

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-2, Sub 1089

In the Matter of	
Application of Duke Energy Progress, LLC for)	PETITION TO
a Certificate of Public Convenience and Necessity)	INTERVENE OF
to Construct a 752 Megawatt Natural Gas-Fueled)	COLUMBIA ENERGY, LLC
Electric Generation Facility in Buncombe County)	
Near the City of Asheville)	

NOW COMES Columbia Energy, LLC, pursuant to Commission Rule R1-19 and the Order Scheduling Public Hearing and Requesting Investigation and Report by the Public Staff issued on December 18, 2015, by and through its undersigned attorneys, and petitions the Commission to allow it to intervene in this docket.

In support of its request to intervene, Columbia Energy, LLC shows the Commission the following:

1. The names and mailing address of the Petitioner is:

Columbia Energy, LLC
 100 Calpine Way
 Gaston, SC 29053

2. The name and address of Petitioner's attorney is:

Daniel C. Higgins
 Burns, Day & Presnell, P.A.
 P.O. Box 10867
 Raleigh, N.C. 27605
 E-mail: dhiggins@bdppa.com

3. Columbia Energy, LLC (“Columbia”) is a limited liability company organized and existing under the laws of the State of Delaware. Columbia owns and operates an existing 523 MW combined cycle power generating facility located in Gaston, South

Carolina (“the Columbia facility”). The Columbia facility is a Qualifying Facility (“QF”), as that term is defined in Section 210 of the Public Utility Regulatory Policies Act of 1978 (“PURPA”), 18 U.S.C.A 824a-3. Columbia’s facility has eleven years of reliable operating history, and Columbia holds firm pipeline transportation contracts to access natural gas on existing Transco pipelines and is also capable of operating on fuel oil with approximately one million gallons of on-site oil storage. More recently, Columbia filed for long term (10 year) firm transmission service to deliver all of its energy and capacity to the Duke Energy Progress, LLC (“DEP”) service territory.

4. By its recently filed Application, DEP seeks a Certificate of Public Convenience and Necessity from the Commission authorizing it to construct what it describes as its Western Carolinas Modernization Project. That project is proposed to include the closure of DEP’s existing 379 MW Asheville 1 and 2 coal units and construction of approximately 752 MW of natural gas-fueled generation (two 280 MW combined cycle units proposed to commence operations in 2019 and an optional 192 MW combustion turbine unit proposed to commence operations in 2023). The combined cycle units are proposed for baseload operations, with the combustion turbine to apparently be contingent on future peak needs. At some unknown point in the future, DEP may also install a solar system at the facility site.

5. Pursuant to PURPA, DEP is legally obligated to purchase Columbia’s energy and capacity at DEP’s avoided cost. Columbia is pursuing efforts to sell its capacity and energy via a power purchase agreement or otherwise with DEP, whereby DEP will purchase energy and capacity from Columbia pursuant to their legal obligation to do so. Columbia has delivered to DEP the information DEP requires from a QF prior to contracting to accept the capacity and energy. Columbia delivered information to DEP indicating its intent

to sell to DEP its full output of 523 MW of capacity and energy to DEP and is awaiting a response from DEP.

6. Columbia believes that in this proceeding involving DEP's application for a CPCN, the Commission should require DEP to implement the most cost effective solution to meet the needs of DEP's customers in Western North Carolina and should consider the impact of a contract with Columbia in evaluating DEP's application. Columbia is ready, willing and able to enter into a long term contract to provide 523 MW of capacity and energy to DEP annually, at DEP's avoided cost for energy and capacity. Additionally, Columbia has offered to provide its capacity and energy at lower costs than would otherwise be incurred by DEP's customers if the Western Carolinas Modernization Project is approved. Unlike the Western Carolinas Modernization Project, Columbia would not need to procure new pipeline construction or service in order for Columbia to supply energy and capacity to DEP. Columbia is party to firm transportation gas supply arrangements, and its facility has access to the Transco interstate pipeline and is capable of burning fuel oil.

7. If allowed to intervene in this docket Columbia will advocate that the Commission, as part of its assessment of whether the public convenience and necessity will be served by the proposed construction of the facilities described in the Application, evaluate the costs and impacts of construction of the proposed generating units prior to the issuance of the CPCN sought by DEP.

8. Columbia urges the Commission to gather sufficient evidence on the proposed project to allow the Commission to examine all pertinent issues and feasible options. Columbia is informed and believes that the most cost effective approach is for DEP to purchase power from Columbia at DEP's avoided cost and defer any incremental need and the costs associated therewith until load growth would require additional generation.

9. Columbia requests that any notices, filings or other communications with respect to this Petition be served on the following:

Daniel C. Higgins
Burns, Day & Presnell, P.A.
P.O. Box 10867
Raleigh, N.C. 27605
dhiggins@bdppa.com

and

Scott Carver
Senior Vice President
LS Power Development, LLC
One Tower Center, 21st Floor
East Brunswick, NJ 08816
scarver@lspower.com

10. The Commission's disposition of issues raised in this docket will be of direct interest to Columbia and no other party can adequately represent Columbia's interests, and Columbia's participation in this docket will be in the public interest.

11. Columbia agrees to accept electronic service of all filings in these dockets.

WHEREFORE, for the foregoing reasons, Columbia Energy, LLC respectfully requests that the Commission:

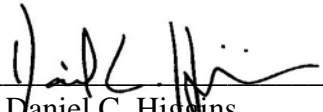
1. Grant Petitioner's request that it be permitted to intervene and become a party to this docket;

2. Grant Petitioner's request that it be permitted to file comments and other papers, examine witnesses, and be heard on matters relative to the issues involved in this docket;
and

3. Grant it such other and further relief as the Commission deems just and proper.

Respectfully submitted, this the 2nd day of February, 2016.

BURNS, DAY & PRESNELL, P.A.

By: 
Daniel C. Higgins
P.O. Box 10867
Raleigh, North Carolina 27605
Telephone: (919)782-1441
E-mail: dhiggins@bdppa.com
Attorneys for Columbia Energy, LLC

STATE OF New York
New York COUNTY

VERIFICATION

Darin Kapadia, being first duly sworn, deposes and says that he/she is Managing Director of Columbia Energy, LLC, the Petitioner, that he/she has read the foregoing Petition and that the same is true of his/her own knowledge, except as to those matters and things therein alleged upon information and belief, which he/she believes to be true.

This the 2nd day of February, 2016.



Sworn to and subscribed before me,
this the 2nd day of February, 2016.

Alexandra Linares
Notary Public

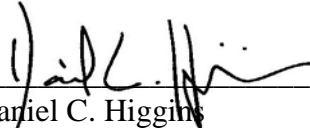
My Commission expires: 9/15/2016

ALEXANDRA LINARES
Notary Public, State of New York
No. 01LI6192833
Qualified in Bronx County
Commission Expires Sept. 15, 2016

CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing document was duly served upon counsel of record for all parties to this docket by either depositing same in a depository of the United States Postal Service, first-class postage prepaid, addressed as shown below, or by electronic delivery, this the 2nd day of February, 2016.

BURNS, DAY & PRESNELL, P.A.



Daniel C. Higgins
Post Office Box 10867
Raleigh, NC 27605
Tel: (919) 782-1441