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May 15, 2019

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

**RE: *Pre-Filed Direct Testimony of Brian C. Bednar
In the Matter of Application for Certificate of Public Convenience and Necessity
for Friesian Holdings, LLC to construct a 70-MW Solar Facility
in Scotland County, North Carolina
Docket No. EMP-105, Sub 0***

Dear Ms. Jarvis:

On behalf of Brian C. Bednar and Friesian Holdings, LLC, we herewith submit Mr. Bednar's Pre-Filed Direct Testimony in the above referenced docket.

All exhibits referenced therein are the same as the exhibits attached to the Application for Certificate of Public Convenience and Necessity.

If you should have any questions concerning Mr. Bednar's Testimony, please do not hesitate to contact me.

A Pennsylvania Limited Liability Partnership

California Colorado Delaware District of Columbia Florida Georgia Illinois Minnesota
Nevada New Jersey New York North Carolina Pennsylvania South Carolina Texas Washington



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Thank you for your assistance with this filing.

Sincerely,

/s/ Karen M. Kemerait

Karen M. Kemerait

pbb

Enclosures

**BEFORE THE
NORTH CAROLINA UTILITIES COMMISSION
FRIESIAN HOLDINGS, LLC
DOCKET NO. EMP-105, SUB 0**

**PRE-FILED DIRECT TESTIMONY
OF
BRIAN C. BEDNAR**

May 15, 2019

1 **INTRODUCTION**

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

3 .A. My name is Brian C. Bednar. I am the President and Founder of Birdseye
4 Renewable Energy, LLC (“Birdseye”), an affiliate of the Applicant, Friesian
5 Holdings, LLC (“Friesian” or “Applicant”), and I am the Manager and Authorized
6 Agent of Friesian. Friesian is a domestic North Carolina limited liability company
7 that was formed on March 30, 2015 for the development of clean renewable energy
8 by use of solar. My business address is 1125 E. Morehead Street, Suite 202,
9 Charlotte, North Carolina 28204.

10 **Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL**
11 **EXPERIENCE.**

12 A. I obtained a Bachelor of Science degree in Business Administration from the
13 University of North Carolina-Chapel Hill and earned a Masters of Business
14 Administration Degree at the University of Virginia’s Darden School of Business.
15 My professional background is in agri-business, real estate brokerage, development
16 and property management. In 2015, I sold the real estate business and shifted my
17 entire focus to solar development.

18 **Q. PLEASE SUMMARIZE YOUR CURRENT RESPONSIBILITIES WITH**
19 **BIRDSEYE AND FRIESIAN.**

20 A. I serve as the chief executive of Birdseye. My day-to-day responsibilities are
21 generally managerial and strategic in focus. I focus on managing Birdseye’s

1 relationships with our financing partners, funding operations, and leading market
2 strategy for the company.

3 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?**

4 A. No.

5 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

6 A. To satisfy the requirements of Commission Rule R8-63 under which this
7 Application for a Certificate of Public Convenience and Necessity (“CPCN”) is
8 being requested.

9 **Q. PLEASE STATE THE PARENT COMPANY OF THE APPLICANT.**

10 A. Birdseye is the parent company of the Applicant. Birdseye is a greenfield solar
11 developer based in Charlotte, North Carolina that has built a track record of
12 successfully developing transmission and distribution-scale solar assets through a
13 combination of creativity, trusted utility relationships, and a meticulous project
14 management process. Birdseye leverages funding from Independent Power
15 Producers and regulated utilities to completion. Founded in 2009, Birdseye has
16 built a reputation for thorough execution of solar pipeline throughout the
17 Southeastern United States. The Birdseye team has developed 424 MWdc of
18 completed and operating utility-scale solar assets, along with a current development
19 pipeline consisting of over 2,000 MWdc.

20 **COMPANY BACKGROUND AND PROJECT FINANCE**

1 Q. PLEASE DESCRIBE THE COMPANY'S PERSONNEL, TECHNICAL
2 EXPERIENCE, AND FINANCIAL CAPABILITY TO OWN AND
3 OPERATE THE PROJECT.

4 A. Birdseye has successfully developed over thirty now-operating utility-scale solar
5 projects across North Carolina. Birdseye has already funded the primary
6 development tasks associated with the Friesian project, and is forming a partnership
7 to advance the project through the remaining development. Once "shovel-ready",
8 Friesian's construction and long-term operation will be financed by a combination
9 of Birdseye's tax equity, sponsor equity, and debt providers. The long-term
10 investors will be able to operate and maintain the project, as well as capture a
11 margin, by selling the output from the facility.

12 In addition to Brian Bednar, Friesian's professional team is as follows.

13 Peden Harris, Chief Operating Officer, joined Birdseye in 2012. He has
14 worked in the energy industry for over nine years. Prior to joining Birdseye, he
15 worked for Vestas Wind Systems in Oregon, Denmark, and Germany. Peden was
16 born and raised in Winchester, Virginia, and earned a Bachelor of Arts from
17 Rhodes College and a Masters of Business Administration from The Darden
18 School at the University of Virginia.

19 Eric Panicco, Director of Strategy, came to Birdseye from Wake Forest
20 University where he earned a Masters degree in Sustainability. While at Wake
21 Forest University, Eric focused on sustainable business practices as a graduate
22 consultant for two Fortune 500 companies. Prior to becoming involved in

1 renewable energy, Eric taught courses in Physics and Chemistry. He earned a
2 Bachelor's degree in Chemistry from Emory University.

3 Luke Rogers, Project Manager, graduated Summa Cum Laude with a
4 Bachelor's of Science in Chemistry from Furman University. After graduation,
5 he pursued his interest in solar energy and gained hands-on experience installing
6 PV on rooftops across South Carolina. Before joining Birdseye, he worked for a
7 private equity and consulting firm, Fundacion Chile, in Santiago, Chile. His
8 research focused on the challenges of integrating utility scale solar PV into
9 Chile's existing electric infrastructure.

10 Brooks Camp, Project Developer, earned a Bachelors in Science in Water
11 and Soil Science from the University of Georgia's Warnell School of Forestry and
12 Natural Resources. After working for the U.S. Geologic Survey, he earned dual
13 Masters Degrees from Appalachian State University in Appropriate Technology
14 and Building Science. He has worked in various sectors of the North Carolina
15 solar industry for the past five years, including as a member of Advanced Energy
16 Corporation's PV Distribution Interconnection Commissioning team, which
17 partnered with Duke Energy to ensure quality interconnection facilities on its
18 distribution grid.

19 In regard to the capability of Friesian and Birdseye to own and operate the
20 Friesian project, Birdseye's most recent balance sheet and income statement are
21 provided confidentially and under seal as Confidential Exhibit 2.

22 **Q. WHAT IS THE CONSTRUCTION TIMELINE FOR THE FACILITY?**

1 A. Construction for the project is expected to begin in the summer of 2023, and
2 commercial operation is expected to occur in December, 2023.

3 **Q. WHAT IS THE EXPECTED SERVICE LIFE OF THE FACILITY?**

4 A. The expected service life of the facility is twenty (20) years.

5 **Q. WHAT ARE THE ESTIMATED CONSTRUCTION COSTS FOR THE**
6 **FACILITY?**

7 A. The estimated construction costs are expected to be approximately One Hundred
8 Million Dollars.

9 **Q. DOES THE APPLICANT HAVE OWNERSHIP INTEREST IN AND/OR**
10 **THE ABILITY TO CONTROL GENERATING FACILITIES IN THE**
11 **SOUTHEASTERN ELECTRIC RELIABILITY COUNCIL REGION?**

12 A. Yes. The Applicant's affiliate, Birdseye, has ownership interest in and/or the ability
13 to control through leases or contracts numerous solar generating facilities in the
14 Southeastern Electric Reliability Council ("SERC") region. Please see a list of
15 generating facilities that Birdseye owns or controls through leases or contracts in
16 the SERC region attached hereto as Confidential Exhibit 3.

17 **SITE AND FACILITY DESCRIPTION**

18 **Q. WHERE IS THE PROJECT LOCATED?**

19 A. The project will be located on three parcels (identified as Scotland County Parcels
20 04019601060, 04019601018, and 040193A01001) located along Leisure Road,
21 north and south of Leisure Road's intersection with Academy Road, and southwest

1 of Laurinburg, County, North Carolina. The project will be in the location
2 described above and as shown in the color map attached Exhibit 4.

3 **Q. WHAT IS THE CURRENT LAND USE AND ANTICIPATED USE?**

4 A. The parcels for the project are currently being used for agricultural purposes.
5 Friesian will lease approximately 543.71 acres of the parent parcels (that total
6 approximately 965.89 acres) for the 70 MWac photovoltaic system that will
7 generate solar energy. The area that is not included in the leased area will continue
8 to be used for agricultural purposes. No additional right-of-way is needed for the
9 project. The project has a minimum setback of 40 feet in the front (road frontage),
10 10 feet in the rear, and 30 feet on all sides. Inverters for the project will be located
11 a minimum of 300 feet from the perimeter parcel line boundary and 150 feet interior
12 to the array, or 500 feet from the perimeter parcel line boundary. The color map
13 attached hereto as Exhibit 4 shows the setbacks.

14 **Q. WHAT IS THE FACILITY'S ANTICIPATED ELECTRICITY**
15 **PRODUCTION CAPACITY?**

16 A. The maximum gross power production capacity of the facility is 70 MW.

17 **Q. PLEASE DESCRIBE THE BASIC COMPONENTS OF THE FACILITY.**

18 A. Friesian is a 70-MW PV array, and the source of its power is solar energy. The
19 facility will consist of a single-axis tracking, ground mounted solar photovoltaic
20 system, and it will be comprised of approximately 290,000 PV solar modules
21 affixed to ground mounted racks supported on driven piles that will utilize thirty
22 (30) 2500 Kw inverters, generator step-up ("GSU") transformers, racking, posts,

1 wiring, utility poles, communication poles, security camera, collector station, and
2 accessories. A color map showing the proposed site boundary, layout with all major
3 equipment, roads, and electric facilities, and point of interconnection (“POI”) is
4 attached hereto as Exhibit 4.

5 **Q. PLEASE DESCRIBE THE TRANSMISSION FACILITIES TO WHICH**
6 **THE FACILITY WILL INTERCONNECT AND HOW THE PROJECT**
7 **WILL BE INTERCONNECTED TO THE GRID?**

8 A. The GSU transformers will connect the solar inverters to the newly constructed
9 34.5 kV collector station directly adjacent to the Duke Energy Progress, LLC
10 (“DEP”) Laurinburg-Bennettsville 230 kV transmission line. The facility will
11 connect to the POI via a single 230/34.5 kV wye grounded main power transformers
12 with a rating of 45/60/75 MVA. The POI will be located at the site-owned 230 kV
13 substation. A diagram showing the location of the 230 kV transmission line and
14 the POI substation is attached hereto as Exhibit 5. Friesian’s affiliate leases the
15 current parcel where the collector station will be located, which includes a right-of-
16 way easement for the DEP Laurinburg-Bennettsville 230 kV line. Therefore, no
17 additional right-of-way is needed.

18 The project is located on three parcels of land. The individual blocks of
19 tracker with solar modules will be connected through medium-voltage cable runs
20 through the parcels. These connections either will use overhead poles or buried
21 cable installed in culverts or via directional boring.

1 Friesian will be classified as a Distributed Network Resource (“DNR”) of
2 the North Carolina Electric Membership Corporation, Inc. (“NCEMC”).

3 DEP has presented to Friesian a Federal Regulatory Energy Commission
4 (FERC)-jurisdictional Interconnection Agreement. Friesian will enter into an
5 Interconnection Service Agreement and Interconnection Customer Agreement with
6 DEP (Queue No. Q380) on May 31, 2019.

7 The Network Integration Transmission Services Agreement (NITSA)
8 between DEP and the NCEMC will cover the power transfer costs between the two
9 entities. Once the purchase power agreement (“PPA”) between Friesian and the
10 NCEMC is executed, the NCEMC will begin the process of applying for DNR
11 status.

12 **NEED FOR THE FACILITY**

13 **Q. PLEASE EXPLAIN THE NEED FOR THE FACILITY.**

14 **A.** There is a need for the facility in the region, and Friesian and the NCEMC have
15 entered into an agreement for Friesian to sell the full output of the facility to the
16 NCEMC under a purchase power agreement (“PPA”). Friesian anticipates that the
17 PPA will be fully executed by the parties on or before May 31, 2019. The draft
18 PPA is filed confidentially and under seal as Confidential Exhibit 7.

19 Under North Carolina’s Renewable Energy and Energy Efficiency Portfolio
20 Standard (“REPS” or “Senate Bill 3”), investor-owned utilities in North Carolina
21 are required to meet up to 12.5% of their energy needs through renewable energy
22 resources or energy efficiency measures by 2021. Rural electric cooperatives and

1 municipal electric suppliers are subject to a 10% REPS requirement, which must
2 be met by 2018. G.S. § 62-133.8(8) defines solar as a renewable energy resource.
3 The Facility will provide a significant amount of RECS for use by the NCEMC to
4 demonstrate compliance with Senate Bill 3.

5 **REGULATORY APPROVALS AND PERMITS**

6 **Q. DOES THE SCOTLAND COUNTY ZONING ORDINANCE APPLY TO**
7 **THE FRIESIAN PROJECT?**

8 A. Yes.

9 **Q. PLEASE DESCRIBE THE PERMITS AND APPROVALS YOU**
10 **ANTICIPATE WILL BE NECESSARY TO COMMENCE**
11 **CONSTRUCTION OF THE FACILITY.**

12 A. On June 5, 2018, the Scotland County Board of Commissioners voted
13 unanimously to approve the Conditional Use Permit application, and issued the
14 Conditional Use Permit on that date. The Conditional Use Permit Order is
15 attached hereto as Exhibit 6(a). In addition to the Conditional Use Permit,
16 Scotland County will require that Friesian obtain a Building Permit and Electrical
17 Permit from the County.

18 From the State of North Carolina, the facility will require a driveway
19 permit from the North Carolina Department of Transportation, and approval of an
20 erosion and sedimentation control plan from the NC Department of
21 Environmental Quality (“NCDEQ”).

1 In regard to federal permits and approvals, a Phase I Environmental Site
2 Assessment was conducted for the project on January 11, 2019, and a Limited
3 NEPA Assessment was performed on May 30, 2018. On May 23, 2018, the US
4 Army Corps of Engineers (“USACE”) verified the wetland delineation for the
5 entire site. A copy of the Wetland Delineation dated June 8, 2018 is attached
6 hereto as Exhibit 6(b). Notice of Jurisdictional Determination of the wetlands on
7 the site dated June 11, 2018 is attached hereto as Exhibit 6(c).

8 Friesian has submitted Form 860 Annual Electric Generator Reports to the
9 Energy Information Administration on April 18, 2018 and December 31, 2018.

10 COMMUNITY

11 **Q. PLEASE DESCRIBE THE ANTICIPATED BENEFITS OF THE**
12 **FACILITY TO THE LOCAL COMMUNITY.**

13 **A.** The Friesian facility will bring a variety of financial benefits to Scotland County.
14 Friesian anticipates that the County will realize property and real estate tax
15 revenues. The site’s landowners will receive revenue in the form of lease
16 payments each year for the life of the facility, and this revenue will assist them in
17 maintaining agricultural operations on their land.

18 In addition to these financial benefits, Friesian will create community
19 benefits. Friesian will enhance the County’s reputation as an attractive and
20 friendly environment for advanced manufacturing, technology, and related jobs.
21 Local contractors and businesses such as installation, fencing, landscaping, and
22 machine rental companies will receive sales opportunities from the facility

1 construction and operations. During the approximately year-long construction
2 process, the facility will offer full-time construction jobs. Increased economic
3 activity in the area is also expected to increase revenue for local hotels,
4 restaurants, service stores, and other vendors.

5 **Q. WHAT ARE THE EXPECTED ENVIRONMENTAL IMPACTS OF THE**
6 **FACILITY?**

7 A. By design and by its nature as a solar PV facility, the facility will provide clean
8 renewable power with minimal environmental impacts. The facility will create no
9 air or water emissions or other environmental contamination, nor will it create any
10 noise impacts outside of the fence line. At the end of the facility's useful life,
11 materials can be recycled or sold for scrap, and the land can be returned to
12 agricultural use.

13 **Q. WHAT ARE THE LONG-TERM PLANS FOR OWNERSHIP OF THE**
14 **PROJECT?**

15 A. In the event of any change in ownership interest, the Applicant will notify the
16 Commission.

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

18 A. Yes.

19

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. EMP-105, Sub 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of the Application of
FRIESIAN HOLDINGS, LLC for a Certificate
of Public Convenience and Necessity

VERIFICATION

I, Brian C. Bednar, being duly sworn, do hereby declare that I am duly authorized to act on behalf of the Applicant, that I am familiar with the facts, have read the foregoing Pre-filed Direct Testimony and the matters and statements contained therein are true to the best of my personal knowledge.

This 15th day of May, 2019.



Brian C. Bednar

Sworn and subscribed to before me this 15th day of May, 2019.



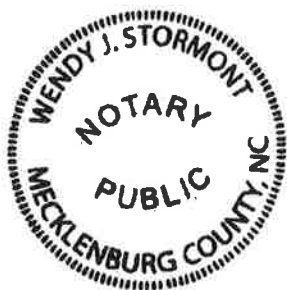
Notary Public (signature)

WENDY J. STORMONT

Name of Notary Public (written)

My Commission expires: June 9, 2020

[Notary Seal]





This 15th day



Brian C.

15th

June 9, 2020

