## STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. SP-5273, SUB 0

### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Pecan Solar, LLC, for a	)
Certificate of Public Convenience and	)
Necessity to Construct a 74.9-MW Solar	) ORDER ISSUING CERTIFICATE
Facility in Northampton County, North	)
Carolina	)

BY THE COMMISSION: On March 30, 2015 (amended March 31, 2015), Pecan Solar, LLC (Applicant), filed an application seeking a certificate of public convenience and necessity pursuant to G.S. 62-110.1(a) for construction of a 74.9-MW<sub>AC</sub> solar facility to be located east and west of Bethel Church Road approximately 0.6 to 2 miles north of the intersection of Bethel Church Road and Highway 186 near Seaboard, Northampton County, North Carolina. The Applicant plans to sell the electricity generated by this facility to Dominion North Carolina Power (DNCP) or to other wholesale or retail customers where allowed.

On April 1, 2015, the Commission issued an Order Requiring Publication of Notice.

On May 5, 2015, the Applicant filed a verified certificate of service stating that the public notice and a copy of the application were provided to DNCP on April 1, 2015.

Contemporaneously with the certificate of service, the Applicant filed an affidavit of publication from The Daily Herald (Roanoke Rapids, North Carolina) stating that the publication of notice was completed on April 30, 2015. No complaints have been received.

On May 13, 2015, the State Clearinghouse filed comments. The comments included a letter from the Department of Agriculture and Consumer Services (DACS) dated April 22, 2015 which stated its general concern with the conversion of land from agricultural production to nonagricultural use, and the resulting impacts on agribusiness jobs and associated economic activity. The letter stated that the "total negative impact on the environmental and agribusiness economy will be proportionately related to the total acres of farm and forest land taken out of production." Because of the nature of the comments, however, the State Clearinghouse cover letter indicated that no further State Clearinghouse review action by the Commission was required for compliance with the North Carolina Environmental Policy Act.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on June 15, 2015. The Public Staff noted that Exhibit 3 of the Application

indicated that the Applicant "plans to sell the output pursuant to a negotiated Power Purchase Agreement to DNCP or one or more wholesale or retail customer in deregulated states that allow for such sales, or to sell the output in the PJM market." Pursuant to Commission Rule R8-64(b)(6)(i)(c), however, an applicant for a CPCN for a solar facility exceeding 25 MW<sub>AC</sub> in capacity must submit "[a] statement obtained by the applicant from the electric utility to which the applicant plans to sell the electricity to be generated setting forth an assessment of the impact of such purchased power on the utility's capacity, reserves, generation mix, capacity expansion plan, and avoided costs." The Applicant, therefore, requested a waiver of this requirement since it has not yet determined to what entity or entities the output of the facility will be sold.

The Public Staff indicated that it supports the Applicant's request for a waiver, both due to the uncertainty at this time of what entity the Applicant plans to sell the power, as well as the fact that DNCP's obligation under the Public Utility Regulatory Policies Act of 1978 to purchase energy and capacity from qualifying facilities (QFs) is limited to QFs with a net capacity of 20 MW or less. See Virginia Electric and Power Company, 124 FERC ¶ 61,045 (2008). Because DNCP does not have a mandatory purchase obligation for the output from this facility, requiring the utility to prepare a statement of this nature seems unnecessary unless DNCP ultimately does become the purchaser. The Public Staff, therefore, requested that the Commission require the Applicant, upon determining the entity or entities to which the output of the facility will be sold, to make a supplemental filing to provide this information to the Commission.

The Public Staff stated that it had reviewed the application and determined it to be in compliance with the requirements of G.S. 62-110.1(a) and Commission Rule R8-64. Therefore, the Public Staff recommended approval of the certificate and registration for the facility.

After careful consideration, the Commission finds good cause to approve the application and issue the attached certificate for the proposed solar photovoltaic electric generating facility.

### IT IS, THEREFORE, ORDERED as follows:

- 1. That the application of Pecan Solar, LLC, for a certificate of public convenience and necessity shall be, and is hereby, approved.
- 2. That the Applicant's request for a waiver from the requirements of Rule R8-64(b)(6)(i)(c) is granted, on condition that the Applicant make a supplemental filing with the Commission identifying the entity or entities to which the output of the facility will be sold, once that determination is made.

3. That Appendix A shall constitute the certificate of public convenience and
necessity issued to Pecan Solar, LLC, for the 74.9-MWAC solar photovoltaic electric
generating facility located east and west of Bethel Church Road approximately 0.6 to
2 miles north of the intersection of Bethel Church Road and Highway 186 near
Seaboard, Northampton County, North Carolina.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_17<sup>th</sup>\_\_\_ day of June, 2015.

NORTH CAROLINA UTILITIES COMMISSION

Paige J. Morris, Deputy Clerk

## STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. SP-5273, SUB 0

Pecan Solar, LLC 7804-C Fairview Road #257 Charlotte, NC 28226

is hereby issued this

# CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY PURSUANT TO G.S. 62-110.1

for a 74.9-MW<sub>AC</sub> solar photovoltaic electric generating facility

#### located

east and west of Bethel Church Road approximately 0.6 to 2 miles north of the intersection of Bethel Church Road and Highway 186 near Seaboard, Northampton County, North Carolina,

subject to all orders, rules, regulations and conditions as are now or may hereafter be lawfully made by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the 17<sup>th</sup> day of June, 2015.

NORTH CAROLINA UTILITIES COMMISSION

Paige J. Morris, Deputy Clerk

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