

6 Jun. 2021

DOCKET NO. E-2, Sub 1150

From: Oliver L. Canaday (O.L. Canaday) 713 Camellia Ave, Panama City, FL. 32404  
(In Accordance With (IAW))

→ To: Ms. Kimberly A. Campbell (Chief Clerk N.C. Utility Commission) [Attn: Chair Charlotte A. Mitchell]; 4325 Mail Service Center; Raleigh, N.C. 27603-4325  
(N. Salisbury St., Dobbs Building, Raleigh, N.C. 27603 – 5910)

Robert W. Kaylor, P.A.; 335 East Forks Road; Suite 260; Raleigh, N.C. 27609

N. Lorrin Freeman (DA of Wake County Superior Court); P. O. Box 31,  
Raleigh, N.C. 27602

Ref: (a) Docket No. E-2, Sub 1150 file (Record), Commission (assigned) docketed date of 14 Jul. 2017; [includes O.L. Canaday's violation (complaint) against Duke Energy Progress (DEP) violation of Commission Order of 14 Sept. 2020, docketed-in date of 25 Sept. 2020];

(b) O.L. Canaday's reply of 6 Nov. 2020, Subject Line furnished –Docket No. E-2, Sub 1150, IAW Commissions' assigned Docket No. to complaint of 14 Sept. 2020 (1150); -[Commission docketed this reply 4 Dec. 2020 in (closed) Docket No. E-2, Sub 1195 (1195 was closed o/a 3 Sept. 2019)], \*\*[DEP furnished (1<sup>st</sup>) use of Docket No. E-2, Sub 1195) in Response of 29 Sept. 2020 and (2<sup>nd</sup>) Response of 9 Dec. 2020,- both are a ploy for dismissal of DEPs' violation of Order in being related to a closed docket;

(c) G.S. 62-100. Definitions. "As used in this Article: (1) The term "begin to construct" includes any clearing of land,---,would adversely affect the natural environment of the route of a transmission line;"- - -etc.

(d) DoDD 5106.01, PL 97-252 & (USMC Gen. Order No. 3) Waste. Fraud, Abuse; Office IG, US DOD, 4800 Mark Center Drive, Alexander, VA. 22350-1500, and (must – CC copy to U.S. Attorney General, 950 Pennsylvania Ave., Washington, D.C. 20530 [ph. (202 353-1555), BRAC (PL 101-510) Independent Commission of (FY-21); \*[Considerations of operation & maintenance (O&M cost) of 230kV line o/a 11.5 miles v/s o/a 6.2 miles = higher-cost o/a 46% for (Line-Life) + annual/ biannual rate-increases over (Life of Line) o/a 70-years for 1.5+-million Rate-Payers (of which there are 5-DOD bases with electric utility bills paid with tax-dollars from all 50-states, and o/a 35% of personnel living off-base(s) with electric utility bills), \*[o/a - Active Duty/DOD Civ. -Ft. Bragg/Pope-AF = 75,700; Seymour Johnson AFB = 5,330; Cherry Point MCAS = 12,650; Camp LeJeune = 50,349; New River MCAS = 8,000; totals o/a 152,029 + estimated retirees/families in areas o/a 304,000; -O.L. Canaday is representing just self; -

and knowingly of what appears to be Waste, Fraud, Abuse of furnishing electric service over o/a 11.5 mile line v/s o/a 6.2 mile line over the life of line (o/a 70-years); \*[math demonstrates a shorter route cost o/a 46% less for (O&M); -construction cost in ROW & Danger Tree Rights is a one time cost to be recovered; -\*rate increases are driven by O&M cost related to: inflation; fuel; loss via Ohms Law (distance); salary/raises; contractor cost & chemical cost for ROW & Danger Tree Rights maintenance;- -etc.]  
 \*\*\*By observation - demonstrates -that rate increases are perpetual in life-of-line-service; & rate increase are paid by (all) o/a 1.5-million rate payers, which include DOD installations and military personnel living-off-base; \*\*[complete Docket records are furnished in N.C. Utility Commission Docket No. E-2, Sub 1150 and E-2, Sub 1195; (furnishes entire file/record for review of violations)];

- Encl: (1) DEPs' Response of 9 Dec. 2020, in matters related to DEPs' violation of Commissions' Order of 12 Jan. 2018 (written notice -be furnished landowners for option designating their land as no-spray), prior to starting construction);
- (2) Extract of Commissions' Order of 12 Jan. 2018, demonstrates Commissions' Order content violated - discovered o/a 14 Sept. 2020; and (discovered 4 Jun. 2021 DEPs' violation of Rule R8-62 in Certificate for CPCN of 12 Jan. 2018;
- (3) Extract - DEPs' application of 14 Jul. 2017 that demonstrate matters related to violation of Commissions' Order: -[DEP references - pursuant to Rule R8-62 requirements and contains Direct Testimony of DEP Engineer Timothy J. Same furnished in Hearing of 31 Oct. 2018];
- (3a) Commissions' **Rule R8-62,(p),(2),i.** ["Plans,- -of transmission lines,- - ,by this rule shall provide the following information on an annual bases not later than September 1:" "(2) For lines under construction, the following:" "i. date construction started";
- (3b) Commissions' **Rule R8-61**; (IAW Rule R8-62), this reference R8-61 furnishes requirements, via: R8-61(b),(3),(i),(iii),(viii);
- (3c) Commissions' **Rule R8-60**; (IAW Rule R8-62), this reference R8-60 purpose of this Rule is implement provisions of G.S.62-2(3a);- -etc.; with respect to least cost integrated resource planning by utilities in N.C.; and R8-60(b),(c),(e),(f), (g),- -etc. remaining sub-paragraphs related to least cost integrated planning;
- (3d) Extract of **G.S. 62-2**; (IAW Rule R8-60 – G.S. 62-2(3a) is referenced) –To assure resources necessary, to that end, to require energy planning and fixing rates to result in least coast, -which decreases utility bills;
- (4) (**FOIA**) via Public Staff of 19 Mar. 2019 demonstrates DEPs' withhold of acquisition of ROW (in construction cost) & no acquisition furnished for

Danger Tree Rights area) -[FOIA information are E-mail exchanges (Q and A) of o/a -15 Aug. 2017 –thru- 2 Oct. 2017], \*\*These E-mails are incomplete (no originators: send/receive accountable) \*\*needs/must ID for accountable and investigate], ---FOIA content furnishes (DEP & Public Staff) was knowingly of cost withhold from Commission o/a 15 Aug. 2017 and Commission discovered (withhold) during Q&A in Hearing of 31 Oct. 2017, also; such withhold information was denied landowners on 31-Route and o/a 1.5-million rate payers;

- (4a) N.C. Public Staffs' (Utilities Commissions) letter of 16 Oct. 2017 to Commission (demonstrates) recommending to Commission, issue certificate requested in application; (Public Staffs' recommendation is (furnished) when knowingly of DEPs' withhold cost analysis from Commission and landowners);
- (5) **G.S. 62-100.** Definitions. –“Begin to construct” includes any clearing of land;
- (6) **G.S. 62-310.** “Public Utility violating any provisions of Chapter, rules or orders; penalty; enforce by injunction”; -  
& **-G.S. 62-31.** “Power to make and enforce rules and regulations for public utilities”;
- (7) **G.S. 62-326.** “Furnishing false information to the Commission; withholding information from the Commission”;
- (8) Extract of Docket No. E-2, Sub 1215, ATTACHMENT A, demonstrates DEP is knowingly of requirement to furnish construction cost (analysis) in Application for a new 230kV transmission line for ROW acquisition & Danger Tree Rights;
- (9) Extract(s) of Hearing of 31 Oct. 2017 for Docket No. E-2, Sub 1150 for related Violation(s) (matters) in DEPs' application for a 230kV line o/a 11.5 miles long (31-Route);
- (9a) DEPs' Late Filed Exhibits of 13 Nov. 2017 for Docket No. E-2, Sub 1150:  
--Exhibit No. 1 an evaluation of 230kV line parallel to 500kV line (minus o/a 26 pages of aerial photo maps), and, --Exhibit No. 2 a cost comparison of the four best scored alternative routes [furnishes some matters of construction elements (minus acquisition of ROW and Danger Tree Rights area)];
- (10) G.S. 62-80. Powers of the Commission to rescind, alter, or amend prior Order or decision.

Subj: Reply to -DEPs' Response of 9 Dec. 2020 (Related to) –Discovered Violation(s) in -Commissions' Order of 12 Jan. 2018; & -Discovered Violations in Rule R8-62 in DEPs' Application -Referenced in Commissions' Order; & -Related Violation(s) -in Certificate (IAW Order) Related to Complaint of 14 Sept, 2020;

1.- This reply to DEPs' Response of 9 Dec. 2020 is not frivolous. The sum of penalties in violations in provisions of Chapter 62; IAW N.C. General Assemblies' G.S. 62-310 prescribed penalties for offenses and violations are: o/a \$124,608,000.00.

It is noted compound subjects appear to ramble (per DEP), therefore, a singular subject and related matters are furnished in reply. -This Reply is to DEPs' Response (contents) of 9 Dec. 2020 related to DEPs Violation of Commissions' Order of 12 Jan. 2018 in Docket No. E-2, Sub 1150; -and ("Discovered") violation(s) in DEPs' application furnishing (reference) "Pursuant to" Rule R8-62 (& included references); -and ("Discovered") violations furnished in DEPs' execution of contents (construction) in Certificate via furnished authorization of eminent domain, granted to DEP, IAW furnishing a false VERIFICATION document; -and in DEPs' Direct Testimony (contents) in application information. "Pursuant to") of 14 Jul. 2017. The "Pursuant to" reference(s) of Commissions' Rule R8-62 and its' requirements IAW: (Rule R8-61; Rule R8-60; and -G.S. 62-2(3a) and its' purpose is to assure required energy planning, to result in least cost, which decreases utility bills. The least cost, to be (demonstrated by matrix) comparison of alternatives (4-Best-Scored Routes) furnishing O&M considerations (cost) and acquisition of ROW (easement) and Danger Tree Rights area (in construction) for 11.5 mile 230kV line.

a. O.L. Canaday seeks (IAW N.C. General Assemble Laws); -to have Commission; use power of G.S. 62-31 and impose penalties for violation(s) of provisions in Chapter 62 as prescribed IAW G.S. 62-310 penalties; (see enclosure (6) for penalties).

b. O.L. Canaday believes the penalty(s) prescribed by (N.C. General Assemble Law)

in provisions of Chapter 62; IAW G.S. 62-310 are: just, equitable, and proper for violating provisions of Chapter; and

1)- O.L. Canaday finds no exceptions for violations in provisions of Chapter 62 for penalties prescribed in G.S. 62-310, see enclosures (5) and (6); and

2)- DEPs' apology for violation of Commissions' Order is unsatisfactory (and is not a prescribed cure for violation of Chapter 62; and

3)- DEP (knowingly) continues withhold of construction start date, a requirement to work-up-sum of penalties for violation of Commissions' Order (does not demonstrate being apologetic). This continues disobedience to provisions in Chapter, IAW requirements in Rule R8-62(p),(2),i.; -see enclosure (3a) page 5/6.

c. O.L. Canadays', reviewing of G.S. 62-310, finds (some reasons) for N.C. General Assemble prescribing stiff-penalties for violating provisions in Chapter 62; follows:

1)- To enforce obedience to this Chapter; and

2)- To enforce obedience to any rule; and

3)- To enforce obedience to any regulation; and

4)- To enforce obedience to any Order of the Commission; and

5)- The prescribed penalties [o/a \$124,608,000.00 by appropriate process] is for restraining such person, corporation, or their representatives from further violations of this Chapter or of any rule, regulation, or Order of the Commission; and

6)- O.L. Canaday believes sum(s) of penalty(s); (in) Discovered Violations of: (a) Commissions' Order; (b) 'Withhold' violations in application; (c) Violation of Rule R8-62 in Certificate to construct line will cause DEP furnish obedience to provisions in

Chapter 62 for present proceedings and avoid similar violations to Chapter in out-years. Therefore, O.L. Canaday agrees with penalty(s) for violations; prescribed in cure IAW G.S. 62-310 and G.S. 62-326.

2.- IAW Rule R1-9(b),(4); **A clear concise statement of violation is;** IAW G.S. 62-310, DEP violated Commission Order of 12 Jan. 2018, by starting construction of new 230kV line prior to furnishing written notice to landowners in ROW, for option of no-spray on their land: and violated (such) requirements in CERTIFICATE of 12 Jan. 2018.

a. IAW Rule R1-9(b),(5); **-the particular relief desired is; two fold:** (1) O.L. Canaday motions the Commission use power of G.S. 62-31, and enforce provisions of Chapter 62, IAW penalties prescribed IAW G.S. 62-310. The violations total 134-offenses X \$1,000.00 a day = a sum of \$134,000.00 a day X 505 days = \$67,670,000.00.

b. DEP admits starting construction prior to written notification to landowners.

1)- O.L. Canadays' Property (timber) was clear-cut for ROW (easement) & Danger Tree Rights area prior to 1 Dec. 2019. O.L. Canaday personally inspected damage (to timber on property in ROW & Danger Tree Rights area) (by the clear cutting); prior to mediation of 3 Dec. 2019, ordered by Judge in Johnston County Superior Court.

2)- The option of no-spray of ROW & Danger Tree Rights area was not discovered until o/a 14 Sept. 2020, and to best of knowledge, no landowners were furnished written notification of no-spray option until o/a 2 Oct. 2020.

3)- None of the landowners, known to (spoken with) O.L. Canaday, remembers DEP furnishing oral statement (option) at signing of easement contract.



4)- \*\*This DEP (same team): made VERIFICATION document (notarized true and correct); -Direct Testimony (under oath to be true) for (in); and application furnishes statement: "Pursuant to, - -, Commission Rule R8-62" which demonstrates withhold of required information from Commission (violating G.S. 62-326) application; -All three documents contain false information (or demonstrates withhold) of information required to be filed in application for a certificate. [This DEP team with o/a 171 offenses (violations) in application is not a reliable information source.]

5)- IAW Rule R1-9(b),(5); **the particular relief desired is:** O.L. Canaday motions (for his damaged property); -Commission use G.S. 62-31 and order DEP have a minimum report done. The minimum report is a "A Phase 2 Environmental Site assessment (ESA)" via a certified or licensed environmentalist to include at minimum protocol of assessments demonstrated in O.L. Canadays response, see reference (b); and

a)- See contents demonstrated in pages 11/28- -16/28 and see enclosure (3) pages 1- -7 that **furnishes good-reason** for "A Phase 2 ESA" -report, be done due to O.L. Canadays experience with Agent Orange; and

b)- O.L. Canaday has a need to know, via reliable information if area has been sprayed. O.L. Canaday has no confidence in DEPs' Application Team furnishing a statement that area has not been sprayed; and

c)- When "A Phase 2 ESA" report is not furnished via these violation(s) proceedings; this report motion (request) will be presented in court Sept. 2021; and

c. DEP notified this landowner (via written notice) related to option of no-spray, date of 2 Oct. 2020. Estimated date violation started is 15 May 2019; (DEP has not furnished

construction start date, therefore, furnishing 505 days is for (estimate only); when DEP furnishes start date, then adjustments to number of days in penalty to be adjusted; and [DEPs' withhold of construction start date is a separate penalty IAW G.S. 62-326.]

1)- It is not clear (if) Commissions' Order and the granted Certificate (to construct the line) are separate offenses; but, there are two documents; (therefore, furnished two-offenses). When justifications to penalize for only the Order (1-offense), then adjustments can be made to number of offenses in penalty sum; and

2)- O.L. Canaday furnished 80 land parcels for number of landowners from DEPs' Matrix; and DEPs' Response of 9 Dec. 2020 furnished number 61. Both are incorrect, IAW enclosure (3) page 16/16, line-1 -furnishes 67-landowners will be affected by ROW on their Land (Direct Testimony of Timothy J. Same for DEP, Docketed date of 14 Jul. 2020 in file record Docket No. E-2, Sub 1150); [67 landowners X 2 = 134 offenses].

c. IAW enclosure (1) (contents) -page 3/5 -paragraph 2.- lines 5- - -7; -DEP admits to violation of Order in Response of 28 Oct. 2020. This is uncontroversial evidence, DEP violated Commissions' Order.

d. -O.L. Canaday believes penalty, a sum -of \$67,670,000.00 for this violation will cause DEP furnish obedience to provisions in Chapter 62 for present proceedings and avoid similar violation(s) to Chapter in out-years. O.L. Canaday agrees with penalty(s) (for violations) prescribed for cure IAW G.S, 62-310 and G.S. 62-326.

**3.- IAW Rule R1-9(b),(4); a Clear concise statement of violation is:** DEP violates Rule R8-62(p),(2),i. in not furnishing (the new 230kV line) construction start date.

a. IAW Rule R1-9(b),(5); **the particular relief desired are (four-fold) the four relief's desired:**



1)- **1<sup>st</sup> Relief:** O.L. Canaday motions Commission use power of G.S. 62-31 and IAW G.S. 62-61 compel DEP furnish (produce) construction start date of line ROW in Docket No. E-2, Sub 1150; and

2)- **2<sup>nd</sup> Relief:** O.L. Canaday motions Commission use power of G.S. 62-31 and enforce provisions of Chapter 62, IAW G.S. 62-310, prescribed penalties for violation of Rule R8-62(p),(2),i. -DEPs' withhold of construction start date; as, required date of 1 Sept. 2019 IAW Rule R8-62. IAW G.S. 62-310, penalties are (\$1,000.00) each offense, continues daily until cured. From 1 Sept. 2019, to 8 May 2021 there is o/a 615 days X 1-offense = total sum of \$615,000.00 (+ adjustment (days)) for actual date cured for penalty; and

3)- **3<sup>rd</sup> Relief:** O.L. Canaday motions Commission to use power of G.S. 62-31 and IAW violation of G.S. 62-326 enforce penalty of a Class 1 misdemeanor (when guilty).

4)- **4<sup>th</sup> Relief:** Also, violating G.S. 62-326 is a violation in provisions of Chapter 62, and IAW penalties in G.S. 62-310 for violations; -penalties are \$1,000.00 each offense and continues daily until cured. Example (only) analysis of penalty furnishing 8 May 2021 as end date – starts date 1 Sept. 2019 = o/a 615 days X 1-offense = a sum total of \$615,000.00 + adjustments after furnishing start date to cure penalty.

b. The following is uncontroversial evidence. -DEP knowingly & willfully withholds (furnishing) line construction start date of 1 Sept. 2019: and

1)- Enclosure (3a), (Rule R8-62(p),(2),i.); –furnishes requirements & demonstrates (details) for furnishing construction start date annually each year September 1. DEP

References; -Pursuant to Rule R8-62 in application content (when furnishing reference Rule R8-62); -DEP is knowingly of requirement, see enclosure (3), pages: 1/16; 2/16; and -5/16 with signature.

2)- Reference (b), page 6, sub-paragraph d. (lines 3 and 4); O.L. Canaday motioned for Commission to compel DEP furnish date of starting construction of line. At the writing of this violation (complaint); DEP has not furnished the start date. [DEP received reference (b) - also, and not furnished start date IAW Rule R8-62.

3)- Legal definition in furnishing pursuant in a document: is (legal) meaning of -In Accordance With (IAW); the definition is for O.L. Canaday. Enclosure (3) extract, of DEPs' application, demonstrates furnishing application to Commission, stating: "Pursuant to, - - -, Commission Rule R8-62", DEPs' application is signed by Lawrence B. Somers, Attorney, N.C. Bar No. 22329 and furnished (an associated) attorney name (no signature) Robert W. Kaylor, P.A. N.C. BAR No. 6237. The contents (of application) furnishes clear statement; Pursuant to R8-62; clearly demonstrates DEP is knowingly of requirements in Rule R8-62; and continues withhold of construction start date.

**4.- IAW Rule R1-9(b),(4); A clear concise statement of violation(s) is: DEP Violated Rule R8-62(c),(3),a.; and G.S. 62-326 (2-violations of Chapter 62 provisions) the withhold of -O&M considerations = (2-offenses) in final- alternatives (4-best-scored routes) = 4-offenses see reference (a) contents and enclosure (9a) = [provisions of Chapter = 2-offenses (O&M) X 4-routes = 8 offenses in penalty(s): start date of 15 Jul. 2017]; and**

a. IAW Rule R8-9(b),(5), **-The particular relief desired is:** O.L. Canaday motions

that Commission use power of G.S. 62-31 and IAW G.S. 62-326 enforce penalties for withhold of O&M considerations information from Commission, and (when) guilty = a sum of 8-Class 1 misdemeanors. The violation(s) in G.S. 62-326 (a provision in Chapter 62), is also a violation IAW G.S. 62-310 with prescribed penalty(s), see enclosure (6); (estimate-only) [\$1,000.00 for each offense X 8-Offenses = \$8,000.00 X o/a 1,331 days = \$10,648,000.00 penalty. DEPs' withhold of O&M Considerations) started in application of 14 Sept. 2017 and continues thru 8 May 2021 = 1,331 days of offenses, and number of days to be adjusted when offenses are cured.]

b. The evidence of violation(s) are demonstrated in requirements of Rule R8-62 and contents of reference (a) (application and related filed documents); -contents do not furnish the required O&M considerations; (the legal definition of consideration is payment or money = same as cost) (definition is for O.L. Canaday); and

**5.- IAW R1-9(b),(4); A clear concise statement of violation is:** DEP violated 3-Requirements in Rule R8-61 [required in R8-62] identified in R8-61(b),(3) requires cost information for final alternatives (4-Best-Scored-Routes: 31; 4; 32; & 4) that DEP considered. Identification of Violations in R8-61 follows:

a. **-Clear & concise (DEP violated); IAW Rule R8-61(b),(3),(i),** the 2-violations, withhold are: (1) -acquisition of ROW easement -and- (2) Danger Tree Rights area (required in Construction cost). Demonstrates 2-violations X 4-final alternative routes and = **8-offenses**; and

b. **-Clear & concise (DEP violated); IAW Rule R8-61(b),(3),(iii),** -the violation is withhold estimated annual operating expenses by category: (1) operation -and- (2)

maintenance. The O&M are 2-violation X 4-routes = **8-offenses**; and

c. **-Clear & concise (DEP violated); IAW Rule R8-61(b),(3),(viii)**, -anticipated impact the new line will have on customer rates. This is 1-violation, withhold, of increase for customer rates; which is 1-violation X 4-routes = **4-offenses** [totals 20-offenses]; and

d. IAW Rule R1-9(b),(5); **-the particular relief desired is:** O.L. Canaday motions the Commission use power of G.S. 62-31, and enforce provisions of Chapter 62, IAW penalties prescribed IAW G.S. 62-310. The violation(s) in Rule R8-61 total 20-offenses X \$1,000.00 = \$20,000.00 X o/a 1,330 days of violations; = sum of \$26,600,000.00 (+ adjustments for violation days after receiving cure), [start date 15 Sept. 2017 end date used is 8 May 2021 = 1,330 days, reason for -adjustments]; and

1)- The uncontroversial evidence is contents of DEPs' application. -These cost are not furnished in DEPs' application IAW requirements of R8-62 and R8-61; and

2)- Further uncontroversial evidence is demonstrated in contents of 31 Oct. 2017 Hearing -see enclosure (9) page(s) 7/16 – lines 5 – 24; page 8/16 – lines 1 - 24; page 9/16 - lines 1 – 24. Via contents of these pages, DEP admits there is no cost in application of 14 Jul. 2017. [The Commission discovered 'omission of cost' in this Q&A of Hearing; there was no corrective action taken for violation during Hearing.]

3)- DEP Filed a Late Filed Exhibit No. 2 of 13 Nov. 2017; this Exhibit No. 2 furnishes some construction cost matters (does not furnish acquisition of ROW easement & Danger Tree Rights area), see enclosure (9a), page 3 matrix; and

4)- The Public Staff & DEPs' E-mail exchange demonstrates DEP furnished the Public Staff acquisition of ROW, date of o/a 15 Aug. 2017 at \$4,709,205.00, and [there

are no Danger Tree Rights area (cost) in contents of E-mail]. This E-mail demonstrates DEP had acquisition of ROW easement o/a mid-Aug. 2017 and willfully and knowingly withheld this acquisition ROW easement from the Commission, see enclosure (4) for verifying information; and

5)- See enclosure (8), this is example of DEPs' knowingly furnishing estimated cost of acquisition of ROW per acre -and- Danger Tree Rights area per acre in application for a CPCN certificate. This demonstrates DEP is knowingly of process requirements, and willfully withheld acquisition cost from Commission and landowners.

6)- The forgoing sub-paragraphs 1)- - - 5)- demonstrates DEP willfully & knowingly withheld acquisition of ROW easement and Danger Tree Rights area cost from Commission and interested landowners. [The landowners need this cost to haggle for just compensation for ROW easement and Danger Tree Rights area. The acquisition furnished to Public staff (E-mails) is \$4,709,205.00; (no Danger Tree Rights area is furnished). With this cost, landowners could have a haggling start point/analysis work from application information: -31-Route is 11.5 miles X 5,280' = 60,720' X 125' ROW = 7,590,000 Sq.Ft. divided by 43,500' (1-acre) = 174.24 acres; and then take \$4,709,205.00 divided by 174.24 Ac. = o/a \$27,027.00 per acre. (This is O.L. Canadays' first experience dealing in eminent domain (land rights taken) and 'Just Compensation' in payment, for taking. This cost could have furnished a start point for haggling.)

**6.- IAW Rule R1-9(b),(4); A Clear concise statement of violation(s) is:** DEP violated G.S. 62-326 filing a false document (Late-Filed Exhibit No. 2 of 13 Nov. 2017) in Docket No. E-2, Sub 1150. IAW Hearing instructions, via Commission, for Late-Filed Exhibit; (violation start date is 14 Nov. 2017); and

a. IAW Rule R1-9(b),(5); **-The particular relief desired is:** O.L. Canaday motions that the Commission use power of G.S. 62-31 and enforce violations of G.S. 62-326 which is a Class 1 misdemeanor (when guilty). This violation is a provision in Chapter-62 and has prescribed penalties IAW G.S. 62-310. The G.S. 62-310 penalty(s) are furnishing 4-routes = (4-offenses/each route) X \$1,000.00 a day = \$4,000.00 a day X o/a 1,271 days = penalty of \$5,084,400.00. (Start date of violation is 14 Nov. 2017, example (only) of end date is 8 May 2021. Adjustment in number of days to be made when DEP furnishes cure in removing violation document.); and: -uncontroversial evidence follows:

b. Enclosure (9) page(s) 13/16 – lines 1 – 24; -page 14/16 – lines 1-24; -page 15/16 – lines 1 – 18, **does not furnish authorization** of for Late-File Exhibit No. 2; and

c. Enclosure (9) page(s) 13/16 –lines 1- 24; -page 14/16 – lines 1-24; page 15/16 – lines 1-18, **does furnish authorization** and describes content for Late-Filed Exhibit No. 1; and

d. Enclosure (9a) furnishes letter for Late-Filed Exhibit No. 1 of 8 Nov. 2017; related to paralleling existing 500kV line (as authorized in 31 Oct. 2017 Hearing in foregoing paragraphs. [Omitted are o/a 26 pages of aerial photography for Exhibit No. 1, and can be seen in reference (a)]; and

e. DEP furnished unauthorized Exhibit No. 2; under authorized Exhibit No.1 in the Late-Filed Exhibit and filed in record - reference (a). To review complete Late-Filed Exhibit (as filed in context) see reference (a), see filed Docket date of 13 Nov. 2017.

**7.-** IAW Rule R1-9(b),(4); **A clear concise statement of violation is:** IAW G.S. 62-326 DEPs' VERIFICATION document of 5 Jul. 2017 is filed in Docket date of 14 Jul. 2017

(by Lead Transmission Siting Specialist); -VERIFICATION contains two false contents (true and correct) IAW contents of DEPs' application of 14 Jul. 2017, see enclosure (3) page 6/16 for content; and

a. IAW Rule R1-9(b),(5); **The particular relief desired is:** O.L. Canaday motions Commission use power of G.S. 62-31 and enforce penalties prescribed IAW G.S. 62-326 which is (when, if) guilty is a Class 1 misdemeanor. The violation of G.S. 62-326 is a violation of provisions in Chapter 62 and penalties are prescribed IAW G.S. 62-310, as \$1,000.00 for each offense and each day is a separate violation. The 2-violation(s) start date is 15 Jul. 2017, will furnish 8 May 2021 & adjustments made to number of days in penalty when DEP furnishes cure. Two violations = 2-offenses X \$1,000.00 = \$2,000.00 each day X o/a 1,393 days = \$2,786,000.00 penalty. The following furnishes: -violations, &; -supporting uncontroversial evidence demonstrating such violation(s):

1)- The foregoing paragraphs (and sub-paragraphs) [4.; and, 5.] furnishes uncontroversial evidence: DEPs' VERIFICATION document furnished false information to Commission; as DEPs' application withheld true and correct required information, (IAW Rule R8-62 and is demonstrated in content of application).

2)- DEPs' application contents state filed as: "Pursuant to, - -, Commission Rule R8-62". [This Commission Rule R8-62 'includes' further requirements IAW Rule(s) R8-61 and R8-60.] All three Rules require information that DEPs' application withholds (demonstrating violations) in provisions of Chapter 62; for uncontroversial evidence; see content in foregoing paragraphs (& sub-paragraphs) of: 4.; and, 5.; demonstrating that required information is withheld IAW G.S. 62-326; and



b. Enclosures (1) thru (10) are furnished for: review and cross-referencing (content – matters); -that demonstrates (furnishes) DEPs' VERIFICATION document violates provisions in Chapter 62.

**8.-** IAW Rule R1-9(b),(4); **A clear concise statement of violation is:** IAW G.S. 62-326, DEPs' Direct Testimony furnishes false information to Commission related to application requirements IAW Rule R8-62; (DEPs' Direct Testimony of 14 Jul. 2017, furnished under oath); and filed in Docket No. E-2, Sub 1150; (start date is 15 Jul. 2017).

a. IAW Rule R1-9(b),(5); **-the particular relief desired is;** O.L. Canaday motions the Commission use power of G.S. 62-31 and enforce provisions of Chapter 62 IAW G.S. 62-326 penalties (when, if) guilty, a Class 1 misdemeanor; and

b. There **are 3-reliefs** in violations of Rule R8-62 -follows;

1)- **1<sup>st</sup> Relief** is withhold of O&M considerations from Commission in application, IAW requirements of Rule R8-62(c),(3),a. (O&M = two-cost considerations); and, - enforce penalties prescribed IAW G.S. 62-310. Example only for figuring (O&M) two violations = 2-offenses X \$1,000.00 = \$2,000.00 X 4- Best-Scored Routes = \$8,000.00 X 1330 days + days until cured = \$10,640,000.00 penalty.

2)- -following are DEPs' Direct Testimony violations in Rule R8-62 (and references); [many offenses duplicate previous foregoing violations, so, furnished to illustrate the magnitude of violations in Commissions' Rules in application]; and

3)- IAW R8-61(b),(3),(i); -DEPs' withholds acquisition of ROW (125') easement in construction cost, 1-offense, (violation starts 15 Jul. 2017); and

4)- IAW R8-61(b),(3),(i); -DEPs' withholds acquisition of Danger Tree Rights

[both/sides-ROW (62.5') in construction cost] 1-offense, (starts 15 Jul. 2017); and

5)- IAW R8-61(b),(3),(iii) –DEPs' withholds estimated annual operating expense by category – (two-category(s) O&M in 4-Best-Scored alternative routes = 8-offenses), and (violation starts 15 Jul. 2017); and

6)- IAW R8-61(b),(3),(viii); DEPs' withholds anticipated impact of New-Line in customer rates [4-final alternatives/comparison (routes)],= 4-offenses, (violation starts 15 Jul. 2017); \*\*will furnish rate increases to o/a 1.5 million rate-payers for perpetuity; (but presently, for each month, and for life of line, which is o/a 70 years). -

7)- IAW R8-60(a). DEPs' withhold, the purpose, to implement provisions of G.S. 62-2(3a) with respect to least cost intergraded resource planning by utilities (to that end) in N.C; requires energy plan to decrease utility bills; demonstrate least cost via 4-routes comparison\_of O&M = 2 offenses X 4-routes = 8 offenses, (start date 15 Jul. 2017).

8)- Total offenses of forgoing sub-paragraphs is o/a 20 offenses in Direct Testimony document IAW Rule R8-62 requirements. DEPs' application demonstrates withhold of forgoing information, and Rules R8-62 [withhold(s)] identifies the o/a 20-offenses; and

9)- This Testimony furnishes false information to Commission related to application requirements matters; -see following explanation (as in content): [see enclosure (3) pages 10/16 thru 11/16, following is excerpt of Q&A; and

**“1. Q. WERE YOU INVOLVED IN PREPARING DEPs' APPLICATION IN THIS DOCKET?- -3. A. Yes.” “4. Q. TO YOUR KNOWLEDGE, WILL DEP FILE AND PROVIDE ALL INFORMATION,- - ,REQUIRED BY THIS**

**COMMISSION, - - -, REQUIRED FOR CONSTRUCTION AND OPERATION  
OF THIS TRANSMISSION LINE? - - -10. A. Yes.”. . .etc.**

-See Enclosure (3) page 11/16, lines 1 - - -10, for complete statement. This Direct Testimony Document was furnished to Commission IAW Commissions’ Rule R8-62 in application of 14 Jul. 2017; (see enclosure (3) page 5/16 – paragraph 10. – lines 1 – 3); and contents were read into Hearing of 31 Oct. 2017, under sworn oath. O.L. Canaday witnessed reading and filing of ‘this’ Direct Testimony. IAW Rule R8-62(c),(3),a. – DEPs’ application, violates, demonstrates withhold of information required IAW the forgoing sub-paragraphs related to Commissions’ Rules: R8-62: R8-61; and, R8-60.

c. The qualifications of DEPs’ witness signing VERIFICATION document and making the Direct Testimony for record, E-2, Sub 1150 are good;

1)- Registered N.C. Engineer, current, License No. 032750 (Timothy J. Same) furnished information from Q&A in Direct Testimony date of 14 Jul. 2017. For complete (review) of testimony, see -reference (a); -for extract review - see enclosure (3), start on page 9/16 thru page 16/16; and, -the following furnishes education & training, & on job experience:

2)- B.S. Degree via Clarkston University (o/a 1994); and

3)- -Year 2017, career experience on job: (a) -o/a 22/25 years experience on the job engineer; (b) -in area of utilities o/a 10/12 years experience; (c) -in management o/a 8-years experience; (d) -with DEP o/a 4 years experience as a Lead Specialist;

4)- This (deduction) furnishes o/a 25 years experience (using dates furnished); when finished Engineering Degree at o/a age 23; -furnishes a snap-shot of experience for

a seasoned engineer. The engineering proceedings furnished this (application is unsatisfactory due to number of violations in application; is not reasonable to have this many violations in an application for a project of \$28-million.

d. The qualifications of DEPs' Deputy General Counsel, Lawrence B. Somers, current N.C. Bar No. 22329 is good. The violations furnished in this (application via 'attorneys' proceedings) is unsatisfactory in application for a project of \$28-million; as DEPs' application is not (Pursuant to Rule R8-62) IAW Commission Rule R8-62.

9.- Below information identifies violations furnished in this reply by paragraph; related in DEPs' application in Docket No. E-2, Sub 1150 of 14 Jul. 2017:

a. Violations by paragraph number with number of violations: and

1)- Paragraph 2. Order violations/offenses.....	67
Certificate violations/offenses.....	67
2) Paragraph 3. Offenses.....	2
3) Paragraph 4. Offenses.....	8
4) Paragraph 5. Offenses.....	20
5) Paragraph 6. Offenses.....	4
6) Paragraph 7. Offenses.....	2
7) Paragraph 8. Offense.....	2
	=====
Total Offenses.....	171

Many offenses have a different start date for penalty, -and many offenses do not have an end date, as DEP withholds the date(s) (start and end date).

10.- The previous listed violations -identified in: -DEPs' violations of Commissions' Order of 12 Jan. 2018; and violations of Regulations in Certificate of 12 Jan. 2018; -the

violations in DEPs' application of the requirements in the Commissions' Rules R8-62, R8-61, & R8-60; and G.S. 62-2(3a); -the total offenses related to application is o/a 171 offenses. The sum total of offenses, in penalties, related to application is o/a: \$124,608,000.00 .

**11.-** O.L. Canaday motions, the Commission uses power of G.S. 62-31 and enforce G.S. 62-80 and rescind Order; to furnish DEP an opportunity to comply with Commissions' Rules R8-62; -R8-61; -R8-60; and G.S. 62(3a); so a comparison of the 4-Best Scored Routes O&M considerations be furnished for comparison for life-of-line; this comparison will also furnish least cost (of alternatives, 4-best routes) for utilities for o/a 1.6-million rate paying/customers, that includes those in reference (d). -IAW R8-61(a),(b),(3),(viii) -impact of rates will furnish snap-shot for G.S. 62-2(3a) compliance. The compliance IAW G.S. 62-2(3a); will furnish the least cost route for the rate paying/customers for life-of-line. Then there has to be a reasonable justification to 1.5-million rate paying/ customers (for life of line); to furnish a 230kV line that appears cost of (O&M – line-life); o/a 46% more (31-Route v/s 4-Route at o/a 46% less).

**12.-** O.L. Canaday motions that Commission use power of G.S.62-31 and enforce all penalties against DEP for identified violations, in provisions in Chapter 62; IAW prescribed penalties in G.S. 62-310.

**13.- Summary:** -For all the foregoing violations (o/a 171 offenses) furnished via DEPs' application in Docket No. E-2, Sub 1150; -identified in: -Commissions' Order of 12 Jan. 2018; -Pursuant to Commissions' Rule R8-62 in Order (& application/references); and, - Execution (action/construction) in Commissions' Certificate. -\*O.L. Canaday prays the

Commission for an Order using G.S. 62-31 to enforce provisions of Chapter 62; - IAW

G.S. 62-310 penalties - a sum o/a \$123,608,000.00: and

a. Ensure DEPs' obedience to Chapter 62; and

b. Restraining DEP and or representatives from further violation:

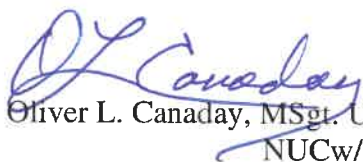
1)- In Chapter 62; and

2)- In this Commissions' Order, in Docket No. E-2, Sub 1150; and

3)- In Commission Rule; Pursuant to Rule R8-62 in Docket No, E-2, Sub 1150; and

--(such) further relief as the Commission deems just, equitable, proper, to enforce DEPs' obedience to provisions in Chapter 62. [O.L. Canaday motions the Commission furnish a 'Hard Look' at all violations (especially withhold information) not-furnished in DEPs' application; as the landowners have to rely on same (such) information furnished in DEPs' application proceedings (or lack-of via withhold from) -to commission in decision making in granting a Certificate for CPCN.

Sincerely,



Oliver L. Canaday, MSgt. USMC, Ret. CACw/3-brz-stars, PH, Air Medalw/#7, CAR,  
NUCw/2-brz-starts, MUC, RVNSw/sil-star

LAW OFFICE OF  
**ROBERT W. KAYLOR, P.A.**  
353 EAST SIX FORKS ROAD, SUITE 260  
RALEIGH, NORTH CAROLINA 27609  
(919) 828-5250  
FACSIMILE (919) 828-5240

OFFICIAL COPY

JUN 19 2020

December 9, 2020

**VIA ELECTRONIC FILING**

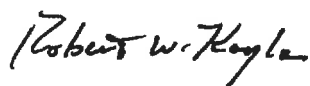
Ms. Kimberley A. Campbell  
Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, NC 27699-4300

**RE: Duke Energy Progress, LLC's Response to December 4, 2020  
Filing of Oliver Canaday  
Docket Nos. E-2, Sub 1195 and E-2, Sub 1150**

Dear Ms. Campbell:

Enclosed for filing in the above-referenced dockets, please find Duke Energy Progress, LLC's Response to December 4, 2020 Filing of Oliver L. Canaday.

Sincerely,



Robert W. Kaylor, P.A.

Enclosure

cc: Parties of Record

ENCL (1) P.1/5



## BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1195

DOCKET NO. E-2, SUB 1150

**DOCKET NO. E-2, SUB 1195**

In the Matter of )  
 Oliver L. Canaday, 909 Parker Town )  
 Road, Four Oaks, North Carolina 27524 )

**DOCKET NO. E-2, SUB 1150**

In the Matter of )  
 Application of Duke Energy Progress, LLC )  
 For A Certificate of Environmental )  
 Compatibility and Public Convenience and )  
 Necessity Pursuant to N.C. Gen. Stat. § 62- )  
100 et seq. to Construct Approximately )  
 11.5 Miles of New 230kV Transmission )  
 Line in Cleveland area of Johnston County, )  
 North Carolina )

**DUKE ENERGY PROGRESS,  
 LLC'S RESPONSE TO  
 DECEMBER 4, 2020 FILING  
 BY OLIVER L. CANADAY**

NOW COMES Duke Energy Progress, LLC ("DEP" or the "Company"), through counsel and pursuant to Rule R1-9 of the North Carolina Utilities Commission ("NCUC" or "Commission") Rules and Regulations, responding to the filing dated November 6, 2020 and docketed on December 4, 2020 by Oliver L. Canaday ("Mr. Canaday") in these dockets.<sup>1</sup> In this Response, DEP shows as follows:

1. Mr. Canaday's filing is a bit difficult to follow, but it is simply his latest attempt to challenge the Commission's January 12, 2018 *Order Granting Certificate of Environmental Compatibility and Public Convenience and Necessity* in Docket No. E-2, Sub 1150 ("E-2, Sub 1150 CPCN Order"). It also appears to be in essence yet

<sup>1</sup> Out of an abundance of caution, DEP is making this filing in both dockets involving Mr. Canaday.

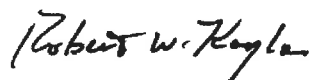
another attempt by Mr. Canaday to re-litigate the Commission's May 7, 2018 *Order Denying Motion for Reconsideration*, the Commission's August 3, 2018 *Order Denying Motions for Relief* in Docket No. E-2, Sub 1150, and/or the Commission's June 24, 2019 *Order Dismissing Complaint* in Docket No. E-2, Sub 1195. The December 4, 2020 filing by Mr. Canaday purports to be a "response" to DEP's October 28, 2020 Response; however, it appears to be a list of meritless allegations that relate to the E-2, Sub 1150 docket and the E-2, Sub 1195 docket. Mr. Canaday is obviously adamantly opposed to the needed Cleveland-Matthews 230 kV transmission line that has been approved and constructed, and he now seeks to require the Commission to impose monetary penalties in excess of \$40 million against DEP as part of his latest obstructionist tactic.

2. In his December 4, 2020 filing, Mr. Canaday states that he is one of 61 (or 80) landowners affected by what he terms DEP's violation of ordering paragraph No. 5 of the Commission's January 12, 2018 E-2, Sub 1150 CPCN Order at p. 15 regarding written notice to landowners of their option to designate their land as a no-spray prior to beginning construction of the Cleveland-Matthews 230 kV line. In its October 28, 2020 Response, DEP has already admitted that it did not provide written notice prior to beginning construction and apologized to the Commission. The Company further explained, however, that it orally informed property owners with whom it negotiated right of way agreements (all but the three who required condemnation, including Mr. Canaday) that DEP utilizes herbicides as part of its right of way maintenance practices and allowed any property owner who wanted to designate their property as a "no-spray" area to do so. Furthermore, the Company subsequently

provided written notice to all property owners. Finally, the right of way on Mr. Canaday's property has not been sprayed with herbicides; accordingly, he has suffered no actual harm or damage to his property. To the extent that Mr. Canaday asserts that the Commission should assess tens of millions of dollars in penalties (presumably for the benefit of Mr. Canaday and the other landowners), such assertions are totally without merit as Mr. Canaday has in no way been harmed or his property damaged by DEP, and Mr. Canaday has no standing to represent other landowners before the Commission.

For the reasons set forth above, Duke Energy Progress, LLC prays the Commission for an order denying any relief requested by Mr. Canaday in his December 4, 2020 filing in this docket, and for such further relief as the Commission deems just, equitable and proper.

This, the 9<sup>th</sup> day of December 2020.



---

Robert W. Kaylor  
Law Office of Robert W. Kaylor, P.A.  
353 E. Six Forks Road, Suite 260  
Raleigh, NC 27609  
919.828.5250  
[bkaylor@rwkaylorlaw.com](mailto:bkaylor@rwkaylorlaw.com)  
State Bar No. 6237

Lawrence B. Somers  
Deputy General Counsel  
Duke Energy Corporation  
410 S. Wilmington Street, NC 20  
Raleigh, North Carolina 27601  
Telephone 919.546.6722  
[bo.somers@duke-energy.com](mailto:bo.somers@duke-energy.com)

## CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Response to December 4, 2020 Filing of Oliver Canaday, in Docket Nos. E-2, Sub 1195 and E-2, Sub 1150, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1<sup>st</sup> Class Postage Prepaid, properly addressed to parties of record.

This the 9<sup>th</sup> day of December, 2020.



---

Robert W. Kaylor  
Law Office of Robert W. Kaylor, P.A.  
353 E. Six Forks Road, Suite 260  
Raleigh, NC 27609  
Tel: 919.828.5250  
[bkaylor@rwkaylorlaw.com](mailto:bkaylor@rwkaylorlaw.com)  
North Carolina State Bar No. 6237

OFFICIAL COPY

JUN 13 2021

P. 5/5

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-2, SUB 1150

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Duke Energy Progress, LLC, )  
for a Certificate of Environmental Compatibility ) ORDER GRANTING CERTIFICATE  
and Public Convenience and Necessity to ) OF ENVIRONMENTAL  
Construct Approximately 11.5 Miles of New ) COMPATIBILITY AND PUBLIC  
230-kV Transmission Line in Johnston County, ) CONVENIENCE AND NECESSITY  
North Carolina )

HEARD ON: Monday, October 30, 2017, at 6:30 p.m., in Courtroom No. 4, Johnston  
County Courthouse, 2017 E. Johnston Street, Smithfield, North Carolina

Tuesday, October 31, 2017, at 10:00 a.m., in Commission Hearing Room  
2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina

BEFORE: → Commissioner Daniel G. Clodfelter, Presiding; Commissioners Bryan E.  
Beatty and Lyons Gray

APPEARANCES:

For Duke Energy Progress, LLC:

Lawrence B. Somers, Deputy General Counsel, Duke Energy Corporation,  
NCRH 20/Post Office Box 1551, Raleigh, North Carolina 27602-1551

Robert W. Kaylor, Law Office of Robert W. Kaylor, P.A., 353 E. Six Forks  
Road, Suite 260, Raleigh, North Carolina 27609

For Intervenor Oliver L. Canaday:

Oliver L. Canaday, 713 Camellia Avenue, Panama City, Florida 32404

For the Using and Consuming Public:

Heather Fennell, Staff Attorney, Public Staff - North Carolina Utilities  
Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300

ENCL (2), P. 1/7

BY THE COMMISSION: On July 14, 2017, Duke Energy Progress, LLC (DEP), filed an application and the direct testimony and exhibits of James Umbdenstock and Timothy J. Same, pursuant to G.S. 62-100 *et seq.* and Commission Rules R1-5 and R8-62, for a certificate of environmental compatibility and public convenience and necessity (CPCN) authorizing the construction of a new 11.5-mile, 230-kilovolt (kV) transmission line near the Cleveland-Matthews area of Johnston County, North Carolina (Proposed Route or Route 31).

On July 18, 2017, the Commission issued an Order Scheduling Hearings, Requiring Filing of Testimony, Establishing Discovery Guidelines and Requiring Public Notice.

On July 24, 2017, DEP filed a Revised Routing Study and Environmental Report (Report or Study).

On September 25, 2017, based upon concerns expressed in consumer statements of position, the Commission ordered DEP to provide additional information about the proposed transmission line and substation. On October 9, 2017, DEP filed verified responses to the Commission's September 25, 2017 Order Requiring Duke Energy Progress, LLC, to Provide Additional Information.

On or before October 24, 2017, the Public Staff - North Carolina Utilities Commission (Public Staff) forwarded consumer statements of position for filing with the Commission. On October 16, 2017, the Public Staff filed a letter recommending that the Commission grant DEP's application on the conditions that: (1) DEP be required to disclose any proposed shift in the centerline of the proposed route and, if such a shift occurs, that the Commission should address whether notice and hearing requirements should be provided to affected landowners; and (2) that the Commission, prior to DEP beginning construction of the line, first receive a letter from the State Environmental Review Clearinghouse stating that no further review action by the Commission is required for compliance with the North Carolina Environmental Policy Act.

On October 23, 2017, Oliver L. Canaday filed a petition to intervene, and requested that the Commission issue a cease and desist order in this proceeding, on the grounds of Mr. Canaday's allegations of fraud against DEP. The Commission granted Mr. Canaday's petition to intervene on October 25, 2017. No other parties petitioned to intervene in this proceeding.

Thirty affected residents or landowners provided statements in opposition to DEP's application, with some of those individuals filing multiple such statements, including Mr. Canaday.

On October 25, 2017, DEP filed rebuttal testimony of witnesses Same and Umbdenstock to respond to the allegations contained in Mr. Canaday's petition to intervene.

On October 30, 2017, a public hearing was held in Smithfield, North Carolina, at which eighteen witnesses testified: Tracy Adams, Jeffrey Canady, Kimberly Canady, Tim

Duke, Carl Holloway, Sam Holloway, Casey Johnson, Lou Ann Johnson, Randy Johnson, Linda Lassiter Keen, Marty Lassiter, Billy Price, Dana Adams Reeves, Alan Roberts, Gwyn Roberts, Ronnie Stewart, John Webster, and Danny Wood.

→ On October 31, 2017, an evidentiary hearing was held in Raleigh, North Carolina. During this hearing, DEP presented direct testimony, exhibits, and rebuttal testimony. The  
→ Public Staff did not present evidence, and Mr. Canaday presented his own testimony and exhibits in opposition to DEP's application.

→ On November 8, 2017, the State Environmental Review Clearinghouse filed a letter requesting that DEP provide supplemental documentation and information requested by the Department of Natural and Cultural Resources, including the results of an archaeological survey to be conducted by an experienced archaeologist. ←

On November 13, 2017, the Commission ordered DEP to provide updated information regarding the status of DEP's then-ongoing discussions with affected landowners regarding the landowners' concerns about the Proposed Route.

→ On November 13, 2017, DEP submitted Late-Filed Exhibit 1 containing an analysis of the feasibility of a new 230-kV transmission line parallel to DEP's existing 500-kV transmission line. Also on November 13, 2017, DEP submitted Late-Filed Exhibit 2 ←  
→ containing cost estimates of the four best-scored transmission line routes, including Route 31.

On November 14, 2017, DEP filed verified responses to the Commission's November 13, 2017 Order Requiring Additional Information.

On December 5, 2017, after such time as the evidentiary record in this proceeding was closed to new evidence, Mr. Canaday submitted additional exhibits, and reiterated his request that the Commission issue a cease and desist order against DEP to prevent construction of the proposed transmission line.

→ Based upon DEP's verified application, the testimony and exhibits timely received into evidence, and the entire record in this proceeding, the Commission makes the following:

#### FINDINGS OF FACT

1. DEP is a public utility providing electric service to customers in its service area in North Carolina and is subject to the jurisdiction of the Commission.

2. The Commission has jurisdiction over DEP's application. Pursuant to G.S. 62-100 et seq. and Commission Rule R8-62, a public utility must receive a CPCN prior to constructing transmission lines at or above 161 kV in North Carolina.

P. 3/7



3. The proposed transmission line would originate at the site of a new Cleveland-Matthews Road Substation, to be located at the southeast corner of Polenta Road and Matthews Road in Johnston County, North Carolina, and would terminate at the tap point along the existing Erwin-Selma 230-kV Transmission Line. The approximate total length of the proposed transmission line is 11.5 miles.

4. Mr. Canaday gave testimony and submitted statements opposing the proposed transmission line. Thirty affected residents or landowners also submitted public comments opposing the proposed transmission line, and eighteen public hearing witnesses testified in opposition to the line.

→ 5. DEP's application meets the requirements of G.S. 62-102.

→ 6. DEP has carried its burden of proof under G.S. 62-105(a) through substantial, competent evidence showing that:

- (a) the proposed transmission line is necessary to satisfy the reasonable needs of the public for an adequate and reliable supply of electricity;
- (b) when compared with reasonable alternative courses of action, construction of the transmission line in the proposed location is reasonable, preferred, and in the public interest;
- (c) the costs associated with the proposed transmission line are reasonable;
- (d) the impact that the proposed transmission line will have on the environment is justified considering the state of available technology, the nature and economics of the alternatives, and other material considerations; and
- (e) the environmental compatibility, public convenience and necessity require the construction of the transmission line.

7. Mr. Canaday did not satisfy his burden of proof under G.S. 62-105(a), by failing to provide substantial, competent evidence proposing a reasonable alternate route.

8. It is in the public interest, reasonable, and appropriate to grant the requested certificate.

#### **EVIDENCE AND CONCLUSIONS FOR FINDINGS OF FACT NOS. 1-2**

These findings of fact are essentially informational, jurisdictional, and procedural in nature and uncontroverted.

P. 4/7

be exposed to when using certain household appliances.” Neither Mr. Canaday nor any other witness presented themselves as experts in the science of biological impacts from electromagnetic fields. Therefore, the Commission finds that Mr. Canaday’s testimony (and that of public witnesses as well) relative to EMF is anecdotal and not persuasive evidence as to his allegation that DEP’s application was incomplete or that DEP’s Study was faulty.

The Commission further notes that many of the commenters expressed concerns that the line could have negative impacts on people, livestock, and crops. While it was not discussed during the hearing, a consumer statement of position referenced, and the Commission is aware, that DEP routinely uses herbicides to assist in managing vegetation in its rights-of-way. In its vegetation management policies, the Company has agreed to allow landowners to designate their property as being a “no-spray” area. In order to address the alleged environmental risks expressed by consumers, the Commission suggests that the Company inform each affected landowner, in writing, of the option to designate his or her own land as a no-spray area. In any event, DEP is required to comply with its vegetation management plan in the construction and maintenance of the proposed transmission line and substation, including the provisions allowing landowners to elect not to have herbicides sprayed on their property. See Duke Energy Progress, LLC, Revised Vegetation Management Plan and Policies, Docket No. E-2, Sub 1010 (March 22, 2016).

### Summary

→ For the reasons discussed herein, the Commission concludes that DEP has carried its burden of proof pursuant to G.S. 62-105(a) in demonstrating that the proposed transmission line is necessary for an adequate and reliable supply of electric energy to its service area. The Commission next concludes that DEP has carried its burden of proof in successfully demonstrating that Route 31 is the preferred transmission line route, that construction of a transmission line along Route 31 is in the public interest, and that the proposed costs associated therewith are reasonable. → The Commission concludes that the environmental compatibility, public convenience, and necessity require construction of the proposed transmission line along Route 31. In so concluding, the Commission rejects Mr. Canaday’s arguments that DEP’s route selection process was faulty.

Further, for the reasons discussed herein, the Commission concludes that Mr. Canaday has not met the burden of proof required by G.S. 62-105(a) with regard to any alternative route for the transmission line. Mr. Canaday has not proven that any of his alternative suggestions are preferable to the proposed route or would provide long-term, reliable electric service to the Cleveland-Matthews area of Johnston County. DEP’s Late-Filed Exhibit 1 demonstrates that a new 230-kV transmission line adjacent to the existing 500-kV transmission line would not be a feasible option. No evidence was presented regarding the feasibility or cost of alternative routes or their impact on other landowners.

P. 5/7

→ Having carefully reviewed the application, and based upon all the evidence of record and the recommendation of the Public Staff that the CPCN be issued, the Commission finds and concludes that the proposed transmission line satisfies the environmental compatibility and public convenience and necessity requirements of G.S. 62-100 et seq., and, therefore, a certificate of environmental compatibility and public convenience and necessity should be issued for the proposed transmission line construction. ←

IT IS, THEREFORE, ORDERED as follows:

1. That Mr. Canaday's motion requesting that the Commission issue against DEP a cease and desist order to preclude construction of the proposed transmission line is denied.

→ 2. That pursuant to G.S. 62-102, a certificate of environmental compatibility and public convenience and necessity to construct approximately 11.5 miles of new 230-kV transmission line in Johnston County and Wake County, North Carolina, as described in DEP's application, is hereby issued to DEP, and the same is attached hereto as Appendix A, subject to the conditions set forth herein and therein.

3. That, prior to DEP's construction of the transmission line, the Commission first must receive confirmation from the State Environmental Review Clearinghouse that the Department of Natural and Cultural Resources concurs with DEP's application and that no further review by the State Environmental Review Clearinghouse is required. The Commission reserves the right to reconsider its decision in the event that further review, not known as of the date of this Order, is subsequently required by the State Environmental Review Clearinghouse.

4. That DEP is required to notify the Commission of any proposed shift to the centerline of the approved transmission line route for the Commission's review and determination of whether DEP will be subject to the public notice and hearing requirements set forth in Article 5A of Chapter 62 of the General Statutes.

5. That, prior to DEP's construction of the transmission line, DEP is required to provide written notice to affected landowners of their option to designate their land as a "no-spray area," consistent with DEP's Revised Vegetation Management Plan and Policies.

ISSUED BY ORDER OF THE COMMISSION.

→ This the 12th day of January, 2018.

NORTH CAROLINA UTILITIES COMMISSION

*Linnetta Threatt*

Linnetta Threatt, Deputy Clerk

P. 617

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-2, SUB 1150

KNOW ALL PERSONS BY THESE PRESENTS THAT

DUKE ENERGY PROGRESS, LLC  
410 South Wilmington Street  
Raleigh, North Carolina 27601

is hereby issued this

→ CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC CONVENIENCE  
→ AND NECESSITY PURSUANT TO G.S. 62-102

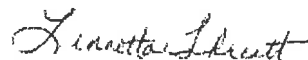
to construct approximately 11.5 miles of new 230-kV Transmission Line, located in Johnston County and a small portion of Wake County, North Carolina, which will originate at the site of a new Cleveland-Matthews Road Substation, located at the southeast corner of Polenta Road and Matthews Road, and which will terminate at the tap point along the existing Erwin-Selma 230-kV Transmission Line

subject to receipt of all federal and state permits as required by existing and future regulations prior to beginning construction and further subject to all other 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 12th day of January, 2018.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threath, Deputy Clerk

OFFICIAL COPY

Jun 13 2021

P. 717



Lawrence B. Somers  
Deputy General Counsel  
Mailing Address:  
410 S. Wilmington Street  
NCRH 20  
Raleigh, NC 27601

o: 919.546-6722  
f: 919.546.2694

bo.somers@duke-energy.com

July 14, 2017

**VIA ELECTRONIC FILING**

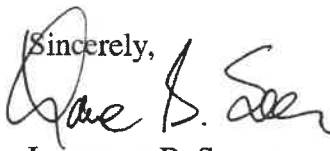
Ms. M. Lynn Jarvis, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**Re: Application of Duke Energy Progress, LLC for a Certificate of Environmental Compatibility and Public Convenience and Necessity to Construct Transmission Line in the Cleveland Area of Johnston County, North Carolina  
Docket No. E-2, Sub 1150**

Dear Ms. Jarvis:

Pursuant to N.C. Gen. Stat. §§ 62-101 et seq. and Commission Rule R8-62, Duke Energy Progress, LLC ("DEP") submits for filing its Application, a draft public notice summary of the Application, and supporting testimony for a Certificate of Environmental Compatibility and Public Convenience and Necessity to construct approximately 11.5 miles of new 230kV transmission line in Cleveland area of Johnston County, North Carolina. The parties identified in N.C. Gen. Stat. § 62-102(b) will be served, and notice will be published in the appropriate newspapers, once the Commission approves the draft public notice summary pursuant to N.C. Gen. Stat. § 62-102(c). Pursuant to Commission Rule R8-62(f), DEP respectfully requests that the Commission please either notify DEP of the Commission's approval of such notice or of any required changes within three (3) business days of the filing of this Application. A check in the amount of \$250 is enclosed for the Application filing fee.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,  
  
Lawrence B. Somers

Enclosures

cc: David Drooz (w/encls.)

ENCL. (3) P. 1/6

OFFICIAL COPY

JUL 13 2017

## BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1150

In the Matter of	)	
	)	
Application of Duke Energy Progress, LLC	)	<b>DUKE ENERGY PROGRESS,</b>
For a Certificate of Environmental	)	<b>LLC'S APPLICATION FOR A</b>
Compatibility and Public Convenience and	)	<b>CERTIFICATE OF</b>
Necessity Pursuant to N.C. Gen. Stat. §§ 62-	)	<b>ENVIRONMENTAL</b>
100 et seq. to Construct Approximately 11.5	)	<b>COMPATIBILITY AND PUBLIC</b>
Miles of New 230kV Transmission Line in	)	<b>CONVENIENCE AND</b>
Cleveland area of Johnston County, North	)	<b>NECESSITY</b>
Carolina	)	

NOW COMES Duke Energy Progress, LLC ("Duke Energy Progress," "DEP" or the "Company"), pursuant to N.C. Gen. Stat. §§ 62-100 et seq. and Rules R1-5 and R8-62 of the Rules of Practice and Procedure of the North Carolina Utilities Commission ("the Commission") and files its Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity ("Certificate") to construct a new 230kV transmission line in the Cleveland area of Johnston County, North Carolina. The new transmission line will originate at the proposed Cleveland-Matthews Road 230kV/23kV transmission-to-distribution substation and terminate at the tap point along the existing Erwin-Selma 230kV transmission line. The total length of the proposed transmission line is approximately 11.5 miles. The project will be referred to in this application as the "Cleveland-Matthews Line." In support thereof, DEP shows the following:

1. The Applicant's general offices are located at 410 South Wilmington Street, Raleigh, North Carolina, and its mailing address is:

Duke Energy Progress, LLC  
410 S. Wilmington Street



NCRH 20 / P. O. Box 1551  
Raleigh, North Carolina 27602

2. The names and addresses of Applicant's attorneys are:

Lawrence B. Somers, Deputy General Counsel  
Duke Energy Progress, LLC  
NCRH 20/P.O. Box 1551  
Raleigh, North Carolina 27602  
Tel: (919) 546-6722  
[bo.somers@duke-energy.com](mailto:bo.somers@duke-energy.com)

Robert W. Kaylor  
Law Office of Robert W. Kaylor, P.A.  
353 Six Forks Road, Suite 260  
Raleigh, North Carolina 27609  
Tel: (919) 828-5250  
[bkaylor@rwkaylorlaw.com](mailto:bkaylor@rwkaylorlaw.com)

Copies of all pleadings, testimony, orders, and correspondence in this proceeding should be served upon the attorneys listed above.

3. Duke Energy Progress is engaged in the generation, transmission, distribution, and sale of electricity at retail in the eastern and western portions of North Carolina, and the northeastern portion of South Carolina. It also sells electricity at wholesale to many municipal, cooperative, and investor-owned electric utilities. The Company is authorized to transact business in the State of North Carolina and is a public utility under the laws of the State of North Carolina. Accordingly, its operations in the State of North Carolina are subject to the jurisdiction of the Commission.

4. DEP is required by the Federal Energy Regulatory Commission ("the FERC") to comply with the Reliability Standards of the North American Electric Reliability Corporation ("NERC"). NERC may impose stringent penalties for violations of NERC Reliability Standards. In accordance with these Reliability Standards, DEP



mile before crossing Lassiter Road. From here, the route extends approximately 0.5 mile south-southeast before crossing Hickory Grove Church Road. The route then extends southeast for approximately 0.9 mile and crosses King Mill Road. Continuing southeast for another 0.2 mile, the route then turns and travels east for approximately 0.4 mile before turning south. The route extends south-southeast for 0.6 mile and crosses Black Creek. Turning southeast, the route then extends 0.8 mile and crosses Elevation Road. The route continues to travel southeast for another approximately 0.9 mile and then turns south for 0.6 mile and crosses Old School Road. The route then turns southwest for only 0.1 mile and then turns south for 0.3 mile before crossing Jackson Road. The route continues to the south for 0.3 mile before turning southeast, extending approximately 0.4 mile, and crossing an existing CSX/Amtrak railroad line. The route continues southeast for approximately 1.3 miles, crossing U.S. Highway 301, Parker Road, and Interstate 95 before terminating at a tap point along the existing Erwin-Selma 230kV transmission line. This route is 60,791 feet (approximately 11.5 miles) in length, as shown in Figure 4-5 of the Report.

9. The transmission line routing process, studies and physical properties are fully described in the Report. The Report satisfies all of the requirements of N.C. Gen. Stat. § 62-102. Exhibit B is a draft public notice summary of the Application that DEP proposes to publish in the newspapers of general circulation serving the portions of Johnston County impacted by the proposed line. DEP will publish this public notice summary upon Commission approval and serve the parties identified in N.C. Gen. Stat. § 62-102(b) with a copy of this Application and a notice stating the date the Application

was filed, the date by which parties must seek intervention, and the statute and the rule governing intervention.

10. The information and data required to be filed by Commission Rule R8-62 is supported by the testimony of James Umbdenstock and Timothy Same, being filed simultaneously with this Application and incorporated herein by reference.

WHEREFORE, Duke Energy Progress requests that the Commission grant the Company a Certificate of Environmental Compatibility and Public Convenience and Necessity to construct approximately 11.5 miles of new 230kV transmission line in the Cleveland area of Johnston County, North Carolina.

Respectfully submitted this 14<sup>th</sup> day of July, 2017.

DUKE ENERGY PROGRESS, LLC



Lawrence B. Somers  
Deputy General Counsel  
Duke Energy Corporation  
P.O. Box 1551/NCRH 20  
Raleigh, North Carolina 27602  
Tel 919.546.6722  
[bo.somers@duke-energy.com](mailto:bo.somers@duke-energy.com)

Robert W. Kaylor  
Law Office of Robert W. Kaylor, P.A.  
353 E. Six Forks Road, Suite 260  
Raleigh, North Carolina 27609  
Tel: 919-828-5250  
[bkaylor@rwkaylorlaw.com](mailto:bkaylor@rwkaylorlaw.com)

ATTORNEYS FOR DUKE ENERGY  
PROGRESS, LLC

VERIFICATION

STATE OF NORTH CAROLINA )


)

DOCKET NO. E-2, SUB 1150


COUNTY OF WAKE )

)

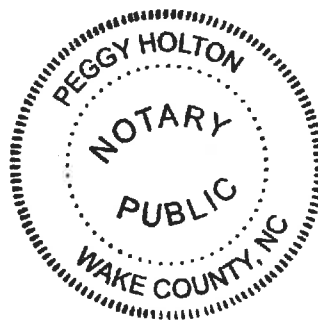
PERSONALLY APPEARED before me, Timothy J. Same, after first being duly sworn, said that he is Lead Transmission Siting Specialist, Transmission Siting and Permitting for Duke Energy Progress, LLC and as such is authorized to make this verification; that he has read the foregoing *Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity* and knows the contents thereof; and that the same are true and correct to the best of his knowledge, information, and belief

  
Timothy J. Same

Sworn to and subscribed before  
me this 5<sup>th</sup> day of July 2017.

  
Notary Public Peggy Holton

My Commission expires: 12/22/2021

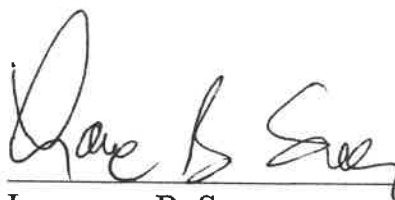


**CERTIFICATE OF SERVICE**

I certify that a copy of Duke Energy Progress, LLC's Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity to Construct Transmission Line in the Cleveland Area of Johnston County, North Carolina in Docket No. E-2, Sub 1150, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties:

David Drooz  
Public Staff  
North Carolina Utilities Commission  
4326 Mail Service Center  
Raleigh, NC 27699-4326  
[david.drooz@psncuc.nc.gov](mailto:david.drooz@psncuc.nc.gov)

This the 14<sup>th</sup> day of July, 2017.



Lawrence B. Somers  
Deputy General Counsel  
Duke Energy Corporation  
P. O. Box 1551 / NCRH 20  
Raleigh, NC 27602  
Telephone: 919.546.6722  
[bo.somers@duke-energy.com](mailto:bo.somers@duke-energy.com)

OFFICIAL COPY

JUN 18 2017

P. 7/16

# Routing Study and Environmental Report



**Duke Energy**

**Cleveland – Matthews Road 230kV Transmission Tap Line Project  
Project No. 92394**

**06/2/2017**

*P. 8/16*

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1150

In the Matter of )  
)  
Application of Duke Energy Progress, LLC )  
For A Certificate of Environmental )  
Compatibility and Public Convenience and )  
Necessity Pursuant to N.C. Gen. Stat. § 62- )  
100 et seq. to Construct Approximately 11.5 )  
Miles of New 230kV Transmission Line in )  
Cleveland area of Johnston County, North )  
Carolina )

---

**DIRECT TESTIMONY OF  
TIMOTHY J. SAME FOR  
DUKE ENERGY PROGRESS,  
LLC**

P. 9/16

OFFICIAL COPY

JUN 13 2021

1    **Q.    PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2    A.    My name is Timothy J. Same, and my business address is 410 S. Wilmington  
3           Street, Raleigh, North Carolina 27601.

4    **Q.    BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5    A.    I am employed as Lead Transmission Siting Specialist, Transmission Siting,  
6           Permitting, and Engagement by Duke Energy Progress, LLC ("DEP").

7    **Q.    WHAT ARE YOUR RESPONSIBILITIES AS LEAD TRANSMISSION**  
8           **SITING SPECIALIST?**

9    A.    As Lead Transmission Siting Specialist, Transmission Siting and Permitting, I  
10          am responsible for both the siting/due diligence of substation sites to be  
11          purchased in fee, as well as the selection of preferred/least impactful routes  
12          for transmission lines which require easement and/or right of way ("ROW")  
13          acquisition for DEP territories.

14   **Q.    PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL**  
15          **BACKGROUND.**

16   A.    I am a registered Professional Engineer in the state of North Carolina, having  
17          received a Bachelor of Science in Civil Engineering from Clarkson  
18          University. I began my career in Pennsylvania working as a job engineer in  
19          the field for Lane Construction, rebuilding Route 22 through Bethlehem,  
20          Pennsylvania. I then began employment with Dunn & Sgromo Engineers in  
21          Syracuse, New York, where I worked as an assistant engineer and began  
22          designing site work and utilities. In 1999, I began working for Costich  
23          Engineering, P.C. where I continued designing site work and utilities for land



19

OFFICIAL COPY

JUN 13 2021

→ 1 Q. WERE YOU INVOLVED IN PREPARING DEP'S APPLICATION IN  
→ 2 THIS DOCKET?

→ 3 A. Yes.

→ 4 Q. TO YOUR KNOWLEDGE, WILL DEP FILE AND PROVIDE ALL  
5 INFORMATION, BEGIN PUBLIC NOTICE REQUIRED BY THIS  
6 COMMISSION, AND OBTAIN ALL FEDERAL AND STATE  
7 LICENSES, PERMITS, AND EXEMPTIONS REQUIRED FOR  
8 CONSTRUCTION AND OPERATION OF THIS TRANSMISSION  
9 LINE?

→ 10 A. Yes.

11 Q. PLEASE DESCRIBE THE PROCESS UTILIZED TO SITE THE  
12 CLEVELAND-MATTHEWS LINE.

13 Duke Energy Progress retained Burns & McDonnell Engineering Company,  
14 Inc. ("Burns & McDonnell"), a full service international engineering and  
15 construction firm with substantial utility and infrastructure siting experience,  
16 to assist the Company with the line siting and public input for the Project.  
17 Burns & McDonnell conducted a comprehensive siting study and prepared a  
18 Routing Study and Environmental Report (the "Routing Study"), which is  
19 attached as Exhibit A to the Application. My role was to oversee Burns &  
20 McDonnell from preliminary route alternative identification through the  
21 selection of the preferred route.

22 The following is an overview of the steps involved in the identification  
23 of the route alternatives and the selection of a preferred route for the Project.

ENCL. 8, P. 11/16

1 process to obtain input for the evaluation of the alternatives. The study team  
2 then quantified the engineering, social, and environmental resources that  
3 would be impacted by each feasible route. Quantitative data and public input  
4 were used to evaluate the alternatives and to select a preferred route for the  
5 proposed transmission line.

6 **Q. HOW DID YOU DEVELOP THIRTY-TWO ALTERNATE ROUTES**  
7 **FOR THE CLEVELAND-MATTHEWS LINE?**

8 A. The objective of the routing analysis was to identify an economically feasible  
9 route that offered the most benefits in terms of providing reliable electric  
10 service, but also limited adverse impacts to the social and natural environment  
11 within the study area. This effort included four main components:

- 12 • Field reconnaissance of the study area from publicly accessible  
13 roadways
- 14 • Review of USGS topographic maps and recent aerial photography
- 15 • Review of local planning and zoning documents and available GIS  
16 data
- 17 • Contacts with local, State, and Federal agencies

18 Based on the information gathered, a set of feasible routes were identified that  
19 connect the proposed Cleveland-Matthews Road Substation to either the Lee-  
20 Milburnie 230kV, Erwin-Milburnie 230kV, or Erwin-Selma 230kV  
21 transmission lines. The primary goals regarding routing were to:

- 22 • Minimize overall impacts by paralleling existing ROWs, including  
23 transmission lines, highways, and roads, where possible

1 Road or Railroad Crossings gives an indicator of potential permitting and/or  
2 line crossing issues. New ROW is the acreage of new land that would be  
3 needed to construct the line. This amount varies depending on the amount of  
4 ROW for the proposed Project that can be shared with existing utilities and  
5 roads. New ROW was measured for each route alternative but was not  
6 included in the evaluation process since it is similar to a Total Length  
7 measurement in reflecting potential overall impacts of a route alternative.  
8 Length not along existing Infrastructure was measured because following  
9 existing corridors is generally considered to have less impact than a new  
10 ROW. Existing infrastructure for this Project includes transmission lines,  
11 railroads, and roads. Because it is desirable and less impacting to co-locate a  
12 new route along existing corridors, potential impacts would be more likely to  
13 occur where a route would be built away from existing corridors, so length not  
14 along existing infrastructure was measured; however, length not along  
15 existing infrastructure was not included in the evaluation since there were  
16 very limited areas among all route alternatives where co-location occurred.  
17 Heavy Angles (>30 degrees) were considered because these angles typically  
18 require larger structures and more space. Consequently, these structures tend  
19 to be more visible and more expensive.

20 Proximity to residences, businesses, and public facilities was  
21 considered for the route analysis. Residences within 125 Feet, between 126-  
22 300 Feet, and between 301-500 Feet were counted for each proposed segment  
23 using aerial photography supplemented with field verification. The impact to

1           The categories described above were considered to represent the  
2           potential impact of construction and operation of the new transmission line.  
3           The Project team then assigned weights to the factors based on input from the  
4           public, agencies, DEP engineers, and experience with similar transmission  
5           line projects across the country. A weight scale from 1 to 5 was used for this  
6           process, with 1 representing the lowest consideration and 5 representing the  
7           highest consideration during the evaluation. The weights associated with each  
8           routing factor are presented in Table 4-2 of the Routing Study.

9   **Q.   WHAT WERE THE RESULTS OF THE COMPREHENSIVE**  
10 **EVALUATION?**

11 A.   We determined that Route 31 was the best overall (least impactful) route.

12 **Q.   WHY?**

13 A.   Route 31 was selected as the best route for the following reasons:

- 14           • Overall lowest Residential Proximity Score among all routes, an  
15           indication of minimal potential impacts to residences and property  
16           owners
- 17           • Minimal input from concerned landowners as opposed to much greater  
18           input along other lowest scoring routes, indicating less chance of  
19           construction or access issues and a more positive public perception of  
20           the Project
- 21           • No open space (subdivision-owned) crossed
- 22           • Least number of residences within 300 feet of centerline
- 23           • No businesses or public facilities within 500 feet of centerline

34

OFFICIAL COPY  
OFFICIAL COPYJUN 13 2021  
JUN 13 2021

NR-2

- No highly sensitive stream crossings
- Utilizes cropland acres when possible to avoid extensive removal of forested areas along the route
- Crosses acres of wetland and hydric soils in a perpendicular manner, where possible, which is beneficial not only from a construction, access and maintenance perspective, but would also potentially require less permitting effort in these areas

The preferred route was one of the least overall impacting routes (fifth lowest-scoring) in the numerical evaluation performed for the proposed Project. For this and the above reasons, and by using standard construction procedures and mitigation techniques when coordinating the Project with State and Federal agencies to comply with necessary regulations, the construction, operation, and maintenance of the proposed Project will have limited effects on the natural and social resources within the study area. DEP will continue to work with environmental stakeholders and landowners to reduce impacts of this proposed Project.

*which was omitted*

**Q. PLEASE DESCRIBE THE PREFERRED ROUTE OF THE PROPOSED TRANSMISSION LINE.**

A. The preferred route originates at the site of the proposed Cleveland-Matthews Road Substation, located on the southeast corner of Polenta Road and Matthews Road in Johnston County, North Carolina. The route exits the substation site to the southeast and extends for approximately 0.5 mile before turning west for approximately 0.2 mile while crossing Matthews Road. The

1 A. There are 67 landowners that will be directly affected by having at least some  
2 portion of the proposed 125-foot right-of-way on their property. On April 20,  
3 2017, Duke Energy Progress sent letters to the 67 property owners of the total  
4 77 land parcels that are within the proposed 125-foot right of way. In addition,  
5 Duke Energy Progress also sent letters to another 23 owners of 24 total land  
6 parcels that are outside the proposed 125-foot right of way, but within 200 feet  
7 of the proposed centerline in case survey crews need to access a portion of  
8 these parcels outside, but adjacent to the proposed right of way. All of these  
9 letters (90 total notification letters) were mailed certified US Postal Service  
10 and included the appropriate reference to N.C. Gen. Stat. §40A-11 providing  
11 the necessary 30-day notice to enter the properties for the purpose of  
12 surveying, soil borings, appraisals, and assessments.

13 **Q. IN CONCLUSION, WHY IS DUKE ENERGY PROGRESS SEEKING**  
14 **APPROVAL TO CONSTRUCT THE CLEVELAND-MATTHEWS**  
15 **LINE?**

16 A. Duke Energy Progress' comprehensive transmission line siting process  
17 identified the Cleveland-Matthews Line as the best and least impactful route  
18 to serve the transmission needs in this portion of Johnston County. I believe  
19 that DEP's application is in the public convenience and necessity, and I ask  
20 that the Commission approve it.

21 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

22 A. Yes.

**Rule R8-62. CERTIFICATES OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF ELECTRIC TRANSMISSION LINES IN NORTH CAROLINA.**

(a) Each public utility or person, prior to commencing construction of a new transmission line for which a certificate is required pursuant to G.S. 62-101, shall first obtain a certificate of environmental compatibility and public convenience and necessity from the Commission. The requirement for such certificate may be satisfied by an applicable certificate granted by the Commission under G.S. 62-110 and Commission Rule R8-61.

(b) The procedures for the filing of an application for a certificate shall be as specified in Commission Rule R1-5.

(c) The filing of an application for a certificate shall include the following:

- (1) The reasons the transmission line is needed including when it is needed for the purpose described;
- (2) A description of the proposed location of the transmission line including a U.S. Geological Survey map showing the proposed route and alternative routes evaluated in relation to appropriate geographic reference points;
- (3) A description of the proposed transmission line including:
  - a. The facilities including structure type and their average height range (as determined by preliminary engineering), the right of way corridor including its width, the capacity and voltage level of the lines; and operation and maintenance considerations.
  - b. A showing of the projected cost of the line.
- (4) An environmental report setting forth:
  - a. The environmental impact of the proposed action including, as appropriate, its effect on natural resources, cultural resources, land use, and aesthetics;
  - b. Any proposed mitigating measures that may minimize the environmental impact; and
  - c. Alternative routes for the proposed lines;
- (5) A listing of residential, commercial, industrial and institutional development; other man-made features; natural features which influenced route selection and how they were considered in the selection process; and
- (6) A complete list of all federal and state licenses, permits and exemptions required for construction and operation of the transmission line and a statement of whether each has been obtained or applied for. A copy of those that have been obtained should be filed with the application; a copy of those that have not been obtained at the time of the application should be filed with the Commission as soon as they are obtained.

ENCL. (32) P. 1/6



- (7) The application shall be accompanied by prefled direct testimony incorporating and supporting the application. Provided, however, an applicant requesting a waiver of the notice and hearing requirements pursuant to Rule R8-62(k) and G.S. 62-101(d)(1) shall not be required to prefile direct testimony supporting the application unless the waiver request is subsequently denied by the Commission.

(d) The applicant shall file a written summary with the Commission explaining any proposed deviation from the approved certificate, unless the deviation is insignificant. The Commission will, within thirty (30) days, determine and notify the applicant if the deviation(s) will require the Company to file an application for an amended certificate. If the Commission determines that an amended certificate is necessary, the applicant shall, giving consideration to the circumstances that created the deviation, file the following:

- (1) The reasons the amendment is needed;
- (2) A brief description of the proposed amendment;
- (3) An amended environmental report, or addendum to the report filed with the initial application, containing the following information:
  - a. A U.S. Geological Survey Map showing the amended route in relation to all routes reviewed by the Commission in the initial application proceeding;
  - b. The right of way width and structures (structure type, approximate average height range and approximate locations as determined by preliminary engineering) along the amended route;
  - c. Revised project cost based on the proposed amended route;
  - d. A description of any changes in environmental impacts (either additional or reduced) of the proposed amended route, including, as appropriate, its effect on natural and cultural resources, land use and aesthetics; and
  - e. Any proposed mitigation measures specifically proposed to reduce environmental impacts of the amended segment of the line.
- (4) Notice for amending a certificate must be given as provided in Rule R8-62(e).

(e) Within 10 days after the filing of the application or application for amendment, the applicant shall serve a copy of the application on the parties listed in G.S. 62-102(b) in the manner provided in G.S. 1A-1, Rule 4. The copy of the application served on each party shall be accompanied by a notice specifying the date on which the application was filed and giving information on procedural steps to take and time deadlines to follow for intervention.

(f) At the time of filing, the applicant shall file a summary of the application to be used to fulfill the notice requirements of this certificate. The summary shall contain, at a minimum the following:

- (1) A summary of the proposed action;

- (2) A description of the location of the proposed transmission line written in readable style and the location of the nearest business office to the proposed line where detailed maps (U.S. Geological Survey Map, or equal) may be examined. Said maps to also be available for review in the Commission's Office of the Chief Clerk;
- (3) The date on which the application was filed; and
- (4) The date by which persons with substantial interest in the certification proceeding must intervene.

The Commission shall, within 3 business days after the date of the filing, notify the applicant of its approval or of any required changes or additions to the summary.

(g) Within 10 days after the filing of the application, the applicant shall give public notice to persons residing in each county and municipality in which the proposed transmission line is to be located by publishing the approved summary of the application in newspapers of general circulation in the affected cities and counties so as to substantially inform those persons of the filing of the application. This notice shall thereafter be published in those newspapers a minimum of three additional times before the time for parties to intervene has expired. The summary shall also be sent to the North Carolina State Clearinghouse.

If the Commission orders public hearings on the application, the applicant shall send a revised summary to the North Carolina State Clearinghouse that states when and where the hearing will be held. In addition, the applicant shall similarly revise the newspaper notice so that all published notices following the first shall describe the schedule of public hearings.

(h) After the initial public notice and for the duration of the proceeding, the applicant shall make a copy of the application available for public review at its office(s) in proximity to the proposed transmission line.

(i) Persons desiring to intervene and having a substantial interest in this proceeding in accordance with G.S. 62-103(b) shall file a petition with the Commission to intervene setting forth interest and basis for intervention no later than 100 days after the date of the filing of the application. A county or municipality shall comply with the requirements of G.S. 62-106 with respect to filing with the Commission and serving on the applicant the provisions of an ordinance that may affect the construction, operation or maintenance of the proposed transmission line. Local ordinances brought forward by municipalities or counties shall be presumed to be in the public interest; however, the Commission may find that the greater public interest requires preemption of the local ordinance.

(j) Testimony and exhibits by expert witnesses shall be filed pursuant to Commission Rule R1-24(g). Absent substantial cause, the Public Staff and other intervenors shall file direct testimony and exhibits of expert witnesses no later than the deadline established for filing petitions to intervene. Non-expert witness testimony is not required to be reduced to writing or filed prior to the hearing.

(k) The applicant may request in writing, as a part of the application, that the Commission waive the notice and hearing requirements. A completed application and the waiver request shall be prefiled with the Public Staff's Electric Division at least twenty (20) days before the application is filed to allow for investigation of the request. At the same time the applicant shall file a letter of intent to file for a waiver with the Commission. When the application is subsequently filed, it shall be accompanied by a written request for the waiver and a statement that the request has been prefiled as required by this Rule. The applicant shall identify and describe any conditions of the proposed transmission line which meets the waiver requirements set forth in G.S. 62-101(d)(1). The Commission shall rule on this waiver within 30 days after the date of the filing. A request to waive notice and hearing requirements will automatically waive the notice requirements of G.S. 62-102(b) and (c). If the Commission denies the request for a waiver, the applicant shall serve notice within 10 days, as prescribed in Rule R8-62(e), from the date the Commission serves notice of its decision.

(l) Pursuant to G.S. 62-101(d)(2), the applicant may request that the Commission waive the notice and hearing requirements because the urgency of providing electric service requires the immediate construction of the transmission line. In making this decision the Commission shall determine whether failure to build the line could result in unreliable or insufficient electrical supply to the public. The Commission shall rule on this request within 10 days of the application. If the Commission concurs, it shall waive the notice and hearing requirements but shall give notice to those parties listed in G.S. 62-102(b) and (c) before issuing a certificate or approving an amendment.

(m) The procedures for seeking exemption pursuant to G.S. 62-101(c)(3) or (5) from the requirement of obtaining a certificate shall be as follows:

- (1) A public utility or person is not required to obtain a certificate before beginning to construct a transmission line referred to in either G.S. 62-101(c)(3) or (5) if the Federal Energy Regulatory Commission (FERC) or the Rural Electrification Administration (REA), as appropriate, has conducted a proceeding on the line that is substantially equivalent to the proceeding required by Article 5A of G. S. Chapter 62.
- (2) A public utility or person shall be exempt from the requirement of a public hearing to obtain a certificate before beginning to construct a transmission line referred to in either G.S. 62-101(c)(3) or (5), if the FERC or the REA, as appropriate, has conducted a proceeding on the line that is substantially equivalent to the proceeding required by Article 5A of G. S. Chapter 62.
- (3) To apply for the exemption under section (1) above, the public utility or person shall file the following information with the Commission:
  - a. the location and transcript of each public hearing;
  - b. the notices of hearing and a description of how and to whom the notices were given;
  - c. a statement that the hearings were conducted in conformity with the FERC or REA laws, as appropriate, and a general description of what the applicable law requires; and

- d. the final order of the FERC or the REA authorizing the construction of the line.
  - (4) To apply for the exemption under section (2) above, the public utility or person shall file the information required by sections (3)a., b., and c. above.
  - (5) The Commission shall within five (5) days of receipt of the application distribute copies of it to the Public Staff and any other party that has previously requested it. In addition the Commission shall promptly supply copies to any other parties who subsequently request them.
  - (6) Within thirty (30) days from receipt of the application, the Commission shall enter an order granting the applicable exemption if it finds that the FERC or the REA has conducted a proceeding on the line that is substantially equivalent to the hearing required by the Commission's certification procedure under Article 5A of G. S. Chapter 62, and with respect to the exemption provided under section (1) above, that the FERC or the REA has issued a final order authorizing construction of the line.
- (n) When justified by the public convenience and necessity and a showing that circumstances require immediate action, the Commission may permit an applicant for a certificate to proceed with initial clearing, excavation, and construction before receiving the certificate required by G.S. 62-101. In so proceeding, however, the applicant acts at its own risk, and by granting such permission, the Commission does not commit to ultimately grant a certificate for the transmission line.
- (o) If, after proper notice of the application has been given, no significant protests are filed with the Commission the applicant may request the Commission in writing, or the Commission on its own motion, may cancel the hearing and decide the case on the filed record.
- (p) Plans for the construction of transmission lines in North Carolina (161 kV and above) shall be incorporated in filings made pursuant to Commission Rule R8-60. In addition, each public utility or person covered by this rule shall provide the following information on an annual basis no later than September 1:
- (1) For existing lines, the information required on FERC Form 1, pages 422, 423, 424, and 425, except that the information reported on pages 422 and 423 may be reported every five years.
  - (2) For lines under construction, the following:
    - a. Commission docket number;
    - b. location of end point(s);
    - c. length;
    - d. range of right-of-way width;
    - e. range of tower heights;
    - f. number of circuits;
    - g. operating voltage;
    - h. design capacity;
    - i. date construction started; and

- j. projected in-service date (if more than 6 month delay from last report, explain).
- (3) For all other proposed lines, as the information becomes available, the following:
- a. county location of end point(s);
  - b. approximate length;
  - c. typical right-of-way width for proposed type of line;
  - d. typical tower height for proposed type of line;
  - e. number of circuits;
  - f. operating voltage;
  - g. design capacity;
  - h. estimated date for starting construction (if more than 6 month delay from last report, explain); and
  - i. estimated in-service date (if more than 6 month delay from last report, explain).

(NCUC Docket No. E-100, Sub 62, 12/4/92; NCUC Docket No. E-100, Sub 78A, 04/29/98; NCUC Docket No. E-100, Sub 105, 02/27/06.)



**Rule R8-61. PRELIMINARY PLANS AND CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY FOR CONSTRUCTION OF ELECTRIC GENERATION AND RELATED TRANSMISSION FACILITIES IN NORTH CAROLINA; CONSTRUCTION OF OUT-OF-STATE ELECTRIC GENERATING FACILITIES; PROGRESS REPORTS AND ONGOING REVIEWS OF CONSTRUCTION; PROJECT DEVELOPMENT COST REVIEWS FOR NUCLEAR GENERATING FACILITIES.**

(a) A public utility or other person that plans to build an electricity generating facility with a nameplate capacity of 300 megawatts (alternating current) or more shall file with the Commission and the Department of the Environment and Natural Resources its preliminary plans at least 120 days before filing an application for a certificate of public convenience and necessity. The preliminary plans shall include the following exhibits:

- (1) Exhibit 1 shall contain the following site information:
  - (i) A color map or aerial photo (a U.S. Geological Survey map or an aerial photo map prepared via the State's geographic information system is preferred) showing the proposed site boundary and layout, with all major equipment, including the generator, fuel handling equipment, plant distribution system, startup equipment, planned and existing pipelines, planned and existing roads, planned and existing water supplies, and planned and existing electric facilities;
  - (ii) The E911 street address, county in which the proposed facility would be located, and GPS coordinates of the approximate center of the proposed facility site to the nearest second or one thousandth of a degree;
  - (iii) The full and correct name of the site owner and, if the owner is other than the applicant, the applicant's interest in the site;
  - (iv) Justification for the adoption of the site selected, and general information describing the other locations considered;
  - (v) Information concerning geological, aesthetic, ecological, meteorological, seismic, water supply, and local population;
  - (vi) A description of investigations completed, in progress, or proposed involving the subject site;
  - (vii) A statement of existing or proposed plans known to the applicant of federal, state, local governmental and private entities for other developments at or adjacent to the proposed site;
  - (viii) In the case of natural gas-fired facilities, a map showing the proximity of the facility to existing natural gas facilities; a description of dedicated gas facilities to be constructed to serve the facility; and any filed agreements, service contracts, or tariffs for interstate pipeline capacity;

ENCL. (2b) P. 1/5

- (ix) A brief general description of practicable transmission line routes emanating from the site, including a color map showing their general location; and
    - (x) The gross, net, and nameplate generating capacity of each unit and the entire facility's total projected dependable capacity in alternating current (AC).
  - (2) Exhibit 2 shall contain the following permitting information:
    - (i) A list of all agencies from which approvals will be sought covering various aspects of any generation facility constructed on the site and the title and nature of such approvals; and
    - (ii) A statement of existing or proposed environmental evaluation programs to meet the applicable air and water quality standards.
  - (3) Exhibit 3 shall include a schedule showing the anticipated beginning dates for construction, testing, and commercial operation of the generating facility.
- (b) In filing an application for a certificate of public convenience and necessity pursuant to G.S. 62-110.1(a) in order to construct a generating facility in North Carolina, a public utility shall include the following exhibits supported by relevant testimony:
- (1) Exhibit 1 shall contain the following resource planning information:
    - (i) The utility's most recent biennial report and the most recent annual report filed pursuant to Rule R8-60, plus any proposals by the utility to update said reports;
    - (ii) The extent to which the proposed facility would conform to the utility's most recent biennial report and the most recent annual report that was filed pursuant to Rule R8-60;
    - (iii) A statement of how the facility would contribute to resource and fuel diversity, whether the facility would have dual-fuel capability, and how much fuel would be stored at the site.
    - (iv) An explanation of the need for the facility, including information on energy and capacity forecasts; and
    - (v) An explanation of how the proposed facility meets the identified energy and capacity needs, including the anticipated facility capacity factor, heat rate, and service life.
  - (2) Exhibit 2 shall contain the siting and permitting information as listed in Rule R8-61(a), with updates as necessary for facilities that are 300 megawatts (alternating current) nameplate capacity or more, and for which this information had already been filed.
  - (3) Exhibit 3 shall contain the following cost information for the proposed facility, and for the final alternatives that the applicant considered:

P. 2/5



- (i) An estimate of the construction costs for the generating facility, including the costs for new substation(s) and transmission line(s), and upgrades to existing substations(s) and transmission lines(s). For nuclear plants, construction costs shall include the plant's first core fuel load;
  - (ii) Estimated construction costs expressed as dollars per megawatt of capacity;
  - (iii) Estimated annual operating expenses by category, including fuel costs;
  - (iv) Estimated annual operating expenses expressed as dollars per net megawatt-hour.
  - (v) The projected cost of each major component of the generating facility and the projected schedule for incurring those costs;
  - (vi) The projected effect of investment in the generating facility on the utility's overall revenue requirement for each year during the construction period;
  - (vii) The anticipated in-service expenses associated with the generating facility for the 12-month period of time following commencement of commercial operation of the facility; and
  - (viii) The anticipated impact the facility will have on customer rates.
- (4) Exhibit 4 shall contain the following construction information:
- (i) The anticipated construction schedule for the generating facility;
  - (ii) The specific type of units selected for the generating facility; the suppliers of the major components of the facility; the basis for selecting the type of units, major components, and suppliers; and arrangements made or planned to assure a dependable fuel supply;
  - (iii) The qualifications and selection process of principal contractors and suppliers for construction of the generating facility, other than those listed in Item (ii) above; and
  - (iv) Risk factors related to the construction and operation of the generating facility, including a verified statement as to whether the facility will be capable of operating during the lowest temperature that has been recorded in the area using information from the National Weather Service Automated Surface Observing System (ASOS) First Order Station in Asheville, Charlotte, Greensboro, Hatteras, Raleigh or Wilmington, depending upon the station that is located closest to where the plant will be located.

P. 3/5

- (5) If the facility is a coal or nuclear-fueled facility, the application shall include Exhibit 5, which shall contain information demonstrating that energy efficiency measures; demand-side management; renewable energy resource generation; combined heat and power generation; or any combination thereof, would not establish or maintain a more cost-effective and reliable generation system and that the construction and operation of the facility is in the public interest.
- (c) The public utility shall submit a progress report and any revision in the construction cost estimate during each year of construction according to a schedule established by the Commission.
- (d) Upon the request of the public utility or upon the Commission's own motion, the Commission may conduct an ongoing review of construction of the generating facility as the construction proceeds.
- (e) A public utility requesting an ongoing review of construction of the generating facility pursuant to G.S. 62-110.1(f) shall file an application, supported by relevant testimony, for an ongoing review no later than 12 months after the date of issuance of a certificate of public convenience and necessity by the Commission; provided, however, that the public utility may, prior to the conclusion of such 12-month period, petition the Commission for a reasonable extension of time to file an application based on a showing of good cause. Upon the filing of a request for an ongoing review, the Commission shall establish a schedule of hearings. The hearings shall be held no more often than every 12 months. The Commission shall also establish the time period to be reviewed during each hearing. The purpose of each ongoing review hearing is to determine the reasonableness and prudence of the costs incurred by the public utility during the period under review and to determine whether the certificate should remain in effect or be modified or revoked. The public utility shall have the burden of proof to demonstrate that all costs incurred are reasonable and prudent.
- (f) A public utility may file an application pursuant to G.S. 62-110.6 requesting the Commission to determine the need for an out-of-state electric generating facility that is intended to serve retail customers in North Carolina. If need for the generating facility is established, the Commission shall also approve an estimate of the construction costs and construction schedule for such facility. The application may be filed at any time after an application for a certificate of public convenience and necessity or license for construction of the generating facility has been filed in the state in which the facility will be sited. The application shall be supported by relevant testimony and shall include the information required by subsection (b) of this Rule to the extent such information is relevant to the showing of need for the generating facility and the estimated construction costs and proposed construction schedule for the generating facility. The public utility shall submit a progress report and any revision in the construction cost estimate for the out-of-state electric generating facility during each year of construction according to a schedule established by the Commission.

(g) If the Commission makes a determination of need pursuant to G.S. 62-110.6 and subsection (f) of this Rule, the provisions of subsections (d) and (e) of this Rule shall apply to a request by a public utility for an ongoing review of construction of a generating facility to be constructed in another state that is intended to serve retail customers in North Carolina. An electric public utility shall file an application, supported by relevant testimony, for an ongoing review no later than 12 months after the date of issuance of a certificate of public convenience and necessity or license by the state commission in which the out-of-state generating facility is to be constructed; provided, however, that the public utility may, prior to the conclusion of such 12-month period, petition the Commission for a reasonable extension of time to file an application based on a showing of good cause.

(h) A public utility may file an application pursuant to G.S. 62-110.7 requesting the Commission to review the public utility's decision to incur project development costs for a potential in-state or out-of-state nuclear generating facility that is intended to serve retail electric customers in North Carolina. The application, supported by relevant testimony, shall be filed prior to the filing of an application for a certificate to construct the facility.

(NCUC Docket No. E 100, Sub 54, 12/8/88; E-100, Sub 78A, 04/29/98; NCUC Docket No. E-100, Sub 113, 02/29/08; NCUC Docket No. E-100, Sub 134, 07/30/12; NCUC Docket No. M-100, Sub 135, 09/10/13; NCUC Docket No. E-100, Sub 134, 11/04/14.)

**Rule R8-60. INTEGRATED RESOURCE PLANNING AND FILINGS.**

(a) Purpose. — The purpose of this rule is to implement the provisions of G.S. 62-2(3a) and G.S. 62-110.1 with respect to least cost integrated resource planning by the utilities in North Carolina.

(b) Applicability. — This rule is applicable to Duke Energy Progress, Inc.; Duke Energy Carolinas, LLC; and Virginia Electric and Power Company, d/b/a Dominion North Carolina Power.

(c) Integrated Resource Plan. — Each utility shall develop and keep current an integrated resource plan, which incorporates, at a minimum, the following:

- (1) a 15-year forecast of native load requirements (including any off-system obligations approved for native load treatment by the Commission) and other system capacity or firm energy obligations extending through at least one summer or winter peak (other system obligations); supply-side (including owned/leased generation capacity and firm purchased power arrangements) and demand-side resources expected to satisfy those loads; and the reserve margin thus produced; and
- (2) a comprehensive analysis of all resource options (supply-and demand-side) considered by the utility for satisfaction of native load requirements and other system obligations over the planning period, including those resources chosen by the utility to provide reliable electric utility service at least cost over the planning period.

Each utility shall include an assessment of demand-side management and energy efficiency in its integrated resource plan. G.S. 62-133.9(c). In addition, each utility's consideration of supply-side and demand-side resources, including alternative supply-side energy resources, and the provision of reliable electric utility service at least cost shall appropriately consider and incorporate the utility's obligation to comply with the Renewable Energy and Energy Efficiency Portfolio Standard (REPS). G.S. 62-133.8.

(d) Purchased Power. — As part of its integrated resource planning process, each utility shall assess on an on-going basis the potential benefits of soliciting proposals from wholesale power suppliers and power marketers to supply it with needed capacity.

(e) Alternative Supply-Side Energy Resources. — As part of its integrated resource planning process, each utility shall assess on an on-going basis the potential benefits of reasonably available alternative supply-side energy resource options. Alternative supply-side energy resources include, but are not limited to, hydro, wind, geothermal, solar thermal, solar photovoltaic, municipal solid waste, fuel cells, and biomass.

(f) Demand-Side Management. — As part of its integrated resource planning process, each utility shall assess on an on-going basis programs to promote demand-side management, including costs, benefits, risks, uncertainties, reliability and customer acceptance, where appropriate. For purposes of this rule, demand-side management consists of demand response programs and energy efficiency and conservation programs.

ENCL. (3C) R.1/7

(g) **Evaluation of Resource Options.** — As part of its integrated resource planning process, each utility shall consider and compare a comprehensive set of potential resource options, including both demand-side and supply-side options, to determine an integrated resource plan that offers the least cost combination (on a long-term basis) of reliable resource options for meeting the anticipated needs of its system. The utility shall analyze potential resource options and combinations of resource options to serve its system needs, taking into account the sensitivity of its analysis to variations in future estimates of peak load, energy requirements, and other significant assumptions, including, but not limited to, the risks associated with wholesale markets, fuel costs, construction/implementation costs, transmission and distribution costs, and costs of complying with environmental regulation. Additionally, the utility's analysis should take into account, as applicable, system operations, environmental impacts, and other qualitative factors.

(h) **Filings.**

- (1) By September 1, 2008, and every two years thereafter, each utility subject to this rule shall file with the Commission its then current integrated resource plan, together with all information required by subsection (i) of this rule. This biennial report shall cover the next succeeding two-year period.
- (2) By September 1 of each year in which a biennial report is not required to be filed, an update report shall be filed with the Commission containing an updated 15-year forecast of the items described in subparagraph (c)(1), as well as a summary of any significant amendments or revisions to the most recently filed biennial report, including amendments or revisions to the type and size of resources identified, as applicable.
- (3) Each biennial and update report filed shall be accompanied by a short-term action plan that discusses those specific actions currently being taken by the utility to implement the activities chosen as appropriate per the applicable biennial and update reports.
- (4) Each biennial and update report shall include the utility's REPS compliance plan pursuant to Rule R8-67(b).
- (5) If a utility considers certain information in its biennial or update report to be proprietary, confidential, and within the scope of G.S. 132-1.2, the utility may designate the information as "confidential" and file it under seal.

(i) **Contents of Biennial Reports.** — Each utility shall include in each biennial report the following:

- (1) **Forecasts of Load, Supply-Side Resources, and Demand-Side Resources.** The forecasts filed by each utility as part of its biennial report shall include descriptions of the methods, models, and assumptions used by the utility to prepare its peak load (MW) and energy sales (MWh) forecasts and the variables used in the models. In the biennial reports, the forecasts filed by each utility shall include, at a minimum, the following:

p. 2/7



- (i) The most recent ten-year history and a forecast of customers by each customer class, the most recent ten-year history and a forecast of energy sales (MWh) by each customer class, and the most recent ten-year history and a forecast of the utility's summer and winter peak load (MW);
  - (ii) A tabulation of the utility's forecast for at least a 15-year period, including peak loads for summer and winter seasons of each year, annual energy forecasts, reserve margins, and load duration curves, with and without projected supply or demand-side resource additions. The tabulation shall also indicate the projected effects of demand response and energy efficiency programs and activities on the forecasted annual energy and peak loads on an annual basis for a 15-year period, and these effects also may be reported as an equivalent generation capacity impact; and
  - (iii) Where future supply-side resources are required, a description of the type of capacity/resource (MW rating, fuel source, base, intermediate, or peaking) that the utility proposes to use to address the forecasted need.
- (2) **Generating Facilities.** — Each utility shall provide the following data for its existing and planned electric generating facilities (including planned additions and retirements, but excluding cogeneration and small power production):
- (i) **Existing Generation.** — The utility shall provide a list of existing units in service, with the information specified below for each listed unit. The information shall be provided for a 15-year period beginning with the year of filing:
    - a. Type of fuel(s) used;
    - b. Type of unit (e.g., base, intermediate, or peaking);
    - c. Location of each existing unit;
    - d. A list of units to be retired from service with location, capacity and expected date of retirement from the system;
    - e. A list of units for which there are specific plans for life extension, refurbishment or upgrading. The reporting utility shall also provide the expected (or actual) date removed from service, general location, capacity rating upon return to service, expected return to service date, and a general description of work to be performed; and
    - f. Other changes to existing generating units that are expected to increase or decrease generation capability of the unit in question by an amount that is plus or minus 10%, or 10 MW, whichever is greater.
  - (ii) **Planned Generation Additions.** — Each utility shall provide a list of planned generation additions, the rationale as to why each listed generation addition was selected, and a 15-year projection of the following for each listed addition:

- a. Type of fuel(s) used;
  - b. Type of unit (e.g. MW rating, baseload, intermediate, peaking);
  - c. Location of each planned unit to the extent such location has been determined; and
  - d. Summaries of the analyses supporting any new generation additions included in its 15-year forecast, including its designation as base, intermediate, or peaking capacity.
- (iii) Non-Utility Generation. — Each utility shall provide a separate and updated list of all non-utility electric generating facilities in its service areas, including customer-owned and stand-by generating facilities. This list shall include the facility name, location, primary fuel type, and capacity (including its designation as base, intermediate, or peaking capacity). The utility shall also indicate which facilities are included in its total supply of resources. If any of this information is readily accessible in documents already filed with the Commission, the utility may incorporate by reference the document or documents in its report, so long as the utility provides the docket number and the date of filing.
- (3) Reserve Margins. — The utility shall provide a calculation and analysis of its winter and summer peak reserve margins over the projected 15-year period. To the extent the margins produced in a given year differ from target reserve margins by plus or minus 3%, the utility shall explain the reasons for the difference.
- (4) Wholesale Contracts for the Purchase and Sale of Power.
- (i) The utility shall provide a list of firm wholesale purchased power contracts reflected in the biennial report, including the primary fuel type, capacity (including its designation as base, intermediate, or peaking capacity), location, expiration date, and volume of purchases actually made since the last biennial report for each contract.
  - (ii) The utility shall discuss the results of any Request for Proposals (RFP) for purchased power it has issued since its last biennial report. This discussion shall include a description of each RFP, the number of entities responding to the RFP, the number of proposals received, the terms of the proposals, and an explanation of why the proposals were accepted or rejected.
  - (iii) The utility shall include a list of the wholesale power sales contracts for the sale of capacity or firm energy for which the utility has committed to sell power during the planning horizon, the identity of each wholesale entity to which the utility has committed itself to sell power during the planning horizon, the number of megawatts (MW) on an annual basis for each contract, the length of each contract, and the type of each contract (e.g., native load priority, firm, etc.).



- (5) **Transmission Facilities.** — Each utility shall include a list of transmission lines and other associated facilities (161 kV or over) which are under construction or for which there are specific plans to be constructed during the planning horizon, including the capacity and voltage levels, location, and schedules for completion and operation. The utility shall also include a discussion of the adequacy of its transmission system (161 kV and above).
- (6) **Demand-Side Management.** — Each utility shall provide the results of its overall assessment of existing and potential demand-side management programs, including a descriptive summary of each analysis performed or used by the utility in the assessment. The utility also shall provide general information on any changes to the methods and assumptions used in the assessment since its last biennial report.
- (i) For demand-side programs available at the time of the report, the utility shall provide the following information for each resource: the type of resource (demand response or energy efficiency); the capacity and energy available in the program; number of customers enrolled in each program; the number of times the utility has called upon the resource; and, where applicable, the capacity reduction realized each time since the previous biennial report. The utility shall also list any demand-side resource it has discontinued since its previous biennial report and the reasons for that discontinuance.
  - (ii) For demand-side management programs it proposes to implement within the biennium for which the report is filed, the utility shall provide the following information for each resource: the type of resource (demand response and energy efficiency); a description of the new program and the target customer segment; the capacity and energy expected to be available from the program; projected customer acceptance; the date the program will be launched; and the rationale as to why the program was selected.
  - (iii) For programs evaluated but rejected the utility shall provide the following information for each resource considered: the type of resource (demand response or energy efficiency); a description of the program and the target customer segment; the capacity and energy available from the program; projected customer acceptance; and reasons for the program's rejection.
  - (iv) For consumer education programs the utility shall provide a comprehensive list of all such programs the utility currently provides to its customers, or proposes to implement within the biennium for which the report is filed, including a description of the program, the target customer segment, and the utility's promotion of the education program. The utility shall also provide a list of any educational program it has discontinued since its last biennial report and the reasons for discontinuance.

p. 5/7

- (7) **Assessment of Alternative Supply-Side Energy Resources.** — The utility shall include its current overall assessment of existing and potential alternative supply-side energy resources, including a descriptive summary of each analysis performed or used by the utility in the assessment. The utility shall also provide general information on any changes to the methods and assumptions used in the assessment since its most recent biennial or update report.
- (i) For the currently operational or potential future alternative supply-side energy resources included in each utility's plan, the utility shall provide information on the capacity and energy actually available or projected to be available, as applicable, from the resource. The utility shall also provide this information for any actual or potential alternative supply-side energy resources that have been discontinued from its plan since its last biennial report and the reasons for that discontinuance.
  - (ii) For alternative supply-side energy resources evaluated but rejected, the utility shall provide the following information for each resource considered: a description of the resource; the potential capacity and energy associated with the resource; and the reasons for the rejection of the resource.
- (8) **Evaluation of Resource Options.** — Each utility shall provide a description and a summary of the results of its analyses of potential resource options and combinations of resource options performed by it pursuant to subsection (g) of this rule to determine its integrated resource plan.
- (9) **Levelized Busbar Costs.** — Each utility shall provide information on levelized busbar costs for various generation technologies.
- (j) **Contents of Update Reports.** — In addition to the information required by sections (h)(2)-(4) of this rule, each utility shall include in its update report data and tables that provide the following data for the planning horizon: (1) the information required by sections (i)(1) and (2) of this rule, including the utility's load forecast adjusted for the impacts of any new energy efficiency programs, existing generating capacity with planned additions, uprates, derates, and retirements, planned purchase contracts, undesignated future resources identified by type of generation and MW rating, renewable capacity, demand-side management capacity, and any resource gap; (2) cumulative resource additions necessary to meet load obligation and reserve margins; and (3) projections of load, capacity, and reserves for both the summer and winter periods. A total system IRP may be filed in lieu of an update report for purposes of compliance with this section.
- (k) **Review of Biennial Reports.** — Within 150 days after the later of either September 1 or the filing of each utility's biennial report, the Public Staff or any other intervenor may file an integrated resource plan or report of its own as to any utility or may file an evaluation of or comments on the reports filed by the utilities, or both. The

Public Staff or any intervenor may identify any issue that it believes should be the subject of an evidentiary hearing. Within 60 days after the filing of initial comments, the parties may file reply comments addressing any substantive or procedural issue raised by any other party. A hearing to address issues raised by the Public Staff or other intervenors may be scheduled at the discretion of the Commission. The scope of any such hearing shall be limited to such issues as identified by the Commission. One or more hearings to receive testimony from the public, as required by law, shall be set at a time and place designated by the Commission.

(l) Review of Update Reports. — Within 60 days after the filing of each utility's update report required by section (j) of this rule, the Public Staff or any other intervenor may file an update report of its own as to any utility. Further, within the same time period the Public Staff shall report to the Commission whether each utility's update report meets the requirements of this rule. Intervenors may request leave from the Commission to file comments. Comments will be received or expert witness hearings held on the update reports only if the Commission deems it necessary. The scope of any comments or expert witness hearing shall be limited to issues identified by the Commission. One or more hearings to receive testimony from the public, as required by law, shall be set at a time and place designated by the Commission.

(m) By November 30 of each year, each utility individually or jointly shall hold a meeting to review its biennial or update report with interested parties.

(NCUC Docket No. E-100, Sub 54, 12/8/88; NCUC Docket No. E-100, Sub 78A, 04/29/98; 08/11/98; NCUC Docket No. M-100, Sub 128, 10/27/99; NCUC Docket No. E-100, Sub 113, 2/29/08; NCUC Docket No. E-100, Sub 113, 3/13/08; NCUC Docket No. E-100, Sub 126, 4/11/2012; NCUC Docket No. M-100, Sub 140, 12/03/13; NCUC Docket No. E-100, Sub 111, 7/20/2015; NCUC Docket No. E-100, Sub 126, 6/13/2016; NCUC Docket Nos. E-100, Subs 126 & 157; 11/13/2019.)

**Chapter 62.**  
**Public Utilities.**  
Article 1.  
General Provisions.

**§ 62-1. Short title.**

This Chapter shall be known and may be cited as the Public Utilities Act. (1963, c. 1165, s. 1.)

**§ 62-2. Declaration of policy.**

(a) Upon investigation, it has been determined that the rates, services and operations of public utilities as defined herein, are affected with the public interest and that the availability of an adequate and reliable supply of electric power and natural gas to the people, economy and government of North Carolina is a matter of public policy. It is hereby declared to be the policy of the State of North Carolina:

- (1) To provide fair regulation of public utilities in the interest of the public;
- (2) To promote the inherent advantage of regulated public utilities;
- (3) To promote adequate, reliable and economical utility service to all of the citizens and residents of the State;
- (3a) To assure that resources necessary to meet future growth through the provision of adequate, reliable utility service include use of the entire spectrum of demand-side options, including but not limited to conservation, load management and efficiency programs, as additional sources of energy supply and/or energy demand reductions. To that end, to require energy planning and fixing of rates in a manner to result in the least cost mix of generation and demand-reduction measures which is achievable, including consideration of appropriate rewards to utilities for efficiency and conservation which decrease utility bills;
- (4) To provide just and reasonable rates and charges for public utility services without unjust discrimination, undue preferences or advantages, or unfair or destructive competitive practices and consistent with long-term management and conservation of energy resources by avoiding wasteful, uneconomic and inefficient uses of energy;
- (4a) To assure that facilities necessary to meet future growth can be financed by the utilities operating in this State on terms which are reasonable and fair to both the customers and existing investors of such utilities; and to that end to authorize fixing of rates in such a manner as to result in lower costs of new facilities and lower rates over the operating lives of such new facilities by making provisions in the rate-making process for the investment of public utilities in plants under construction;
- (5) To encourage and promote harmony between public utilities, their users and the environment;
- (6) To foster the continued service of public utilities on a well-planned and coordinated basis that is consistent with the level of energy needed for the protection of public health and safety and for the promotion of the general welfare as expressed in the State energy policy;

ENCL. (3d) P. 1/2

- (7) To seek to adjust the rate of growth of regulated energy supply facilities serving the State to the policy requirements of statewide development;
- (8) To cooperate with other states and with the federal government in promoting and coordinating interstate and intrastate public utility service and reliability of public utility energy supply;
- (9) To facilitate the construction of facilities in and the extension of natural gas service to unserved areas in order to promote the public welfare throughout the State and to that end to authorize the creation of expansion funds for natural gas local distribution companies or gas districts to be administered under the supervision of the North Carolina Utilities Commission; and
- (10) To promote the development of renewable energy and energy efficiency through the implementation of a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) that will do all of the following:
  - a. Diversify the resources used to reliably meet the energy needs of consumers in the State.
  - b. Provide greater energy security through the use of indigenous energy resources available within the State.
  - c. Encourage private investment in renewable energy and energy efficiency.
  - d. Provide improved air quality and other benefits to energy consumers and citizens of the State.

(b) To these ends, therefore, authority shall be vested in the North Carolina Utilities Commission to regulate public utilities generally, their rates, services and operations, and their expansion in relation to long-term energy conservation and management policies and statewide development requirements, and in the manner and in accordance with the policies set forth in this Chapter. Nothing in this Chapter shall be construed to imply any extension of Utilities Commission regulatory jurisdiction over any industry or enterprise that is not subject to the regulatory jurisdiction of said Commission.

Because of technological changes in the equipment and facilities now available and needed to provide telephone and telecommunications services, changes in regulatory policies by the federal government, and changes resulting from the court-ordered divestiture of the American Telephone and Telegraph Company, competitive offerings of certain types of telephone and telecommunications services may be in the public interest. Consequently, authority shall be vested in the North Carolina Utilities Commission to allow competitive offerings of local exchange, exchange access, and long distance services by public utilities defined in G.S. 62-3(23)a.6. and certified in accordance with the provisions of G.S. 62-110, and the Commission is further authorized after notice to affected parties and hearing to deregulate or to exempt from regulation under any or all provisions of this Chapter: (i) a service provided by any public utility as defined in G.S. 62-3(23)a.6. upon a finding that such service is competitive and that such deregulation or exemption from regulation is in the public interest; or (ii) a public utility as defined in G.S. 62-3(23)a.6., or a portion of the business of such public utility, upon a finding that the service or business of such public utility is competitive and that such deregulation or exemption from regulation is in the public interest.

Notwithstanding the provisions of G.S. 62-110(b) and G.S. 62-134(h), the following services provided by public utilities defined in G.S. 62-3(23)a.6. are sufficiently competitive and shall no longer be regulated by the Commission: (i) intraLATA long distance service; (ii) interLATA long

P. 2/3



distance service; and (iii) long distance operator services. A public utility providing such services shall be permitted, at its own election, to file and maintain tariffs for such services with the Commission up to and including September 1, 2003. Nothing in this subsection shall limit the Commission's authority regarding certification of providers of such services or its authority to hear and resolve complaints against providers of such services alleged to have made changes to the services of customers or imposed charges without appropriate authorization. For purposes of this subsection, and notwithstanding G.S. 62-110(b), "long distance services" shall not include existing or future extended area service, local measured service, or other local calling arrangements, and any future extended area service shall be implemented consistent with Commission rules governing extended area service existing as of May 1, 2003.

The North Carolina Utilities Commission may develop regulatory policies to govern the provision of telecommunications services to the public which promote efficiency, technological innovation, economic growth, and permit telecommunications utilities a reasonable opportunity to compete in an emerging competitive environment, giving due regard to consumers, stockholders, and maintenance of reasonably affordable local exchange service and long distance service.

(b1) Broadband service provided by public utilities as defined in G.S. 62-3(23)a.6. is sufficiently competitive and shall not be regulated by the Commission.

(c) The policy and authority stated in this section shall be applicable to common carriers of passengers by motor vehicle and their regulation by the North Carolina Utilities Commission only to the extent that they are consistent with the provisions of the Bus Regulatory Reform Act of 1985. (1963, c. 1165, s. 1; 1975, c. 877, s. 2; 1977, c. 691, s. 1; 1983 (Reg. Sess., 1984), c. 1043, s. 1; 1985, c. 676, s. 3; 1987, c. 354; 1989, c. 112, s. 1; 1991, c. 598, s. 1; 1995, c. 27, s. 1; 1995 (Reg. Sess., 1996), c. 742, ss. 29-32; 1998-132, s. 18; 2003-91, s. 1; 2005-95, s. 1; 2007-397, s. 1.)

### § 62-3. Definitions.

As used in this Chapter, unless the context otherwise requires, the term:

- (1) "Broadband service" means any service that consists of or includes a high-speed access capability to transmit at a rate of not less than 200 kilobits per second in either the upstream or downstream direction and either (i) is used to provide access to the Internet, or (ii) provides computer processing, information storage, information content, or protocol conversion, including any service applications or information service provided over such high-speed access service. "Broadband service" does not include intrastate service that was tariffed by the Commission and in effect as of the effective date of this subdivision.
- (1a) "Broker," with regard to motor carriers of passengers, means any person not included in the term "motor carrier" and not a bona fide employee or agent of any such carrier, who or which as principal or agent engages in the business of selling or offering for sale any transportation of passengers by motor carrier, or negotiates for or holds himself, or itself, out by solicitation, advertisements, or otherwise, as one who sells, provides, furnishes, contracts, or arranges for such transportation for compensation, either directly or indirectly.
- (1b) "Bus company" means any common carrier by motor vehicle which holds itself out to the general public to engage in the transportation by motor



NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION

March 19, 2019

Oliver L. Canaday  
PO Box 624  
Four Oaks, NC 27524

Re: Public Records Request – E-2, Sub 1150

Dear Mr. Canaday:

On March 1, 2019, you requested documents of the Public Staff investigation used "to recommend DEP complied with the cost requirements of G.S. 62-102 and G.S. 62-105," and "that the estimated costs associated with the line are reasonable." Enclosed are the documents from the Public Staff's investigation of the costs of the transmission line proposed in E-2, Sub 1150.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Fennell".

Heather D. Fennell  
Staff Attorney

[heather.fennell@psncuc.nc.gov](mailto:heather.fennell@psncuc.nc.gov)

Page 1/15

ENCL. (4) P. 1/15

Executive Director  
(919) 733-2435

Communications  
(919) 733-2810

Economic Research  
(919) 733-2902

Legal  
(919) 733-6110

Transportation  
(919) 733-7766

Accounting  
(919) 733-4279

Consumer Services  
(919) 733-9277

Electric  
(919) 733-2267

Natural Gas  
(919) 733-4326

Water  
(919) 733-5610



## Duke Energy Progress, LLC

Docket No. E-2, Sub 1150  
Cleveland-Matthews 230kv Transmission Line Project (Cleveland-Matthews)

→ Public Staff Data Request No. 1  
→ Date Sent: August 15, 2017  
Requested Due Date: August 29, 2017

Public Staff Technical Contact: Tommy Williamson and David Williamson  
Phone: 919.733.1540 and 919.733.1518  
Email: [Tommy.Williamson@psncuc.nc.gov](mailto:Tommy.Williamson@psncuc.nc.gov) ,  
[David.Williamson@psncuc.nc.gov](mailto:David.Williamson@psncuc.nc.gov)

Public Staff Legal Contact: Heather Fennell  
Phone: 919.733.0975 Email: [Heather.Fennell@psncuc.nc.gov](mailto:Heather.Fennell@psncuc.nc.gov)

**\*\*Please provide available responses electronically. If Excel format is used, please ensure all formulas are working.**

### General:

1. Please provide electronic copies of all questionnaires, letters, emails, and comments via the project website, received by the company with respect to this project.
2. On a continuing basis, please provide all discovery and data requests served on DEP by other parties in this proceeding.
3. On a continuing basis, please provide all answers submitted by DEP in response to discovery and data requests of other parties in this proceeding.
4. On a continuing basis, please provide all materials, logs, and notes on interactions with the impacted customers.

### Transmission Line Need:

5. DEP's 2015 IRP Update and the 2016 IRP did not include the proposed transmission line or substation in its planning period. Please explain what led to the discovery of the need for this project, which should include a description of any changes that have been observed or are being forecasted in the region and supporting documentation or calculations.

1 of 3

Page 2 of 15

6. Please explain how load growth in this area will develop over the next ten years.
7. Please explain the timetable DEP applies to perform a system voltage analysis and conductor/equipment overload analysis to identify any existing voltage deficiencies or overload conditions on the transmission system in the region, and the overall transmission system?
8. Were any existing voltage deficiencies or overload conditions observed during the most recent analyses in the region? If so, please elaborate.
9. Please supply the DEP equivalent to the Duke Energy Carolinas, LLC (DEC) document that describes the Electrical Facilities Ratings Methodology found at:  
[http://www.oasis.oati.com/DUK/DUKdocs/FINAL\\_DEC\\_FRM\\_20130425.pdf](http://www.oasis.oati.com/DUK/DUKdocs/FINAL_DEC_FRM_20130425.pdf)
10. Please describe the facility ratings (continuous and emergency) for all transmission lines in the project area, including identification of the most limiting components and their thermal ratings. For each of the limiting components, were the thermal ratings adjusted due to as-built conditions? If so, please provide a detailed explanation, including the pre- and post-adjustment thermal ratings.
11. Please provide a list of all transmission planning model inputs used with this project, along with a description of each model input. Please include operational state and data of all loads, and generating resource units.
12. Has this project been identified as part of the North Carolina Transmission Planning Collaborative (NCTPC)? If so, please provide the report in which it first appeared in an NCTPC Final Report. If not, please explain why it was not.

#### **Transmission Line and Substation Costs:**

13. Please provide a detailed breakdown of the projected \$28 million in costs for the new transmission line and new Cleveland-Matthews Road Substation. Please include the associated parties responsible for each cost (materials, equipment, labor, land purchase, right-of-way acquisition, etc.).
14. Please provide a detailed breakdown of the cost of transmission route 4 (the preferred route) and route 1 (lowest weighted score).
15. Please list any non-DEP resources (i.e. contractors, etc.) that will be used for the transmission line and substation project, along with a description of the service provided and projected cost of those services.

2 of 3      0000 3/15

**Surveying:**

16. Please describe the process and timeline that DEP will follow during the surveying portion of this project.
17. Is the Company using LiDAR technology during the survey schedule? Please provide the cost differentials/analysis on traditional surveying versus using the LiDAR technology.

NC Public Staff  
Docket No. E-2, Sub 1150  
NC Public Staff Data Request No. 1  
Cleveland-Matthews Transmission Line  
Item No. 1-13  
Page 1 of 1

OFFICIAL COPY

JUN 13 2021

**DUKE ENERGY PROGRESS, LLC**

**Request:**

Please provide a detailed breakdown of the projected \$28 million in costs for the new transmission line and new Cleveland-Matthews Road Substation. Please include the associated parties responsible for each cost (materials, equipment, labor, land purchase, right-of-way acquisition, etc.).

**Response:**

Please see the attached spreadsheet 'CMR Public Staff Req 1\_Responses Q13-Q15\_082317.xlsx'.



CMR Public Staff Req  
1\_Responses Q13-Q1

12/15

Q13 - Breakdown of projected \$28M in costs

	Cost Type	Projected Cost	Responsible Party
Labor:	Line Construction	11,071,511	DEP Line Construction Contractor
	Project Management	143,654	DEP Project Management Group
	Right of Way Acquisition	111,695	DEP Real Estate Group
	Substation Construction	7,096,076	DEP Substation Construction Contractor
	<b>Total Labor:</b>	<b>18,422,936</b>	
Materials	Substation Construction	1,938,396	DEP Materials Management
	Line Construction	2,620,887	DEP Materials Management
	<b>Total Materials:</b>	<b>4,559,283</b>	
Land Purchase:		514,146	DEP Real Estate Group
Right of Way Acquisition /Route Selection:		4,709,205	DEP Real Estate Group
<b>TOTAL:</b>		<b>28,205,570</b>	

FOR 6/15

## Q14 - Cost of Transmission Route 4 vs Route 1

	Cost Estimate Cleveland Matthews Route 4/Preferred	Cost Estimate Cleveland Matthews Route 1/Lowest
Install /Modify Line Structures and Wires	3,328,000	3,072,000
Install /Modify Line Structures and Wires (Inspector's Time)	244,000	200,000
Site Finalization (clean-up)	192,000	96,000
Site Finalization (clean-up) Inspector	27,000	14,000
As-built	2,000	2,000
Erosion Control	1,000,000	2,000,000
Staking	24,000	12,000
ROW Clearing	1,818,000	940,000
Centerline Survey	317,000	164,000
Tie Plat Survey	180,000	93,000
Flagging Clearing Limit	60,000	31,000
<b>Subtotal</b>	<b>7,192,000</b>	<b>6,624,000</b>
Engineering labor & Material Estimates	1,936,265	2,142,163
<b>Subtotal - Direct View</b>	<b>9,128,265</b>	<b>8,766,163</b>
<b>Adjusted to Include Burdens</b>	<b>13,692,398</b>	<b>13,149,245</b>

## Q15 - Non-DEP Resources Expected to be Used

Although none of the specific resources have been assigned at this point, we expect a great deal of the project cost to be for contracted services.

	Cost Type	Projected Cost	Responsible Party	Non-DEP Resources Expected?
Labor:	Line Construction	11,071,511	DEP Line Construction Contractor	yes
	Project Management	143,654	DEP Project Management Group	no
	Right of Way Acquisition	111,695	DEP Real Estate Group	no
	Substation Construction	7,096,076	DEP Substation Construction Contractor	yes
	Total Labor:	18,422,936		
Materials	Substation Construction	1,938,396	DEP Materials Management	no
	Line Construction	2,620,887	DEP Materials Management	no
	Total Materials:	4,559,283		
Land Purchase:		514,146	DEP Real Estate Group	no
Right of Way Acquisition/ Route Selection:		4,709,205	DEP Real Estate Group	yes
TOTAL:		28,205,570		

Non-DEP resources are expected for a portion of the above projected costs:

Type of Contractor	Description of Service
Environmental Consultants (Burns & McDonnell)	Routing study and environmental report
Vegetation Mgmt	ROW clearing and grading
Clearing and grading	Land clearing, grading, excavation, erosion control
Engineering Consultants	Design engineering services
Construction Inspection	Construction Oversight
Substation Contractor	Substation and Protection & Controls Construction
Line Contractor	Line Construction

Page 2 of 15



NC Public Staff  
Docket No. E-2, Sub 1150  
NC Public Staff Data Request No. 1  
Cleveland-Matthews Transmission Line  
Item No. 1-14  
Page 1 of 1

**DUKE ENERGY PROGRESS, LLC**

**Request:**

Please provide a detailed breakdown of the cost of transmission route 4 (the preferred route) and route 1 (lowest weighted score).

**Response:**

Please see the attached spreadsheet contained in our response to PS DR1-13.

Page 9/15

NC Public Staff  
Docket No. E-2, Sub 1150  
NC Public Staff Data Request No. 1  
Cleveland-Matthews Transmission Line  
Item No. 1-15  
Page 1 of 1

**DUKE ENERGY PROGRESS, LLC**

**Request:**

Please list any non-DEP resources (i.e. contractors, etc.) that will be used for the transmission line and substation project, along with a description of the service provided and projected cost of those services.

**Response:**

Please see the attached spreadsheet contained in our response to PS DR1-13.

Page 101  
/115

## Duke Energy Progress, LLC

Docket No. E-2, Sub 1150  
Cleveland-Matthews 230kv Transmission Line Project (Cleveland-Matthews)

→ Public Staff Data Request No. 2  
→ Date Sent: September 18, 2017  
Requested Due Date: October 2, 2017

Public Staff Technical Contact: Tommy Williamson and David Williamson  
Phone: 919.733.1540 and 919.733.1518  
Email: [Tommy.Williamson@psncuc.nc.gov](mailto:Tommy.Williamson@psncuc.nc.gov) ,  
[David.Williamson@psncuc.nc.gov](mailto:David.Williamson@psncuc.nc.gov)

Public Staff Legal Contact: Heather Fennell  
Phone: 919.733.0975 Email: [Heather.Fennell@psncuc.nc.gov](mailto:Heather.Fennell@psncuc.nc.gov)

**\*\*Please provide available responses electronically. If Excel format is used, please ensure all formulas are working.**

1. Please provide a detailed breakdown of the cost of transmission route 31 (the preferred route) and route 4 (lowest weighted score).
2. Please confirm that the costs used in the response to DR1-13 and DR1-15 were the costs associated with route 31.

### Other Questions:

3. Describe any contemplated joint-use with this project along existing DEP distribution ROW or non-DEP distribution ROW.
4. Please explain if there are any system benefits that South River EMC may be receiving because of this project. If any benefits are being added to the EMC, please explain if the EMC will be paying for any portion of the line that crosses over into the EMC's territory.
5. The Visual Character section of the RSER (6.3.3) states that mostly H-frame structures will be used. What other types of structures will be used? Please provide any details on the other structures to be used.
6. In three versions of DEP's letter to property owners potentially impacted by the transmission line, DEP states; "You are receiving this letter because you are the owner of a property (or properties) within 500 feet of the centerline of the routes being studied for potential placement of the transmission line."

- a. Mr. Timothy Same's testimony indicates that only the applicants within 200 feet of the centerline were notified. Please explain this discrepancy, including a description of the actual distance from the centerline used to determine the property owners that were ultimately notified.
- b. Please provide the source documentation for this distance requirement (DEP's internal planning criteria, NERC or other regulatory requirement, etc.).

NC Public Staff  
Docket No. E-2, Sub 1150  
NC Public Staff Data Request No. 2  
Cleveland-Matthews Transmission Line  
Item No. 2-1  
Page 1 of 1

OFFICIAL COPY

JUN 13 2021

**DUKE ENERGY PROGRESS, LLC**

**Request:**

Please provide a detailed breakdown of the cost of transmission route 31 (the preferred route) and route 4 (lowest weighted score).

**Response:**

Please see attached file, " CMR Public Staff Req 2\_Responses Q1-Q2\_092817.xlsx"



CMR Public Staff Req  
2\_Responses Q1-Q2\_

page 3/5

# Q1 - Cost of Transmission Route 31 vs Route 4 (see below)

Note: When the responses to DR1-Q14 and DR2-Q1 were provided, it was clear that the question was a comparison of the cost of the preferred route vs the lowest scoring route. The particular route numbers referenced in DR2-Q1 more accurately reflect the route numbering.

Q2 - Confirm that the costs used in response to DR1-13 and DR1-15 were the costs associated with route 31. Response = Confirmed

	Cost Estimate Cleveland Matthews Route 31/Preferred	Cost Estimate Cleveland Matthews Route 4/Lowest
Install /Modify Line Structures and Wires	3,328,000	3,072,000
Install /Modify Line Structures and Wires (Inspector's Time)	244,000	200,000
Site Finalization (clean-up)	192,000	96,000
Site Finalization (clean-up) Inspector	27,000	14,000
As-built	2,000	2,000
Erosion Control	1,000,000	2,000,000
Staking	24,000	12,000
ROW Clearing	1,818,000	940,000
Centerline Survey	317,000	164,000
Tie Plat Survey	180,000	93,000
Flagging Clearing Limit	60,000	31,000
<b>Subtotal</b>	<b>7,192,000</b>	<b>6,624,000</b>
Engineering labor & Material Estimates	1,936,265	2,142,163
<b>Subtotal - Direct View</b>	<b>9,128,265</b>	<b>8,766,163</b>

Adjusted to Include Burdens	13,692,398	13,149,245
-----------------------------	------------	------------



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

October 16, 2017

M. Lynn Jarvis  
Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

Re: Docket No. E-2, Sub 1150 – Duke Energy Progress, LLC – Application of Duke Energy Progress, LLC, for a Certificate of Environmental Compatibility and Public Convenience and Necessity to Construct Approximately 11.5 Miles of New 230-kV Transmission Line in Johnston County, North Carolina

Dear Chief Clerk:

On July 14, 2017, Duke Energy Progress, LLC, (DEP or the Company) filed an application pursuant to G.S. 62-100 et seq., for a certificate of environmental compatibility and public convenience and necessity to construct a transmission line in Johnston County, North Carolina. The Public Staff has reviewed the application filed by Duke Energy Progress in the above-captioned docket. As part of its review, the Public Staff met with impacted property owners and representatives of DEP, responded to phone calls from impacted residents, and reviewed responses to data requests submitted to the Company. The application was submitted to the State Clearinghouse on September 29, 2017. By email, the Clearinghouse has indicated that its review should be completed on November 3, 2017.

Based upon our investigation of the application, exhibits, and other matters of record, the Public Staff believes that Duke Energy Progress has complied with the requirements of G.S. 62-102, and has demonstrated as required by G.S. 62-105 that the proposed transmission line is necessary and that when compared with

Executive Director  
(919) 733-2435

Communications  
(919) 733-2810

Economic Research  
(919) 733-2902

Legal  
(919) 733-6110

Transportation  
(919) 733-7766

Accounting  
(919) 733-4279

Consumer Services  
(919) 733-9277

Electric  
(919) 733-2267

Natural Gas  
(919) 733-4326

Water  
(919) 733-5610

ENCLOSURE (4-8) P. 1/2

OFFICIAL COPY  
OFFICIAL COPY

Oct 16 2017  
Jun 13 2021



Chief Clerk  
Page Two  
October 16, 2017

reasonable alternative courses of action, construction of the line in the proposed location is reasonable, that the estimated costs associated with the line are reasonable, that the impact of the line on the environment is justified considering the state of available technology, and that the environmental compatibility, public convenience, and necessity requires the transmission line.

As noted in the Company's Response to the Commission Order of September 25, 2017, Requiring Additional Information, the Public Staff met with representatives of DEP to review requests from property owners to shift the centerline of the preferred route. The Public Staff would like to encourage the Company to continue to work with property owners where the Company can address concerns raised by the owners. However, to the extent the shift in the centerline of the proposed route impacts a property owner that is not currently impacted by the preferred route contained in the Company's application, the new proposed route should be subject to the notice and hearing requirements of Article 5A of Chapter 62 of the General Statutes unless a waiver of the notice and hearing requirements are obtained from the property owners impacted by the shift. The Public Staff would consider a property owner to be impacted by a proposed line if the line comes within either (i) 50 feet of the property line of the owner or (ii) 250 feet of a primary residence of a property owner. The Public Staff requests that the Company share with the Commission any proposed shift of the centerline of the proposed route and address the notice and hearing requirements if there are any new property owners impacted by the proposed line.

Based on its investigation and review of the application, the Public Staff recommends that the Commission issue the certificate requested in this proceeding subject to the conditions that the Company disclose any proposed shift in the centerline of the proposed route and address whether notice and hearing requirements should be provided to additional property owners, and that the Commission receives a letter from the State Clearinghouse stating no further State Clearinghouse review action by the Commission is required for compliance with the North Carolina Environmental Policy Act.

Sincerely,

Electronically submitted  
/s/ Heather D. Fennell  
Staff Attorney  
[heather.fennell@psncuc.nc.gov](mailto:heather.fennell@psncuc.nc.gov)

HDF/  
c: Parties of Record

OFFICIAL COPY  
OFFICIAL COPY

Oct 16 2017  
Jun 13 2021

P, 2/2

districts as defined in G.S. 7A-41.1 in which the business is conducted, upon 10 days' notice, for a peremptory mandamus upon said person for the putting in force of said order or decision; and if said judge shall find that the order of said Commission was valid and within the scope of its powers, he shall issue such peremptory mandamus.

(b) An appeal shall lie to the Court of Appeals in behalf of the Commission, or the defendant, from the refusal or the granting of such peremptory mandamus. The remedy prescribed in this section for enforcement of orders of the Commission is in addition to other remedies prescribed by law. (1949, c. 989, s. 1; 1963, c. 1165, s. 1; 1967, c. 1190, s. 4; 1987 (Reg. Sess., 1988), c. 1037, s. 92.)

**§ 62-99. Repealed by Session Laws 1967, c. 1190, s. 5.**

Article 5A.

Siting of Transmission Lines.

**§ 62-100. Definitions.**

As used in this Article:

- (1) The term "begin to construct" includes any clearing of land, excavation, or other action that would adversely affect the natural environment of the route of a transmission line; but that term does not include land surveys, boring to ascertain geological conditions, or similar preliminary work undertaken to determine the suitability of proposed routes for a transmission line that results in temporary changes to the land.
- (2) The word "county" means any one of the counties listed in G.S. 153A-10.
- (3) The word "land" means any real estate or any estate or interest in real estate, including water and riparian rights, regardless of the use to which it is devoted.
- (4) The word "lines" means distribution lines and transmission lines collectively.
- (5) The word "municipality" means any incorporated community, whether designated as a city, town, or village and any area over which it exercises any of the powers granted by Article 19 of Chapter 160A of the General Statutes.
- (6) The term "public utility" means any of the following:
  - a. A public utility, as defined in G.S. 62-3(23).
  - b. An electric membership corporation.
  - c. A joint municipal power agency.
  - d. A city or county that is engaged in producing, generating, transmitting, delivering, or furnishing electricity for private or public use.
- (7) The term "transmission line" means an electric line designed with a capacity of at least 161 kilovolts. (1991, c. 189, s. 1; 2013-232, s. 1.)

ENCL. (5)

Article 15.

Penalties and Actions.

**§ 62-310. Public utility violating any provision of Chapter, rules or orders; penalty enforcement by injunction.**

(a) Any public utility which violates any of the provisions of this Chapter or refuses to conform to or obey any rule, order or regulation of the Commission shall, in addition to the other penalties prescribed in this Chapter forfeit and pay a sum up to one thousand dollars (\$1,000) for each offense, to be recovered in an action to be instituted in the Superior Court of Wake County, in the name of the State of North Carolina on the relation of the Utilities Commission; and each day such public utility continues to violate any provision of this Chapter or continues to refuse to obey or perform any rule, order or regulation prescribed by the Commission shall be a separate offense.

(b) If any person or corporation shall furnish water or sewer utility service in violation of any provision of this Chapter applicable to water or sewer utilities, except as to the reasonableness of rates or charges and the discriminatory character thereof, or shall provide such service in violation of any rule, regulation or order of the Commission, the Commission shall apply to a superior court judge who has jurisdiction pursuant to G.S. 7A-47.1 or 7A-48 in the district or set of districts as defined in G.S. 7A-41.1 in which the person or corporation so operates, for the enforcement of any provision of this Chapter or of any rule, regulation or order of the Commission. The court shall have jurisdiction to enforce obedience to this Chapter or to any rule, regulation or order of the Commission by appropriate writ, order or other process restraining such person, corporation, or their representatives from further violation of this Chapter or of any rule, regulation or order of the Commission. (1899, c. 164, s. 23; Rev., s. 1087; C.S., s. 1106; 1933, c. 134, s. 8; c. 307, ss. 36, 37; 1941, c. 97; 1963, c. 1165, s. 1; 1973, c. 1073; 1987 (Reg. Sess., 1988), c. 1037, s. 96.)

**§ 62-31. Power to make and enforce rules and regulations for public utilities.**

The Commission shall have and exercise full power and authority to administer and enforce the provisions of this Chapter, and to make and enforce reasonable and necessary rules and regulations to that end. (1907, c. 469, s. 1a; 1913, c. 127, s. 2; C.S., s. 1037; 1933, c. 134, s. 8; 1941, c. 97; 1947, c. 1008, s. 2; 1949, c. 1132, s. 3; 1963, c. 1165, s. 1.)

ENCL. (6)

**§ 62-326. Furnishing false information to the Commission; withholding information from the Commission.**

(a) Every person, firm or corporation operating under the jurisdiction of the Utilities Commission or who is required by law to file reports with the Commission who shall knowingly or willfully file or give false information to the Utilities Commission in any report, reply, response, or other statement or document furnished to the Commission shall be guilty of a Class 1 misdemeanor.

(b) Every person, firm, or corporation operating under the jurisdiction of the Utilities Commission or who is required by law to file reports with the Commission who shall willfully withhold clearly specified and reasonably obtainable information from the Commission in any report, response, reply or statement filed with the Commission in the performance of the duties of the Commission or who shall fail or refuse to file any report, response, reply or statement required by the Commission in the performance of the duties of the Commission shall be guilty of a Class 1 misdemeanor. (1969, c. 765, s. 1; 1993, c. 539, s. 490; 1994, Ex. Sess., c. 24, s. 14(c).)

ENCL. (7)

# Porter's Neck Tap Line Route Analysis Estimate

NCUC Docket No.  
E-2 Sub 1215 of 6/25/2019

## General Scope

The following estimates are for the six alternatives for the Porter's Neck Tap Line from the Substation to the existing Castle Hayne – Folkstone 230kV circuit. To accommodate the tap line, two existing structures on the Castle Hayne – Folkstone 230kV circuit will need to be raised to provide clearance for the tap span and an existing 115kV circuit running parallel with the Castle Hayne – Folkstone 230kV line.

## Burdened Project Costs

	Route 34	Route 35	Route 37	Route 42	Route 46	Route 47
	Segments (2,5,10,15,24)	Segments (2,5,10,23,27)	Segments (2,5,9,13,19,25,28)	Segments (2,5,9,13,20,26,28)	Segments (2,5,9,14,22,27)	Segments (2,5,9,14,22,29)
Siting & Land Acquisition	\$ 6,406,000	\$ 6,535,000	\$ 7,084,000	\$ 6,740,000	\$ 6,463,000	\$ 6,814,000
Matting & Environmental	\$ 3,926,000	\$ 4,058,000	\$ 4,008,000	\$ 4,188,000	\$ 4,233,000	\$ 4,227,000
Engineering & Materials	\$ 2,335,000	\$ 2,360,000	\$ 2,473,000	\$ 2,415,000	\$ 2,353,000	\$ 2,417,000
Construction	\$ 3,148,000	\$ 3,220,000	\$ 4,193,000	\$ 4,140,000	\$ 3,853,000	\$ 4,140,000
<b>Total</b>	<b>\$ 15,815,000</b>	<b>\$ 16,173,000</b>	<b>\$ 17,758,000</b>	<b>\$ 17,483,000</b>	<b>\$ 16,902,000</b>	<b>\$ 17,598,000</b>

## Estimate Assumptions

### Siting & Land Acquisition

- New ROW at \$52k/ac.
- 125' ROW
- Danger Tree Rights at \$36.4k/ac.
- 62.5' each side

### Matting & Environmental

- 7' x 14 Composite mats
- daily rental
- 28' wide roads
- Structure Work Pads 30' x 50'
- Pull Pads 50' x 100'
- mat flipping during construction
- Hand Clearing
- E&S Control = wattles

### Engineering & Materials

- 450' ruling span
- 3 new Remote Control Switches
- Sub. Eng. and mat'l not included

### Construction

- 4 day work week
- Mob./Demob. included
- Continuous construction
- Sub. Constr. costs not included
- Labor burden = 50%
- Material burden = 16.5%
- Class 4 Estimate

OFFICIAL COPY

Aug 13 2019

ENCLOSURE

Jun 13 2021

OFFICIAL COPY

1 PLACE: Dobbs Building  
2 Raleigh, North Carolina  
3 PLACE: Dobbs Building, Raleigh, North Carolina  
4 DATE: October 31, 2017  
5 DOCKET NO.: E-2, Sub 1150  
6 TIME IN SESSION: 9:58 A.M. TO 12:29 P.M.  
7 BEFORE: Commissioner Daniel G. Clodfelter, Presiding  
8 Commissioner Bryan E. Beatty  
9 Commissioner Lyons Gray

FILED

NOV 16 2017

Clerk's Office  
N.C. Utilities Commission

10  
11 IN THE MATTER OF:

12  
13 Application of Duke Energy Progress, LLC for  
14 a Certificate of Environmental Compatibility  
15 and Public Convenience and Necessity Pursuant  
16 to N.C. Gen. Stat. 62-100 et seq. to Construct  
17 Approximately 11.5 Miles of New 230 kV  
18 Transmission Line in Cleveland area of  
19 Johnston County, North Carolina

20  
21 Volume 2

22  
23 ENCL. (9) P.1/16  
24



1 A P P E A R A N C E S:

2

3 FOR DUKE ENERGY PROGRESS, LLC:

4 Lawrence B. Somers, Esq.

5 Deputy General Counsel

6 Duke Energy Corporation

7 Post Office Box 1551/NCRH 20

8 Raleigh, North Carolina 27602

9

10 Robert W. Kaylor, Esq.

11 Law Office of Robert W. Kaylor, P.A.

12 353 E. Six Forks Road, Suite 260

13 Raleigh, North Carolina 27609

14

15 FOR INTERVENOR OLIVER L. CANADAY:

16 Oliver L. Canaday

17 713 Camellia Avenue

18 Panama City, Florida 32404

19

20 FOR THE USING AND CONSUMING PUBLIC:

21 Heather D. Fennell, Esq.

22 Public Staff - North Carolina Utilities Commission

23 4326 Mail Service Center

24 Raleigh, North Carolina 27699-4300



1	T A B L E O F C O N T E N T S	
2	E X A M I N A T I O N S	
3		PAGE
4	PANEL - JAMES UMBDENSTOCK, TIMOTHY J. SAME	
5	Direct Examination by Mr. Somers.....	10
6	Cross Examination by Ms. Fennell.....	65
7	Examination by Commissioner Clodfelter.....	68
8	Cross Examination by Mr. Canaday.....	71
9	Examination by Commissioner Beatty.....	79
10	Examination by Commissioner Gray.....	99
11	Further Examination by Commissioner Clodfelter.....	102
12	Examination by Mr. Canaday.....	110
13	Examination by Mr. Somers.....	113
14		
15	GAIL TYNER	
16	Direct Examination by Mr. Somers.....	126
17	Cross Examination by Mr. Canaday.....	130
18	Examination by Commissioner Beatty.....	133
19		
20	OLIVER L. CANADAY	
21	Testimony by Oliver L. Canaday.....	136
22	Examination by Commissioner Clodfelter.....	144
23		
24		

OFFICIAL COPY  
Jun 13 2021

1	E X H I B I T S
2	IDENTIFIED/ADMITTED
3	Application of Duke Energy Progress, LLC
4	for a Certificate of Environmental
5	Compatibility and Public Convenience
6	and Necessity and Exhibit A.....--/125
7	Canaday Exhibit 1.....152/152
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	

1 supplement some things they've asked.

2 EXAMINATION BY COMMISSIONER CLODFELTER:

3 Q Mr. Umbdenstock, I'm not an engineer, so I'm  
4 going to ask you a couple of dumb engineering questions  
5 along the way, okay?

6 A (Umbdenstock) (Nods affirmatively.)

7 Q All right. Do you guys ever co-locate a 500 kV  
8 and a 230 on the same set of towers; do you ever do that?

9 A I am not aware, but I do not think so.

10 Q That's just not possible from an engineering  
11 standpoint to put those two high voltage on the same set  
12 of towers?

13 A I'm not a transmission line engineer. I do not  
14 know. Sorry.

15 Q Okay. When I looked at the Burns & McDowell  
16 (sic) study, I could not identify an option that was  
17 studied that would have paralleled the right-of-way of  
18 the existing 500 kV transmission corridor. I didn't see  
19 one studied. There was not one, was there?

20 A (Same) There was not an option --

21 Q I don't -- whoever can answer. Go ahead.

22 A Yeah. There was not an option to parallel the  
23 500 kV line.

24 Q Why was that not a possible option looked at?

1           A     Well, you know, I think there was suggestion I  
2 believe from Mr. Canaday about that very fact.

3           Q     Well, he suggested tapping the line. I'm  
4 suggesting something different. I'm suggesting  
5 parallel --

6           A     Sure.

7           Q     -- with the 230 kV and using whatever  
8 additional right-of-way you've already got and then just  
9 adding a little bit to it as you need to.

10          A     Yeah. So we -- as a question came in, and I  
11 interpreted it as such, is --

12          Q     Right.

13          A     -- could we parallel that line. I did respond,  
14 I believe, in that way, but essentially, you know, it  
15 wasn't evaluated. I can say, because I looked into it,  
16 that a line that would have paralleled the 500 kV line  
17 would have been longer in either direction, both north or  
18 south. In addition, believe it or not, there are, you  
19 know, improvements immediately adjacent to our 500 kV  
20 line, infrastructure, homes, et cetera, that would have  
21 prevented us from continually paralleling the 500 kV  
22 line.

23          Q     Well, we don't know how it would have scored  
24 relative to the other choices because it just wasn't

1 studied.

2 A That's true. I mean, there's an infinite  
3 number of possibilities as far as what could have been  
4 studied.

5 Q Well, I understand, but this is an existing  
6 corridor you've got, and it seems to join up with Segment  
7 1 pretty close to the substation, proposed substation. I  
8 just was not sure why all those weighting factors weren't  
9 sort of reviewed and studied along with the 39 options  
10 that were looked at.

11 A Understood. I don't know.

→ 12 Q So we don't know what the cost would have been.  
13 It would have been a longer line, but you've selected a  
14 longer line --

15 A Yes, sir.

16 Q -- than the western corridors already --

17 A Yes, sir.

→ 18 Q -- so we just don't know what the cost  
19 difference would have been, either, do we?

→ 20 A True.

→ 21 Q Okay. Help me out on the cost difference. I  
22 mean, we're -- as a Commission, we're obligated not only  
→ 23 to talk about property owners, but also talk about  
→ 24 ratepayers.

1 A Yes.

2 Q And so you've selected a longer line over the  
3 western options that would have been shorter. What's the  
4 cost comparison on those? How much more is it going to  
5 cost to choose the preferred corridor than to choose one  
6 of the western corridors?

7 A So I will say we, you know, we don't have a  
8 detailed analysis down to the dollars and cents relative  
9 to cost. We did a very high level evaluation of cost  
10 relative to each other. Essentially, and I'm trying to  
11 remember the amount, but it was a small percentage of the  
12 overall project cost we anticipated would have been the  
13 difference between the two, even though the southern line  
14 is almost twice as long. And some of those reasons why  
15 were some of the previous comments I made relative to  
16 access, constructability.

17 The western routes, which are the shorter  
18 routes that you're referring to, pretty much the majority  
19 of those western options paralleled streams, a lot -- a  
20 lot more wetlands in those areas. We've had some  
21 experience on some projects recently where when we're in  
22 those environmentally sensitive areas, we're working from  
23 construction matting. That construction matting is very  
24 expensive. And what our construction planners, work

1 management folks, have indicated is that because of the  
2 most likely -- because the matting most likely would be  
3 necessary for those western routes, that they felt that  
4 the overall access -- I mean, basically they gave us  
5 input on both options from their opinion of what  
6 construction cost would have been, and they were very  
7 similar to each other.

8 So because we're working primarily in upland  
9 areas, and the crossings that we do have for streams and  
10 such on the preferred route, those are perpendicular  
11 crossings to the environmentally sensitive areas,  
12 generally speaking, and the western routes were more  
13 parallel and basically running almost, you know, more  
14 entirely in those environmentally sensitive areas.

→ 15 Q I apologize to you. I've been doing a lot of  
→ 16 reading on this, but I've still got some more to finish.  
→ 17 So if it's in here, I may not have found it yet. Are  
→ 18 your cost analyses in the record materials?

→ 19 A No, sir.

→ 20 Q They've not been -- they're not part of the  
→ 21 Burns & McDowell study, I didn't find them in there, and  
→ 22 they're not elsewhere in the record on your analysis of  
→ 23 the different costs of the different options?

→ 24 A No, sir.



1 Q Okay. The open space that's crossed in Routes  
2 1 and 4, which were I think the two higher ranking  
3 western routes, what kind of open space was that? What  
4 is it? Was it a tennis court?

5 A No. I mean, it's --

6 Q Was it a park? What was it?

7 A I mean, essentially when, you know, when a  
8 developer creates a master plan for a residential  
9 neighborhood, you may have this in your own neighborhood,  
10 depending on the jurisdiction, the municipality that that  
11 subdivision goes in, they're a lot of times required to  
12 dedicate open space --

13 Q Right.

14 A -- and they can't have so much density on a  
15 piece of property.

16 Q Right.

17 A So that's what we found out about in those  
18 instances. And here we actually had outside counsel, I  
19 guess, advise us. We pulled the deed restriction on  
20 those open space areas and found that there was language  
21 relative to overhead electric lines, and basically that  
22 was not being allowed in those areas. So, you know,  
23 outside counsel is the one that advised us as to the  
24 potential risks of those areas.

1 Q Was all of that open space of that character  
2 you just described?

3 A Yes, sir.

4 Q So it's common areas in subdivisions that was  
5 governed by declarations and covenants?

6 A Yes, sir. The ones that we reference in the  
7 report that we had major concern with, yes, sir.

8 Q Okay. Mr. Umbdenstock, the distribution, two  
9 distribution projects that you've got under construction  
10 or on the boards --

11 A (Umbdenstock) Yes, sir.

12 Q -- drawing boards right now that Commissioner  
13 Beatty asked you about --

14 A Yes, sir.

15 Q -- how much additional time would they buy you  
16 in terms of your load growth projections?

17 A About until the new substation is built, three  
18 to four years.

19 Q So you're putting in these projects really  
20 entirely to stopgap? They don't give you any growth  
21 potential beyond -- beyond that?

22 A Not much, sir, no.

23 Q Well, how much? "Not much" is not no. It's --

24 A No.

*Healey*  
*Page: 1, 2, 3, 4, 102, 104, 105,*  
*106, 107, 108,*

1 to send us what you want us  
2 is. These guys are going to  
3 order, so I'm going to ask  
4 to submit that.

5 MR. SOMERS: Mr.  
6 30 days from the mailing of

7 COMMISSIONER CLODFELTER:

8 MR. SOMERS: I know the Commission's calendar  
9 is going to be busy the end of November, early December,  
10 but we can make that work.

11 COMMISSIONER CLODFELTER: I think it will be.  
12 Yeah. I want to be sure -- that's right. I want to be  
13 sure we're within the 60 days that we've got in order to  
14 issue the order after the hearing date. I think we will  
15 be, if that's the case.

16 MR. SOMERS: Again, not knowing how long the  
17 transcript might take, 10 business days, two weeks, in  
18 order to give the Commission sufficient time to meet the  
19 statutory timeline for the order, would it be better if  
20 we had post-hearing submissions within three weeks of the  
21 mailing of the transcript?

22 COMMISSIONER CLODFELTER: Let's do that. And  
23 I'm going to throw a ringer at you. The three of us  
24 talked during the break, and we think it might be helpful

1 if your post-hearing submission provided a little bit  
2 more detailed information about what would be required to  
3 run parallel to the 500 kV line and then break off of  
4 Segment 1 to run over to the substation, what additional  
5 right-of-way would be required and what additional  
6 impacts you think there would be. I'm not asking for  
7 Burns & McDowell to go out and do that study, but if  
8 you've got additional information to supplement the  
9 testimony on that, that would be helpful. The three of  
10 us think that would be useful.

11 MR. SOMERS: Just so I'm clear what you're  
12 asking for, do you -- how do you want us to present that,  
13 as like a late-filed exhibit?

14 COMMISSIONER CLODFELTER: A late-filed exhibit  
15 would be --

16 MR. SOMERS: We can verify that. Okay.

17 COMMISSIONER CLODFELTER: A late-filed exhibit  
18 will be fine.

19 MR. SOMERS: And, again, what you're asking for  
20 is if the Company were to parallel the existing 500 kV  
21 line --

22 COMMISSIONER CLODFELTER: As far as you can  
23 from the tap point on one of the 230s and then run over  
24 to the substation.

1 MR. SOMERS: Okay. What would that entail in  
2 terms of right-of-way and --

3 COMMISSIONER CLODFELTER: Mr. Same testified  
4 about some of that, but I think a little more detail  
5 about that might be of interest.

6 MR. SOMERS: Sure. Be glad to.

7 COMMISSIONER CLODFELTER: All right. If  
8 there's -- yes, ma'am.

9 MS. FENNELL: May I ask a clarifying question  
10 for the public?

11 COMMISSIONER CLODFELTER: Yes.

12 MS. FENNELL: You're holding open the record  
13 until the 6th?

14 COMMISSIONER CLODFELTER: That's right.

15 MS. FENNELL: So if there are members of the  
16 public who wish to include further information, they can  
17 send it in until the 6th?

18 COMMISSIONER CLODFELTER: If there are --  
19 that's right. Since the record is going to be open, if  
20 we have written submissions from other members of the  
21 public, we'll receive those up until November 6th as  
22 well.

23 MS. FENNELL: And the three-week deadline is  
24 for the parties?

1 COMMISSIONER CLODFELTER: That is correct.

2 Yes, sir, Mr. Canaday.

3 MR. CANADAY: That means that would get posted  
4 on the computer so you can read what's going on just like  
5 it's been being done?

6 COMMISSIONER CLODFELTER: Yes, sir. Yes, sir.  
7 It will be posted. You've been able to follow it all.  
8 And now you've got some neighbors who don't follow it  
9 online, but I hope they'll be -- I hope there will be  
10 talk, enough talk by those who do have access because we  
11 post everything online and they can share that with their  
12 neighbors, okay? All right. If there's nothing further,  
13 thank you all for your patience this morning and for your  
14 presentations, and we will recess the hearing, to be  
15 concluded with the closing of the record on November 6th.  
16 Thank you.

17 (The hearing was recessed, to be concluded with the  
18 closing of the record on November 6, 2017.)

19

20

21

22

23

24

STATE OF NORTH CAROLINA

COUNTY OF WAKE

C E R T I F I C A T E

I, Linda S. Garrett, Notary Public/Court Reporter,  
do hereby certify that the foregoing hearing before the  
North Carolina Utilities Commission in Docket No. E-2,  
Sub 1150, was taken and transcribed under my  
supervision; and that the foregoing pages constitute a  
true and accurate transcript of said Hearing.

I do further certify that I am not of counsel for,  
or in the employment of either of the parties to this  
action, nor am I interested in the results of this  
action.

IN WITNESS WHEREOF, I have hereunto subscribed my  
name this 14th day of November, 2017.



Linda S. Garrett

Notary Public No. 19971700150





Lawrence B. Somers  
Deputy General Counsel

Mailing Address:  
NCRH 20 / P.O. Box 1551  
Raleigh, NC 27602

o: 919.546.6722  
f: 919.546.2694

bo.somers@duke-energy.com

November 13, 2017

**VIA ELECTRONIC FILING**

M. Lynn Jarvis, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4325

**RE: Duke Energy Progress, LLC Late-Filed Exhibits  
Docket No. E-2, Sub 1150**

Dear Ms. Jarvis:

I enclose two late-filed exhibits on behalf of Duke Energy Progress, LLC ("DEP") for filing in connection with the referenced matter:

- DEP Late-Filed Exhibit No. 1 — Evaluation of 230kV Transmission Line Route to Parallel Existing 500kV Transmission Line
- DEP Late-Filed Exhibit No. 2 — A cost comparison of the four best-scored alternative routes.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

Lawrence B. Somers

Enclosure

cc: Parties of Record

ENCL. (99) P. 1/3

OFFICIAL COPY  
OFFICIAL COPY

Nov 13 2017  
Jun 13 2021

Date: November 8, 2017  
To: Tim Same, Duke Energy Progress  
From: Tim Barton, Burns & McDonnell  
Subject: Duke Energy Progress: Cleveland-Matthews Road 500kV Parallel Options

At the request of the North Carolina Utilities Commission (NCUC), Burns & McDonnell revisited and further documented options for paralleling the existing Cumberland-Wake 500kV transmission line, as a route alternative for the Cleveland-Matthews Road 230kV Transmission Tap Line Project. The existing 500kV transmission line is located within a 180-foot wide easement. To accommodate a new 230kV transmission line, an additional 82.5 feet of easement would be required, adjacent to the current easement.

Route options were evaluated that paralleled both the east and west side of the 500kV right-of-way. Routes were also segregated as either north or south of where route segment 1 (as identified in the *Routing Study and Environmental Report*) crosses the 500kV corridor. Route segment 1 is approximately 3.1 miles from the proposed Matthews Road substation to the 500kV corridor.

Aerial photography was reviewed for route options that paralleled the 500kV corridor and homes, apartments and businesses were identified within the easement required for the 230kV transmission line. For the northern route, due to the density of development adjacent to the areas where these structures were identified, there were not feasible route variations that would easily avoid these constraint areas. For the southern routes, there are a few constraint areas that could potentially be avoided but would require the new transmission line to diverge from the existing corridor which would add additional length, impacts to additional landowners, and require crossing under the existing 500kV multiple times. Crossing the 500kV line would require modifications to the existing 500kV structures which would be additional cost beyond just the construction of the 230kV line. The locations of the structures identified in this analysis are provided on figures attached to this memo. Tables 1 and 2 below provide the number of these structures that occur within the right-of-way, along with the length of the transmission required to support the tap line project, segregated by the two northern routes and two southern routes respectively. The route options would all be longer than the Cleveland-Matthews Road preferred route option at 11.5 miles. Both the northern route options are approximately 2.5 miles longer and the southern route options are approximately 8 miles longer, than the preferred route.

**Cost Comparison of Routes 31, 4, 32, and 1**

	<b>Selected Route Route 31 North-South</b>	<b>Route 4 East-West</b>	<b>Route 32 North-South</b>	<b>Route 1 East-West</b>
Install /Modify Line Structures and Wires	3,328,000	3,072,000	3,119,235	2,891,776
Install /Modify Line Structures and Wires (Inspector's Time)	244,000	200,000	244,000	200,000
Site Finalization (clean-up)	192,000	96,000	192,000	96,000
Site Finalization (clean-up) Inspector	27,000	14,000	27,000	14,000
As-built	2,000	2,000	2,000	2,000
Erosion Control	1,000,000	2,000,000	1,000,000	2,000,000
Staking	24,000	12,000	24,000	12,000
ROW Clearing	1,818,000	940,000	1,818,000	940,000
Centerline Survey	317,000	164,000	317,000	164,000
Tie Plat Survey	180,000	93,000	180,000	93,000
Flagging Clearing Limit	60,000	31,000	60,000	31,000
<b>Subtotal</b>	<b>7,192,000</b>	<b>6,624,000</b>	<b>6,983,235</b>	<b>6,443,776</b>
Engineering labor & Material Estimates	1,936,265	2,142,163	3,001,683	3,151,788
<b>Subtotal - Direct View</b>	<b>9,128,265</b>	<b>8,766,163</b>	<b>9,984,918</b>	<b>9,595,564</b>
<b>Adjusted to Include Burdens</b>	<b>\$ 13,692,398</b>	<b>\$ 13,149,245</b>	<b>\$ 14,977,377</b>	<b>\$ 14,393,346</b>

P. 3/3

Nov 13 2017  
OFFICIAL COPY  
Jun 13 2021  
OFFICIAL COPY

**§ 62-80. Powers of Commission to rescind, alter or amend prior order or decision.**

The Commission may at any time upon notice to the public utility and to the other parties of record affected, and after opportunity to be heard as provided in the case of complaints, rescind, alter or amend any order or decision made by it. Any order rescinding, altering or amending a prior order or decision shall, when served upon the public utility affected, have the same effect as is herein provided for original orders or decisions. (1949, c. 989, s. 1; 1963, c. 1165, s. 1.)

ENCL. (10)

**§ 62-80. Powers of Commission to rescind, alter or amend prior order or decision.**

The Commission may at any time upon notice to the public utility and to the other parties of record affected, and after opportunity to be heard as provided in the case of complaints, rescind, alter or amend any order or decision made by it. Any order rescinding, altering or amending a prior order or decision shall, when served upon the public utility affected, have the same effect as is herein provided for original orders or decisions. (1949, c. 989, s. 1; 1963, c. 1165, s. 1.)

OFFICIAL COPY

JUN 13 2021

ENCL. (10)