

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. SP-1874, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Prestage AgEnergy of North	) ORDER ACCEPTING
Carolina, LLC, for Registration of a New	) REGISTRATION OF NEW
Renewable Energy Facility	) RENEWABLE ENERGY FACILITY

BY THE CHAIRMAN: On May 31, 2012, as amended November 25, 2015, Prestage AgEnergy of North Carolina, LLC (Prestage), filed a registration statement pursuant to Commission Rule R8-66 for a new renewable energy facility to be located in Clinton, in Sampson County, North Carolina. Prestage stated that its 1,610-kW<sub>AC</sub> and 47,480 MMBtu/hour combined heat and power (CHP) facility will be co-located with a feed mill and turkey operations and will utilize only poultry litter for power generation. The facility consists of poultry litter handling equipment, a sub-stoichiometric gasification boiler, emissions control equipment, and three turbine generators. Prestage states that its facility would become operational on March 1, 2016.

The filing included certified attestations that: 1) the facility will be in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources; 2) the facility will be operated as a new renewable energy facility; 3) Prestage will not remarket or otherwise resell any renewable energy certificates (RECs) sold to an electric power supplier to comply with G.S. 62-133.8; and 4) Prestage will consent to the auditing of its books and records by the Public Staff insofar as those records relate to transactions with North Carolina electric power suppliers.

On December 7, 2015, the Public Staff filed the recommendation required by Commission Rule R8-66(e) stating that Prestage's registration statement as a new renewable energy facility should be considered to be complete. No other party made a filing with respect to these issues.

Pursuant to G.S. 62-133.8(a)(7), a renewable energy facility includes a CHP facility fueled by a renewable energy resource, but does not include a biomass-fueled boiler producing steam without also generating electricity. Therefore, once the facility begins generating both steam and electricity net of "station service," as defined by the Commission in its July 1, 2010 Order Adopting Interim 2 Operating Procedures for REC Tracking System, issued in Docket No. E-100, Sub 121, and clarified in the Commission's August 10, 2012 Order in Docket No. SP-729, Sub 1, Prestage will be eligible to earn RECs for both the electric generation and thermal energy captured from the waste heat. As stated in the Commission's March 13, 2012 Order on Public Staff's Motion for Reconsideration in docket No. SP-100, Sub 9, only the thermal energy that is a byproduct of

the electrical generation, that, if not captured and used, would be wasted, is eligible to earn RECs. Consistent with the Commission's January 20, 2010 Order Accepting Registration issued in Docket No. SP-578, Sub 0, if any organic material other than poultry waste is used in the [anaerobic digester], only that portion of the electricity generated from the [biogas] that is derived from poultry waste is eligible to earn RECs that may be used to meet the poultry waste set-aside requirements of the North Carolina Renewable Energy and Energy Efficiency Portfolio Standard.

Based upon the foregoing and the entire record in this proceeding, the Chairman finds good cause to accept registration of Prestage's CHP facility as a new renewable energy facility. Prestage shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year. Prestage will be required to participate in the NC-RETS REC tracking system ([www.ncrets.org](http://www.ncrets.org)) in order to facilitate the issuance of RECs.

IT IS, THEREFORE, ORDERED as follows:

1. That the registration by Prestage for its CHP facility located in Clinton in Sampson County, North Carolina as a new renewable energy facility shall be, and is hereby, accepted.

2. That Prestage shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year.

ISSUED BY ORDER OF THE COMMISSION.

This the 4<sup>th</sup> day of January, 2016.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Jackie Cox", is written over the printed name.

Jackie Cox, Deputy Clerk