

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 Environmental Quality 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;
 - (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:
- (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.
- (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, 02/29/2008; NCUC Docket No. E-100, Sub 134, 07/30/2012; NCUC Docket No. M-100, Sub 135, 09/10/2013; NCUC Docket No. E-100, Sub 134, 11/04/2014; NCUC Docket No. M-100, Sub 196, 9/18/2023.)