

June 11, 2019

Ms. M. Lynn Jarvis, Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

Re: Docket No. E-2, Sub 1190

Docket No. E-7, Sub 1185 Docket No. E-100, Sub 90

Dear Ms. Jarvis:

The Public Staff – North Carolina Utilities Commission ("Public Staff") respectfully submits this letter in lieu of comments in response to the North Carolina Utilities Commission's June 5, 2019 Order Seeking Comments ("Order") on NC GreenPower's revised program plan for its Solar Schools program filed on April 30, 2019, in Docket No. E-100, Sub 90. The Order directs interested parties to file comments by June 26, 2019. This letter also addresses the Requests for Approval of Renewable Advantage Rider (NC) by Duke Energy Progress, LLC (DEP), and Duke Energy Carolinas, LLC (DEC), and revisions to their existing NC GreenPower Program (NC) tariffs, filed on April 18, 2019, in Docket Nos. E-2, Sub 1190, and E-7, Sub 1195, respectively.

## Revisions to NC GreenPower's Solar Schools Program

Under the revised Solar Schools program, the \$4.00 Mass Market (MM) product from the current 50/50 Hybrid pilot will continue to be offered to non-Duke Energy customers with each donation continuing to support both North Carolina Renewable Energy Credits (RECs) and solar installation packages at K-12 schools. However, instead of the current 50/50 split, a portion of each donation will support projects that create instate RECs with the block size increasing from 50 kilowatt-hours (kWh) to 125 kWh. The balance of each donation will continue to support solar projects at schools. For Duke Energy customers who currently donate to the \$4.00 MM product, the contributions will solely support Solar Schools and not REC projects; these customers may "opt out" if they

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Consumer Services (919) 733-9277 Electric (919) 733-4326

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do not wish to support the schools initiative. The block size for the \$2.50 Large Volume (LV) REC for Clean Energy Supporters will increase from 100 kWh to 250 kWh. NC GreenPower's Board of Directors may adjust grant amounts depending on the type of solar system installed (top-of-pole versus roof-mounted) and the economic need of the school.

If approved, the revised Solar Schools program is expected to launch in the third quarter of 2019 in conjunction with the Duke Energy REC program, which is described below. The initial goal for the Solar Schools program is a minimum of five projects successfully funded each year.

The Public Staff recommends that the Commission approve the changes to the Solar in Schools program as filed.

## DEP and DEC's Renewable Advantage Riders (NC) and Revisions to NC GreenPower Program (NC) Tariffs

On November 20, 2018, DEC and DEP filed separately for approval of Renewable Advantage Program Riders and revisions to their NC GreenPower tariffs. On February 1, 2019, the Commission issued its Order Modifying and Approving Green Source Advantage Program, Requiring Compliance Filing, and Allowing Comments, in Docket Nos. E-2, Sub 1170, and E-7, Sub 1169 (GSA Order). In the GSA Order, the Commission stated that it would "remain open to receiving from Duke a proposed REC purchase program" similar to, but "separate and apart from" that proposed by DEC and DEP with their standard offer in their Green Source Advantage program. The Commission cited DEC's and DEP's proposed Renewable Advantage Program Riders. On February 7, 2019, DEP and DEC jointly filed a Motion to Withdraw without Prejudice to Refile in these dockets.

On April 18, 2019, DEP and DEC refiled their requests for approval of their Renewable Advantage Riders and revisions to the NC GreenPower Program (NC). Each Company's Renewable Advantage Rider (NC) would allow residential and non-residential (small business) customers to purchase RECs to offset all or a portion of their electrical consumption. These customers would select the number of certified fractions of RECs in 250 kWh increments or blocks they wished to purchase that would offset a portion or all of their consumption. The Renewable Advantage Rider's Monthly Rate would apply to the Customer's bill regardless of Customer's actual monthly kWh consumption.

The proposed Riders would support local, North Carolina development of renewable energy by donating \$2 to NC GreenPower for every REC purchased. RECs would be procured from in-state and out-of-state resources, including solar photovoltaic, wind-powered, hydro and biomass powered resources. All RECs acquired under the Riders

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would be retired on behalf of Rider participants. The Companies state that the monthly rate of \$3 per 250 kWh block should recover all billing, marketing, REC acquisition and other costs associated with the program. The Companies' refiled Renewable Advantage Riders have no termination date and provide customers the option "to foster and promote the use of renewable attributes from Renewable Energy Resources."

The Companies also seek changes to their NC GreenPower Program (NC) tariffs to align with program changes to the Solar in Schools program concurrently requested by NC GreenPower as described above. Specifically, NC GreenPower's mass market program would no longer acquire RECs, but use all funds to install solar generation at schools throughout North Carolina. Therefore, DEP and DEC are proposing changes to their NC GreenPower Program (NC) tariffs to reflect this change. DEP and DEC indicate that they will inform current NC GreenPower tariff participants of this revision and that they will continue to offer and promote both the NC GreenPower Program (NC) and NC Renewable Energy Program (NC) as alternatives to their new Renewable Advantage Riders for customers that prefer the tax advantages and other attributes of these programs. The Companies indicate that the NC Renewable Energy Program (NC) will continue to acquire solely in-state RECs.

The Public Staff has reviewed the proposed Renewable Advantage Riders and the revisions to the NC GreenPower Program (NC) tariffs. Based on the Commission's statement in the GSA Order that it would remain open to a proposed REC purchase program and its review, the Public Staff does not object to approval by the Commission of the proposed Renewable Advantage Riders and the revisions to the NC GreenPower Program (NC) tariffs.

By copy of this letter, I am forwarding a copy of the above to all parties of record.

Regards,

Electronically Submitted
/s/ Lucy E. Edmondson
Staff Attorney
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LEE/cla