgrade on which Sweetleaf relies, n6118, was funded by previously queued projects. All upgrades may need to be in-service prior to Sweetleaf Solar reaching commercial operation.

Table 1: PJM Network Upgrades identified in June 2022 SIS Report

Network	Descriptions	Cost
Upgrade		(\$M)
n6118	Replace Battleboro substation terminal equipment.	0.1
n6618 ¹	Split the 115 kv bus at Hathaway substation. Rebuild line #55 (Tarboro-Anaconda) and close the tie switch between Line 55 & 80. Line #1001 is open at Battleboro thus making Line #1001 radial from Chestnut Substation.	14.074
n6223 ¹	Rebuild 12.8 miles of 230 kV line 2056 from AD1-057 Tap to Hathaway	31.66
n6144	Rebuild 20.32 miles of 230 kV line 218 from Everetts to Greenville	40.35

¹ Network Upgrade may be replaced with a Baseline or Supplemental Upgrade.

Compared to the Upgrade costs described in my 2020 Supplemental Testimony, the allocated Network Upgrade costs for Sweetleaf Solar increased from \$29,882,913 to \$82,962,766. This is a result of cost estimate increases for Network Upgrades (n6223 & n6144), a new Network Upgrade (n6618) that is expected to replace and Affected System Network Upgrade and the full allocation of a Network Upgrade (n6144) instead of a partial allocation.

N6618, a Network Upgrade to which Sweetleaf Solar contributes, is the second step required to address an overload on the DEP side of the Rocky Mt.-Battleboro line (although the upgrade is to Dominion's system, not DEP's). The first step involves upgrades to the DEP system (specifically, DEP's Rocky Mt.-Battleboro 115 kv tie-line), which are the

Pre-filed Second Supplemental Testimony	y of Donna Robichaud
	Sweetleaf Solar LLC
	EMP-111, Sub 0

subject of an Affected System Operating Agreement recently entered into by DEP and Edgecombe Solar in May 2022.¹ Unlike the rebuilding of the Rocky Mt.-Battleboro 115 kV tie-line, n6618 is on the PJM system and designed to route flow away from the Dominion-DEP tie-line, rather than increase the capacity of the line. Since it is part of the PJM system, there is no cost allocation to DEP's ratepayers.

Q. DO YOU KNOW OF ANY POTENTIAL CHANGES THAT COULD REDUCE SWEETLEAF'S SOLAR'S NETWORK UPGRADE COST ALLOCATION?

A. Yes. It is possible that Network Upgrade n6618 and n6223 will be incorporated in a Supplemental (also known as a Baseline) Upgrade, meaning the Upgrade is required for reliability purposes, whether or not Sweetleaf Solar interconnects. In a June 2021 presentation, Dominion identified a reliability need that could drive this upgrade.² If the solution for this reliability need incorporates the n6618 and n6223 Upgrade and it is approved, the cost will be borne by a subset of PJM ratepayers pursuant to PJM's Open Access Transmission Tariff ("OATT").

Q. DOES THE PROPOSED PJM QUEUE REFORM IMPACT SWEETLEAF SOLAR?

A. PJM's Queue Reform proposal will result in minimal impacts to Sweetleaf

¹ See Duke Energy Progress, LLC's Notice of Affected System Operating Agreement, Docket No. E-100, Sub 170 (May 6, 2022).

² See page 5 and 6. PJM's June, 2021 TEAC presentation. https://www.pjm.com/-/media/committees-groups/committees/teac/2021/20210608/20210608-item-04-dominion-supplemental.ashx

Solar because projects such as Sweetleaf Solar that are in AD2 and prior clusters are grandfathered into the current process. The only expected change is the limit to cost allocation of Network Upgrades above \$5 million to projects in AD2 and prior clusters. Projects in AE1 and later clusters and will no longer receive cost allocations for those upgrades.

Q. DO YOU EXPECT TO RECEIVE ANY FURTHER INTERCONNECTION STUDIES OR AGREEMENTS?

A. Yes. The Project anticipates receiving a Facilities Study Report, ISA, and Construction Service Agreement in September 2022. The Facilities Report and these agreements will identify with more precision the timing of the PJM Network Upgrades required for Sweetleaf but will not change the nature or estimated cost of those Network Upgrades.³ Sixty days after receiving the ISA, Applicant will be required to provide security and execute the ISA to remain in the queue. Sweetleaf Solar will file these reports and agreements with the Commission upon receiving them from PJM.

Q. PLEASE CALCULATE THE LEVELIZED COST OF TRANSMISSION (LCOT) FOR ANY REQUIRED TRANSMISSION SYSTEM UPGRADES OR MODIFICATIONS FOR THE PROJECT.

A. The Applicant has prepared LCOT calculations based on the allocated cost of Network Upgrades provided in the June 2022 SIS Report. If Sweetleaf Solar is the only project that funds n6223 and n6144, the LCOT for allocated Network Upgrade is \$19.54/ MWh. The Applicant's LCOT analysis is detailed in **Confidential Attachment F.**.

³ PJM may update cost estimates for Attachment Facilities in the ISA.

Regardless of the LCOT, the Project would bear the cost of these Network Upgrades, which would not be reimbursed by PJM or Duke and would not be passed on to Duke ratepayers.

The Applicant has also prepared LCOT calculations for Affected System Upgrades on DEP's system that may be triggered by Sweetleaf Solar. These are discussed below.

- Q. ARE YOU AWARE OF ANY SYSTEM OTHER THAN THE STUDIED SYSTEM THAT IS OR WILL BE AFFECTED BY THE INTERCONNECTION OF THE PROJECT? IF SO, EXPLAIN THE IMPACT AND BASIS.
- A. Yes, Sweetleaf Solar contributes to an overload on DEP portion of the Everetts-Greenville 230 kv tie-line between Dominion as described in the June 2022 Affected System Study (Attachment E).⁴

The DEP0003 Upgrade originally included reconductoring two miles of 230 kV Everetts-Greenville line, upgraded disconnect switches and CT ratios for a total cost of \$10 million. See Attachment D. However, in the June 2022 Affected System Study, Duke states that the rebuilding of the Everetts-Greenville line is required due to the age and condition of the line, and that the rebuild is tentatively scheduled to be completed by June 2027 (though that in-service date is subject to change depending upon DEP's construction sequencing priorities for its transmission plan). June 2022 Affected System Study at 4. Reconductoring the line to a higher capacity (as required to alleviate the impacts caused by the AD1 projects) can only be performed during that condition-based rebuild, but the incremental cost of the rebuild is only \$350,000.

 $^{^{\}rm 4}$ See page 20 of the June 2022 SIS Report.

According to Duke, if a generator developer would like an earlier or firm in-service date for the Everetts-Greenville rebuild, the Interconnection Customer would be responsible for paying expediting costs of the rebuild, plus the larger conductor cost.

Q. HAS PJM IDENTIFIED ANY OTHER PROJECTS THAT CAUSE IMPACTS TO DEP'S PORTION OF THE EVERETTS-GREENVILLE 230 KV LINE, OR THAT MAY BE ALLOCATED COSTS TO UPGRADE THAT LINE?

A. Yes, PJM identified up to three projects that could impact DEP's Everett's-Greenville 230 kv as indicated below. While PJM initially identifies which projects in their interconnection queue potentially impact DEP's system, DEP generally allocates the full cost of an Affected System Upgrade to a single project through an Affected System Operating Agreement ("ASOA") in accordance with their procedures. DEP only works with one project to fund the Affected System Upgrades and has allowed a project other than the first to cause to voluntarily fund the Affected System Network Upgrade.

The Macadamia Solar project, which is also being developed by Geenex Solar, is negotiating with Duke regarding an ASOA to fund the DEP0003 Upgrade.⁵ Sweetleaf Solar may enter into a side agreement with Macadamia Solar under which it would agree to fund a proportional share of costs incurred under the ASOA.

Q. WILL DEP RATEPAYERS BEAR THE COST OF THOSE AFFECTED SYSTEM UPGRADES?

A. No. As detailed in my Second Supplemental Prefiled Testimony filed in Macadamia Solar's CPCN docket (no. EMP-119, Sub 0) on May 25, 2022, Macadamia

⁵ Macadamia Solar has applied for a CPCN in docket no. EMP-119, Sub 0.

Solar is seeking to negotiate an ASOA with DEP to fund that DEP Upgrade, without reimbursement from DEP ratepayers. Macadamia Solar has also agreed to accept a condition on its CPCN barring it from seeking reimbursement for costs incurred under that ASOA. Although it will have no rights under any ASOA between Macadamia and DEP, Sweetleaf Solar would nonetheless agree to a similar condition.

Q. HAVE YOU PREPARED LCOT CALCULATIONS FOR THIS AFFECTED SYSTEM UPGRADE?

A. Yes, I have prepared LCOT calculations for the Everetts-Greenville Affected System Upgrade. According to the June 2022 Affected System Study, the estimated incremental cost of the Everetts-Greenville 115 kV Upgrade is \$350,000. The total capacity of the three projects in the AD1 cluster that contribute to the need for the upgrade (Sumac, Macadamia, and Sweetleaf Solar) is 658 MW. Based on this capacity and the estimated cost of the upgrade, I have calculated an LCOT of \$.01/MWh. If only the capacity of Sweetleaf Solar and Sumac Solar were considered, the LCOT would be \$0.04/MWh. Both of these LCOT figures well below the benchmark LCOT figures based on a Lawrence Berkeley National Laboratory (LBNL) Study cited by the Public Staff in prior testimony as indicative of reasonable upgrade costs, and previously relied on by the Commission in ruling on other merchant CPCN applications.

Q. DO YOU HAVE ANY RESPONSE TO THE CONCERNS RAISED
BY PUBLIC STAFF WITNESS LUCAS IN HIS SEPTEMBER 18, 2020
TESTIMONY REGARDING THE FACILITY AND OTHER MERCHANT
POWER FACILITIES IN DENC TERRITORY ON THEIR POTENTIAL

EFFECTS ON DEP?

A. I do. On page 5 of his testimony, Mr. Lucas articulated several concerns about merchant plant development in PJM. He testified that:

The Public Staff is concerned that (1) the large amount of solar capacity in PJM's North Carolina queue (over 6,600 MW) could trigger millions of dollars of affected system upgrades that DEP's customer would have to pay for but may not need for reliable electric service; (2) the Virginia Clean Economy Act could lead to more renewable energy facilities in Virginia near DENC territory, which would be above those facilities in the PJM's North Carolina queue, increasing the risk for more affected system upgrades for DEP; (3) DEP could build network upgrades that go unused for extended periods of time if some interconnection projects withdraw from the queue late in the review process; and (4) in order to accommodate future clusters, upgrades to accommodate an earlier cluster may need to be replaced with even greater transmission assets long before the end of their normal service life of 40 to 60 years, thereby resulting in stranded costs that would be borne by DEP's customers.

I would first note that Mr. Lucas's concerns, however legitimate, relate to the overall volume of merchant plant development in the region (including in Virginia) and have little or nothing to do with the question of whether the proposed Sweetleaf Solar facility is consistent with the public convenience and necessity.

Although Mr. Lucas raises important questions about the possible impacts of merchant plant development on DEP ratepayers, Sweetleaf Solar does not trigger any Upgrade on PJM or DEP's system that will be reimbursed by North Carolina ratepayers. Mr. Lucas's general concerns are therefore not applicable here.

I also believe that Mr. Lucas's concerns about DEP upgrades needing to be replaced are speculative. I have no reason to believe that DEP is planning upgrades that will soon need to be replaced, and there are several reasons to think that this will not occur in the foreseeable future. First, PJM's recently-announced queue reform proposal is likely to

significantly reduce the number of projects in the PJM queue, by increasing readiness requirements and financial commitments for interconnection customers. Second, even where new projects do cause impacts to DEP-Dominion tie lines, interconnection solutions may be developed to avoid adding load those lines, like the n6618 network upgrade listed above. Rather than increase the capacity of the tie-line to handle flow, this upgrade is intended to direct flow away from the tie-line, reducing the likelihood that additional upgrades will be needed to accommodate additional generation on the system. Third, the development of additional solar projects in DEP territory (which will likely be required to meet the decarbonization mandates of North Carolina H.B. 951) may result in additional power flows in DEP territory that will "push back" against flow from PJM, alleviating those tie-line constraints. In light of these factors I do not think it is reasonable to assume that additional merchant plant development in PJM's North Carolina territory will necessarily result in unreasonable impacts on North Carolina ratepayers.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

CERTIFICATE OF SERVICE

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

Christopher Ayers, Esq. Executive Director - NC Public Staff Chris.Ayers@psncuc.nc.gov

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This the 24th day of June, 2022.

/s/<u>Benjamin L. Snowden</u>

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ATTACHMENTS

A	Generation Interconnection System Impact Report For PJM Generation Interconnection Request Queue Position AD1-056/57 Rev 4 (June 2022)
В	Generation Interconnection System Impact Report For PJM Generation Interconnection Request Queue Position AD1-056/57 Rev 3 (March 2022)
С	Generation Interconnection System Impact Report For PJM Generation Interconnection Request Queue Position AD1-056/57 Rev 2 (March 2022)
D	DEP Affected System Study Report for the AD1 Cluster dated September 9, 2021 Rev 1 (September 2021 Affected System Study)
Е	DEP Affected System Study Report for the AD1 Cluster dated June 8, 2022 Rev 2 (June 2022 Affected System Study)
F	LCOT Analysis for Network Upgrades potentially required for Sweetleaf Solar Project and for Potential DEP Affected System Upgrades **CONFIDENTIAL**
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ATTACHMENT A

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PREFILED SECOND SUPPLEMENTAL TESTIMONY OF DONNA ROBICHAUD ON BEHALF OF SWEETLEAF SOLAR LLC

ATTACHMENT B

NCUC DOCKET NO. EMP-111, SUB 0

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ATTACHMENT C

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PREFILED SECOND SUPPLEMENTAL TESTIMONY OF DONNA ROBICHAUD ON BEHALF OF SWEETLEAF SOLAR LLC

ATTACHMENT D

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ATTACHMENT E

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ATTACHMENT F