

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-2, SUB 1321

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)
Application of Duke Energy Progress, LLC)
Pursuant to G.S. 62-133.2 and NCUC Rule)
R8-55 Relating to Fuel and Fuel-Related)
Charge Adjustments for Electric Utilities)

**DIRECT TESTIMONY
OF DAVID B. JOHNSON FOR
DUKE ENERGY PROGRESS, LLC**



1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is David B. Johnson. My business address is 525 South Tryon Street,
3 Charlotte, North Carolina 28202.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed by Duke Energy Corporation (“Duke Energy”) as Director of
6 Business Development and Compliance.

7 **Q. PLEASE SUMMARIZE YOUR EDUCATION AND PROFESSIONAL
8 QUALIFICATIONS.**

9 A. My educational background includes a Bachelor of Science in Civil
10 Engineering from the University of Tennessee. With respect to professional
11 experience, I have been in the utility industry for over 42 years. I started as an
12 associate Design Engineer in the Design Engineering Department at Duke
13 Power in 1980. From 1991-1995, I worked for Duke Energy’s affiliate
14 companies Duke/Fluor Daniel and Duke Engineering & Services, Inc. In 1996,
15 I worked in the initial Duke Power Trading Group in Charlotte, North Carolina,
16 where I focused on marketing and business development and management until
17 2006. From 2006 to 2017, I worked as a Business Development Manager and
18 Director in the Duke Energy wholesale and renewable energy areas. I began
19 my current role in late 2017.

20 **Q. PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES IN YOUR
21 POSITION WITH DUKE ENERGY.**

22 A. I am responsible for wholesale Power Purchase Agreements (“PPA”) that Duke
23 Energy enters into with third party suppliers. These include PPAs that Duke

1 Energy Carolinas, LLC (“DEC”) and Duke Energy Progress (“DEP”) enter into
2 with Qualifying Facilities (“QFs”), renewable PPAs to comply with North
3 Carolina’s Renewable Energy Efficiency Portfolio (“REPS”) standard,
4 Competitive Procurement of Renewable Energy (“CPRE”) PPAs, and
5 conventional (non-renewable) PPAs. I have responsibility for the negotiation
6 and execution of these PPAs, as well as the on-going management of all
7 executed PPAs. In addition, I am responsible for Duke Energy’s compliance
8 with the REPS and the CPRE Program.

9 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE NORTH**
10 **CAROLINA UTILITIES COMMISSION?**

11 A. Yes. I provided testimony in the 2018 Avoided Cost proceeding (Docket No.
12 E-100, Sub 158) for Duke Energy Carolinas, LLC (“DEC”) and DEP. I also
13 provided testimony in DEP’s 2022 annual fuel rider proceeding under Docket
14 No. E-2, Sub 1292 and DEC’s 2022 and 2023 annual fuel rider proceedings
15 under Docket Nos. E-7, Sub 1263 and E-7, Sub 1282, respectively.

16 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

17 A. The purpose of my testimony is to present information and data required by the
18 NCUC in accordance with the “*Order Approving SISC Avoidance Requirements*
19 *and Addressing Solar-Plus-Storage Qualifying Facility Installations*” (Docket
20 Nos. E-100, Sub 101 and E-100, Sub 158 – dated August 17, 2021). In this Order,
21 the Commission directed DEC and DEP, in future fuel and fuel-related charge
22 adjustment proceedings conducted pursuant to N.C. Gen. Stat. 62-133.2, to
23 address the SISC avoidance process in their prefiled direct testimony, identify the

1 specific facility(ies) and amount of SISC avoided in supporting exhibits and work
2 papers, and the results of any audits performed on QFs seeking to avoid the SISC.

3 **Q. DO YOU HAVE ANY INFORMATION TO REPORT AT THIS TIME?**

4 A. No. There are currently no operating solar QF facilities at this time that contain
5 energy storage systems. There are also currently no executed PPAs that contain
6 SISC (Sub 158 and later) that also include an energy storage system.

7 There were two (2) solar facility bids in Tranche 1 of CPRE that contained
8 energy storage. However, these PPAs did not include SISC and, therefore, did not
9 include an option for the QF to avoid the SISC.

10 Duke will continue to monitor future solar QF PPAs with SISC and energy
11 storage that provide notice to Duke that they intend to avoid some or all of the
12 SISC. Duke will provide any data on the ability of these future QF facilities to
13 avoid the SISC in future fuel proceedings for DEC and DEP.

14 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

15 A. Yes, it does.