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FILED

FEB **26** 2020

Clerk's Office
N.C. Utilities Commission

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February 26, 2020

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell, Chief Clerk North Carolina Utilities Commission Dobbs Building 430 North Salisbury Street Raleigh, North Carolina 27603

Re: Application of Align RNG North Carolina, LLC, d/b/a Align Renewable

Natural Gas, for Approval to Participate in Piedmont Natural Gas

Company, Inc.'s Appendix F Pilot Program

Docket No. G-9, Sub 764

Dear Ms. Campbell:

Enclosed for filing in the above-referenced proceeding on behalf of Align RNG North Carolina, LLC, d/b/a Align Renewable Natural Gas ("Align RNG"), is its Response to Order Requesting Additional Information from Applicant and Public Staff Comments.

If you have any questions regarding this filing, please do not hesitate to call me. Thank you for your assistance with this matter.

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/s/Mary Lynne Grigg

MLG:kjg

Enclosure

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. G-9, SUB 764

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Align RNG North Carolina,)	RESPONSE TO ORDER
LLC, d/b/a Align Renewable Natural Gas,)	REQUESTING ADDITIONAL
for Approval to Participate in Piedmont)	INFORMATION FROM APPLICANT
Natural Gas Company, Inc.'s Appendix F)	AND PUBLIC STAFF COMMENTS
Pilot Program)	

On January 30, 2020, in the above-referenced docket, the North Carolina Utilities Commission ("Commission") issued its *Order Requesting Additional Information From Applicant and Public Staff Comments* ("Order"). In that Order, the Commission indicated that, after reviewing the application of Align RNG North Carolina, LLC, d/b/a Align Renewable Natural Gas ("Align RNG") in this matter, it required additional information about Align RNG's proposed Alternative Gas facilities. Align RNG hereby responds to the Commission's request below. Piedmont Natural Gas ("Piedmont") has provided input to this response, and Piedmont's counsel has stated concurrence with the response to Question 1 (pertaining to Piedmont's meters and facilities) and the responses to Question 2(a), (b), and (c).

1. The meters, other facilities, and methodologies by which Align RNG, Duke Energy Carolinas, LLC ("DEC"), and Duke Energy Progress ("DEP") will determine the quantity of Alternative Gas that DEC and DEP receive, and the renewable energy credits ("RECs") earned by DEC and DEP for use of the renewable gas.

Response: Piedmont will have a meter that measures the quantity of the renewable gas that is being injected into its pipeline by Align RNG. DEC and DEP will purchase

renewable gas from Align RNG at Piedmont's custody transfer meter. DEC and DEP will nominate the purchased renewable gas, and Piedmont Natural Gas will transport the purchased renewable gas, to a DEC- or DEP-owned combined cycle power plant in North Carolina. It is Align RNG's understanding that DEC and DEP will meter the purchased renewable gas at the respective combined cycle power plant. At the end of the respective month, the amount of purchased renewable gas as a percentage of the plant's total natural gas consumption will be calculated. Align RNG further understands that DEC and DEP will generate swine-RECs in accordance with this percentage in accordance with the North Carolina Renewable Energy and Energy Efficiency Portfolio Standard, N.C. Gen. Stat. § 62-133.8.

- 2. The physical details of the injection point(s) proposed by Align RNG, including:
 - (a) A description of all equipment that will be required.

Response: With regard to the Piedmont measurement facilities at the injection point, Piedmont will design, construct, install, own, operate, and maintain facilities including, but not limited to, gas monitoring equipment and telemetry, meters, regulators, valves, gas analyzers, odorization equipment, a corrosion coupon testing station, shut-in valves, separators, filters, tap facilities, pipeline, etc.

(b) Whether each injection site will be fenced and have other security protections.

Response: Piedmont's measurement facilities at each injection point will be fenced and secured through a locked point of entry accessible only by Piedmont employees.

(c) Whether each injection site will be staffed full-time and, if so, the details of the number of employees, their jobs, and by whom they will be employed.

Response: Piedmont's measurement facilities at each injection point will not be staffed.

(d) Whether other Alternative Gas suppliers will be offered use of the injection point facilities.

Response: Align RNG has arranged, in agreement with Piedmont, for sharing the injection point facilities with another renewable gas supplier as described in answer 7.

3. The details of Align RNG's plans for selling any portion of its Alternative Gas that is not sold to DEC and DEP, including:

Response: At this time, Align RNG is not contemplating selling any of its renewable gas to anyone other than DEC and DEP. However, Align RNG reserves the right to sell its alternative gas otherwise in accordance with any regulatory requirements.

(a) The name(s) of the potential buyers.

Response: N/A

(b) The facilities to be used in delivering Alternative Gas to the buyer(s).

Response: N/A

(c) Whether the buyer(s) will be end users of the Alternative Gas, or will re-sell

it to another entity.

Response: N/A

(d) The manner in which the price of the Alternative Gas will be determined.

Response: N/A

4. A detailed location description of the proposed injection point(s) for delivering Align RNG's Alternative Gas onto Piedmont's pipeline.

Response: IVO Coordinates: 35.0055, -78.1219

5. The size and operating pressure of Piedmont's pipeline at the proposed injection point(s).

Response: Provided by Piedmont Natural Gas filing of February 13, 2020 in this docket.

6. The current winter and summer volumes on Piedmont's line at the proposed injection point(s), and the direction of flow.

Response: Provided by Piedmont Natural Gas filing of February 13, 2020, in this docket.

7. In Paragraph No. 14, the application references an "additional receipt point" that is "shared with another Alternative Gas supplier." Explain the purpose of the additional receipt point, the circumstances in which it would be utilized by Align RNG, and how dual utilization with another Alternative Gas supplier would be coordinated.

Response: The purpose of the additional receipt point is to establish efficiencies in the interconnect process by sharing a common interconnect location, while maintaining operating independence. At this time, the arrangement includes utilizing shared M&R facilities that will be constructed and operated by Piedmont. Align RNG will deliver its Alternative Gas to Piedmont independently of any other Alternative Gas supplier.

8. State whether Align RNG and the farmers that it contracts with to supply Alternative Gas are willing to submit to the jurisdiction of the Commission and/or the Pipeline and Hazardous Materials Safety Administration to inspect and regulate the proposed 30 miles of gathering system pipeline for pipeline safety purposes.

Response: Align RNG is committed to the safe operation of the gathering system pipelines. Align RNG will comply with the requirements of N.C. Gen. Stat. § Chapter 87, Article 8A, "Underground Utility Safety and Damage Prevention Act." As such, Align RNG will join the North Carolina 811 Center and respond to locate requests accordingly. The entire gathering system will be locatable and pipeline markers will be installed to make the public, and potential excavators, aware that the pipelines are underground.

Align RNG's interpretation of 49 C.F.R. § 192.8 and the American Petroleum Institute's Recommended Practice 80 ("API RP 80") indicate that the gathering system

should not be subject to the jurisdiction of the Commission's Pipeline Safety Section. API RP 80 Section 2.2 defines gathering lines and 49 C.F.R. § 192.8(a) states "An operator must use API RP 80 (incorporated by reference, see § 192.7), to determine if an onshore pipeline (or part of a connected series of pipelines) is an onshore gathering line. The determination is subject to the limitations listed below. After making this determination, an operator must determine if the onshore gathering line is a regulated onshore gathering line under paragraph (b) of this section." Align RNG has assessed the requirements of paragraph (b) and determined that the proposed gathering line system does not meet the criteria of a "regulated onshore gathering line."

Respectfully submitted, this the 26th day of February, 2020.

/s/Mary Lynne Grigg

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing <u>Response to Order Requesting</u>

<u>Additional Information from Applicant and Public Staff Comments</u>, as filed in Docket No.

G-9, Sub 764, was served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 26th day of February, 2020.

/s/Kristin M. Athens

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