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June 23, 2020

Mr. Walter L. Thomas, Jr.
Secretary
Alabama Public Service Commission
RSA Union Building
100 North Union Street, Suite 950
Montgomery, Alabama 36130



Re: **Docket No. 32953**

Dear Mr. Thomas:

Please find enclosed the Response of Alabama Power Company to the Motion by Energy Alabama and Gasp to Supplement the Record. A courtesy copy of this filing is being hand-delivered to Legal Division.

Please feel free to contact me with any questions.

Very truly yours,

Robin G. Laurie

RGL:sbg

cc: Service List
Legal Division

**BEFORE THE
ALABAMA PUBLIC SERVICE COMMISSION**

ALABAMA POWER COMPANY

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Docket No. 32953

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**In re Petition for a Certificate
of Convenience and Necessity**

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**ALABAMA POWER COMPANY’S RESPONSE TO ENERGY ALABAMA AND GASP’S
MOTION TO SUPPLEMENT THE RECORD**

Alabama Power Company respectfully submits this response to the June 19, 2020 Motion of Energy Alabama and Gasp (“Energy Alabama/Gasp”) to Supplement the Record. As by now should be expected, Energy Alabama/Gasp return with another post-deadline filing, continuing to find new ways to inject delay into Commission proceedings. Rather than a notice of new authority or request for more briefing, Energy Alabama/Gasp this time seek to “supplement the record” with publicly available information they claim to have “recently discovered.”

As explained below, the information referenced by Energy Alabama/Gasp is irrelevant and without consequence. Moreover, with the Commission now having made its decision on the Company’s certificate petition, Energy Alabama/Gasp apparently feel relieved of proper decorum, as their motion, in Alabama Power’s view, offers an incomplete and inaccurate characterization of the matters they would seek to place into the record, while at the same time casting aspersions on the Company.

First, Energy Alabama/Gasp imply that Southern Company’s refined enterprise-wide carbon goal *requires* capture and storage technology at Barry Unit 8. This is false. The goal actually contemplates several options, including the potential future utilization of varying technologies (both known and unknown) and alternative fuels, like hydrogen. The goal also

contemplates that facilities will continue to emit carbon, but will be offset by negative-carbon solutions, such as afforestation—hence “net” zero. Thus, the revised goal does not equate to a requirement for Barry Unit 8 to deploy carbon capture solutions in the future.

Second, the air construction permit application submitted to the Alabama Department of Environmental Management (“ADEM”) explores the feasibility and cost, consistent with applicable regulatory requirements, associated with equipping the unit with carbon capture and storage capabilities *as of initial commercial operation*. In that context, the permit application concludes the approach to be both “technically infeasible”¹ and at a “plainly excessive” cost.² In any case, this information was not kept from them (or Sierra Club) or the Commission. As Energy Alabama/Gasp observe, the information is publicly available. Thus, there is neither reason nor ability to keep it from anyone, and it will be subject to review and comment before the jurisdictional agency, ADEM.

The larger point though for this proceeding is that the potential for Barry Unit 8 to employ carbon capture technology is just that—a *possible future course*. This is why Alabama Power—and not intervenors—raised the idea in the first place in its rebuttal testimony,³ to show that Barry Unit 8 and its location on the Company’s system offered unique characteristics (including but not limited to its highly efficient design). While the Company can provide ADEM with a conservative generic estimate of the cost of incorporating such technology *now*, the Company remains where it was when faced with intervenors’ repeated questions in deposition and at hearing about retrofitting

¹ See, e.g., Air Permit Application, pages 5-21 and 5-25.

² See *id.*, page 5-29. In contrast, the application shows other combined cycle units that meet applicable regulations (including a list of eighty-two (82) recently-permitted large natural gas-fired combined-cycle units). See *id.*, page 5-30 (citing Appendix E, Table E-6).

³ See Rebuttal Testimony of Michael Bush, page 16, lines 3-16.

the unit with such features *in the future*—the cost is unknown and unknowable. If a day comes when Alabama Power needs to explore carbon capture at Barry Unit 8 as a possible means of complying with future regulatory requirements, it will assess the merits of that option, and any competing alternatives, and that decision will be evaluated by the Commission as the Company's regulator.

Alabama Power supports dismissal of Energy Alabama/Gasp's motion. The information these intervenors would place into the record is irrelevant to the proceeding and does not support any delay in the issuance of an order on the Commission's June 9, 2020 decision or any modification of that decision. That said, given the posture of the motion, to the extent the Commission concludes that some form of administrative notice is the more efficient course, the Company would accept such action coupled with the recognition of the Company's pleading here.



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CERTIFICATE OF SERVICE

I hereby certify that on this the 23rd day of June, 2020, I have served a copy of the foregoing via electronic mail on the active participants in Docket No. 32953.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

OF COUNSEL