



2015-2016 General Assembly

## SENATE BILL 716: Mountain Energy Act of 2015, Sec. 1: Expedited Certificate of Public Convenience and Necessity

**Committee:**

**Introduced by:**

**Analysis of:** Sec. 1 of S.L. 2015-110

**Date:**

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Staff Attorney

**SUMMARY:** *Sec. 1 of S.L. 2015-110 directs the North Carolina Utilities Commission to render an expedited decision, under certain conditions, on an application for a certificate of public convenience and necessity for an applicant to construct a generating facility that uses natural gas as the primary fuel.*

*This section became effective June 24, 2015.*

**CURRENT LAW:** Prior to constructing a generating facility a public utility must obtain a certificate of public convenience and necessity. As a condition of receiving a certificate, the utility must provide an estimate of the construction costs of the facility with the Commission. The Commission must hold a public hearing on the application for a certificate within three months of the filing of the application for a certificate. Prior to the public hearing, the utility must provide notice of the hearing for four weeks in a newspaper with circulation in the area where the facility is proposed to be constructed.

The Commission may not approve the certificate if the proposed facility will not be consistent with the long-range needs of generation capacity in the State. The Commission may modify or revoke the certificate if the long-range needs for generation capacity changes, or if the certificate is otherwise no longer in the public interest.

**ANALYSIS:** Section 1 of the act provides an expedited process for an application to obtain a certificate of public convenience and necessity for a gas-fired generating facility to be constructed at the site of the Asheville Steam Electric Generating Plant located in Buncombe County. The Commission must render a decision on the certificate within 45 days of the application. The Commission must hold a public hearing on the certificate issued under this section, with notice of the public hearing to be given once in a newspaper with general circulation in Buncombe County. The utility must also submit an estimate of the proposed costs of constructing the gas-fired generation facility. In order to qualify for the expedited certificate process, the utility must cease operation of the coal-fired facilities at the same site, and the new gas-fired facilities may not have more than twice the capacity of the coal-fired units to be retired.

**EFFECTIVE DATE:** Section 1 of S.L. 2015-110 became effective June 24, 2015.

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