



**Opportunities for Qualifying Facilities in  
the North Carolina Carbon Plan**

Nicole Miller, Associate Director  
On behalf of CCEBA

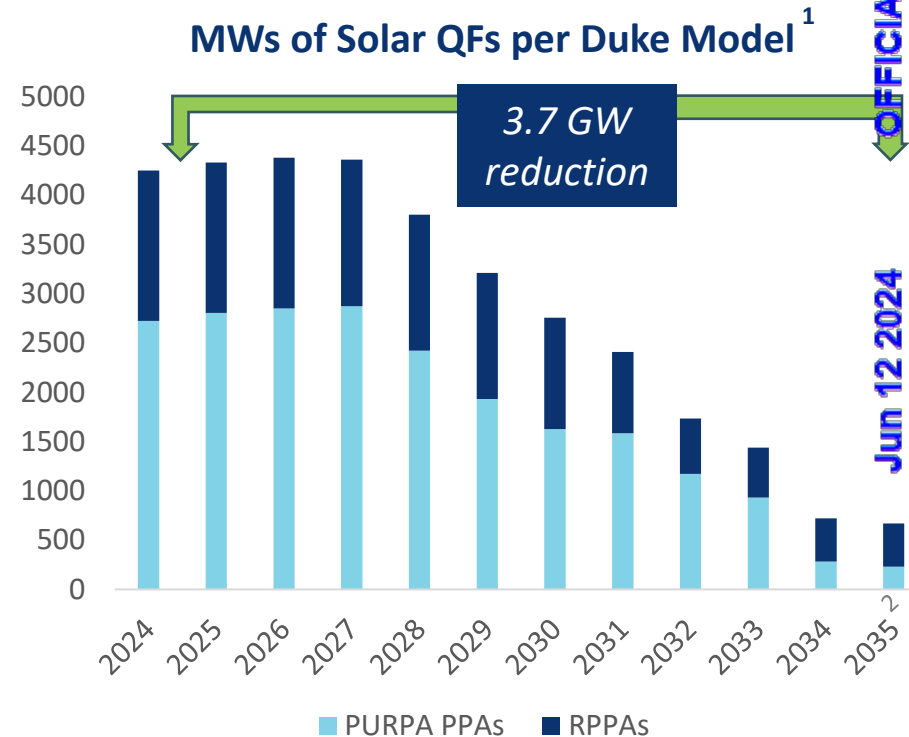
OFFICIAL COPY

Jun 12 2024

## Accounting for existing solar capacity

### QFs are crucial for carbon neutrality by 2050

- 4.2 GW of solar QFs are contracted under PURPA and RPPAs today, generally under 10-15 year terms<sup>1</sup>
- A number of these sites will be expiring within the next decade. Per the CPIRP it is assumed such QFs are replaced “like-kind” once the current contracts roll off
  - These sites generally have the option to recontract under a 5 year avoided cost rate at the time of PPA expiry
- In data provided by Duke to CCEBA, there appear to be a significant amount of these resources rolling off starting in 2028
- Given the existing interconnections of these sites, such QFs may present an opportunity to further carbon reduction while avoiding the issue of annual interconnection limitations identified by Duke

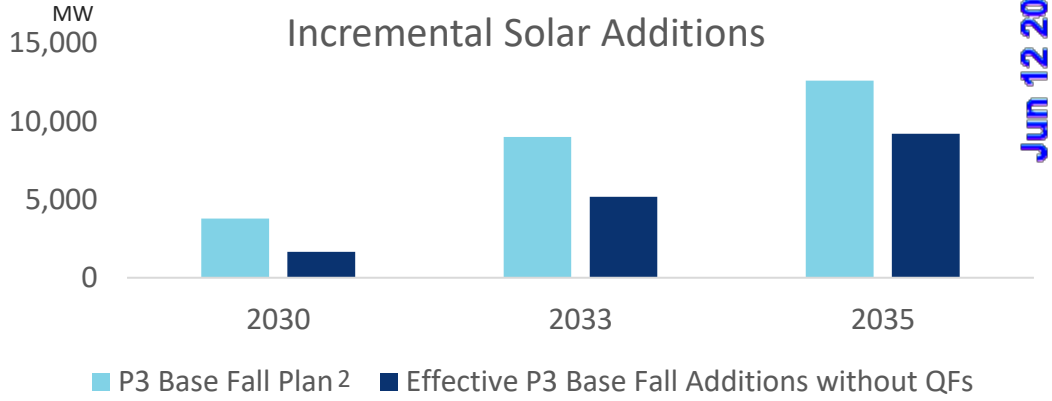
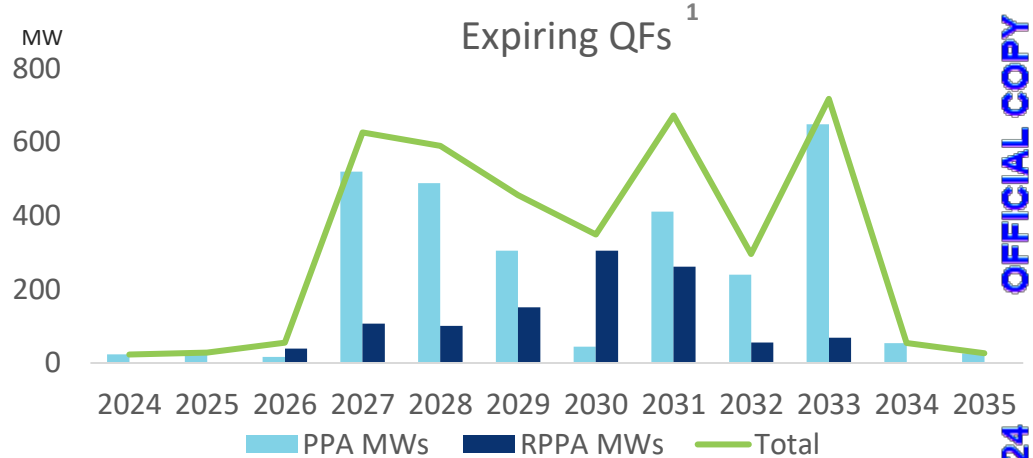


1. Duke Response to CCEBA Data Request CCEBA Request No. 2-1(b)
2. Year of Duke 70% carbon reduction target under P3

# QF Optimization and Opportunities

A stakeholder process can ensure QFs are utilized to the fullest of their potential

- Failing to consider existing QFs in the Carbon Plan effectively reduces incremental solar additions due to limitations on interconnection capability
- While further discussion and stakeholder analysis is necessary, initial diligence includes the following opportunities could benefit both developers and rate payers
  - developing a process to allow these existing QFs to renew their PPAs for longer terms (including a potential Blend and Extend 2.0)
  - maximizing production through upgrades and the addition of storage on existing interconnections.
- CCEBA recommends the Commission consider a directive to determine what, if any, economic incentives may exist for optimizing existing solar QFs



OFFICIAL COPY

JUN 12 2024

1. Duke Response to CCEBA Data Request CCEBA Request No. 2-l(b)
2. Duke 2024 Carbon Plan and IRP

Thank you.



OFFICIAL COPY

JUN 12 2024