

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. RET-8, SUB 16

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of FLS Owner II, LLC, for) ORDER ACCEPTING REGISTRATION
Registration of a New Renewable) OF NEW RENEWABLE ENERGY
Energy Facility) FACILITY

BY THE COMMISSION: On September 9, 2011, as amended September 16, 2011, FLS Owner II, LLC (FLS), filed a registration statement pursuant to Commission Rule R8-66 for a new renewable energy facility located in Jacksonville in Onslow County, North Carolina. In its registration statement, FLS stated that its solar thermal facility, New River Officer Housing, would be comprised of individual solar thermal systems installed on 89 residences at the U.S. Marine Corps Camp Lejeune. FLS further stated that the systems comprising this facility became operational between February 28, 2011, and June 30, 2011.

The filing included certified attestations that: 1) the facility is in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources; 2) the facility will be operated as a new renewable energy facility; 3) FLS will not remarket or otherwise resell any renewable energy certificates (RECs) sold to an electric power supplier to comply with G.S. 62-133.8; and 4) FLS will consent to the auditing of its books and records by the Public Staff insofar as those records relate to transactions with North Carolina electric power suppliers.

In its September 16, 2011 filing, FLS addressed several concerns raised by the Public Staff regarding FLS's proposed methodology for meter sampling. FLS stated that it reviewed the systems and developed a representative sample, taking into account variations in slope, orientation, azimuth, mounting configuration and occupancy. FLS further stated that it would meter an even number of systems, such that no less than five percent (5%) of the total units would be sampled. Finally, FLS stated that each of the solar thermal systems are sized such that all of the hot water generated by the systems are expected to be consumed each day.

On November 18, 2011, the Public Staff filed the recommendation required by Commission Rule R8-66(e) stating that FLS's registration statements as a new renewable energy facility should be considered to be complete. No other party made a filing with respect to these issues.

Based upon the foregoing and the entire record in this proceeding, the Commission finds good cause to accept registration of FLS's metered solar thermal facility as a new renewable energy facility. Given the specific facts of this case, the Commission concludes that the sampling methodology proposed by FLS is appropriate and that the entire 89-panel solar thermal facility should be considered to be metered. Nothing in this Order shall set any precedent in any other docket; approval of sampling with regard to other solar thermal facilities will be considered on a case-by-case basis. FLS shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year. FLS will be required to participate in the NC-RETS REC tracking system (<http://www.ncrets.org>) in order to facilitate the issuance of RECs.

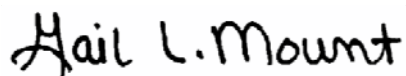
IT IS, THEREFORE, ORDERED as follows:

1. That the registration by FLS for its metered solar thermal facility, New River Officer Housing, located in Jacksonville in Onslow County, North Carolina as a new renewable energy facility shall be, and is hereby, accepted.
2. That FLS shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year.

ISSUED BY ORDER OF THE COMMISSION.

This the 22nd day of December, 2011.

NORTH CAROLINA UTILITIES COMMISSION



Gail L. Mount, Deputy Clerk