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January 20, 2022

**VIA Electronic Filing**

Ms. A. Shonta Dunston, Interim Chief Clerk  
North Carolina Utilities Commission  
Dobbs Building  
430 North Salisbury Street  
Raleigh, North Carolina 27603

*Re: Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Motion for Extension of Time to Enter Into Self-Inspection Agreements with Uninspected Facilities and File Status Report  
Docket No. E-100, Sub 101*

Dear Ms. Dunston:

Enclosed for filing in the above-referenced proceeding on behalf of Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP" and, together with DEC, "Duke Energy") is their Motion for Extension of Time to Enter Into Self-Inspection Agreements with Uninspected Facilities and File Status Report. Included as Attachment A to this filing is the final version of the Memorandum of Agreement Regarding Procedure to Implement Periodic Medium Voltage Construction Safety and Reliability Inspection Requirements under NCIP Sections 6.5.2 and 6.5.3 that Duke Energy plans to circulate to Interconnection Customers that own or operate Uninspected Facilities as described in the Motion.

Please do not hesitate to contact me should you have any questions. Thank you for your assistance with this matter.

Very truly yours,

/s/E. Brett Breitschwerdt

EBB:sbc

Enclosure

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-100, SUB 101

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	<b>MOTION FOR EXTENSION OF TIME</b>
Petition for Approval of Revisions to	)	<b>TO ENTER INTO SELF-INSPECTION</b>
Generator Interconnection Standards	)	<b>AGREEMENTS WITH</b>
	)	<b>UNINSPECTED FACILITIES AND</b>
	)	<b>FILE STATUS REPORT</b>

NOW COME Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (“DEP”) (collectively the “Companies” or “Duke Energy”) pursuant to Rule R1-7 of the Rules and Regulations of the North Carolina Utilities Commission (“Commission”), and move the Commission for an extension of time to enter into self-inspection agreements with Interconnection Customers that own Uninspected Facilities (the “Self-Administered Inspection Agreements”) as directed by the Commission’s October 8, 2021 *Order Clarifying Generator Interconnection Standards, Requesting Comments, and Requiring Filing Of Remediation Information* (the “Order”) in Docket No. E-100, Sub 101 and to file a report detailing the status of the Self-Administered Inspection Agreements with owners of Uninspected Facilities. Specifically, the Companies request that the Commission (1) allow Interconnection Customers thirty (30) days from the date of the Commission’s Order on this Motion to execute Self-Administered Inspection Agreements; and (2) allow the Companies an additional twenty (20) days from the deadline to execute such agreements to file the Commission-directed status report required by the *Order*.

In support of this motion, the Companies show the Commission as follows:

1. In its October 8, 2021 *Order*, the Commission revised the North Carolina Interconnection Procedures (“NCIP”) to reflect that the post-commissioning inspection requirements in NCIP Section 6.5 apply to facilities with Interconnection Agreements executed prior to June 14, 2019 (the “Uninspected Facilities”). In doing so, the Commission noted that “[t]he inspection of Generating Facilities, including the Uninspected Facilities, is necessary to ensure the safe and reliable operation of the electric system.” *Order* at 8. The *Order* further directed that “[a]ll Interconnection Customers that own Uninspected Facilities must enter into a self-inspection agreement with Duke by no later than February 1, 2022,” *Order* at 8, and required the Companies to file a report with the Commission detailing the status of the Self-Administered Inspection Agreements by February 23, 2022.

2. Since the Commission issued its *Order* in October 2021, the Companies have taken a number of steps to comply with its directives. First, on October 22, 2021, the Companies served a copy of the Commission’s *Order* on all North Carolina Interconnection Customers that own or operate Uninspected Facilities as directed by Ordering Paragraph No. 3. Second, on December 7, 2021, the Companies filed their Response to the Commission’s Request for Remediation Information as directed by Ordering Paragraph No. 2.

3. In addition, since October 2021, the Companies developed a template memorandum of agreement providing Interconnection Customers that own or operate Uninspected Facilities with an option to self-administer inspection programs that comport with appropriate safety and reliability standards and meet the requirements of NCIP

Sections 6.5.2 and 6.5.3 (the “Pro Forma MOA”) as directed by the *Order*. In December 2021 and early January 2022, the Companies sought feedback from stakeholders, including the Public Staff, Carolina Clean Energy Business Association (“CCEBA”), and Strata Solar, LLC, regarding the Pro Forma MOA. After meeting with these stakeholders and addressing and incorporating the input received, the Companies, Public Staff and CCEBA have reached agreement on a final version of the Pro Forma MOA, entitled, *Memorandum of Agreement Regarding Procedure to Implement Periodic Medium Voltage Construction Safety and Reliability Inspection Requirements under NCIP Sections 6.5.2 and 6.5.3*, attached hereto as Attachment A, that will be applicable to Uninspected Facilities. Through these discussions, CCEBA emphasized that Interconnection Customers should be afforded at least 30 days to review the Pro Forma MOA and to determine whether to develop a Self-Administered Inspection Program or to request that the Companies manage the NCIP inspection requirements under the Duke Energy-Approved Third Party Administered Inspection Program option.

4. The Companies plan to distribute the Pro Forma MOA to the approximately 300 Interconnection Customers<sup>1</sup> that own or operate Uninspected Facilities as defined by the *Order* as soon as the Commission enters an order on the instant Motion.<sup>2</sup> Accordingly, the Companies respectfully request that the Commission extend the February 1, 2022 deadline for entering into such agreements to allow all Interconnection Customers 30 days to review and execute the Pro Forma MOA. The

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<sup>1</sup> The Uninspected Facilities to which this Pro Forma MOA will be sent include all distribution connected, sell-all solar Generating Facilities with a nameplate capacity greater than or equal to 1MW that executed an Interconnection Agreement prior to June 14, 2019, and were interconnected prior to Duke’s implementation of an inspection process under NCIP Section 6.5.2 and thus were not inspected prior to commencing parallel operation.

<sup>2</sup> The Companies transmittal communication will identify the date by which the Commission directs Uninspected Facilities Interconnection Customers to execute the Pro Forma MOA.

Companies also plan to host an informational meeting for Interconnection Customers that own or operate Uninspected Facilities to answer questions regarding the Pro Forma MOA during this period.

5. Further, the Companies request that the Commission allow a corresponding 20-day extension of time from the deadline to execute the Self-Administered Inspection Agreements to file a report with the Commission detailing the status of those agreements and identifying any remaining Uninspected Facilities not covered by an agreement. This corresponding extension will allow the Companies adequate time to provide the Commission with the requested information regarding the status of Self-Administered Inspection Agreements and Uninspected Facilities not covered by an agreement as of that time.

6. CCEBA, Strata Solar and Public Staff each consent to and support the relief requested in this Motion. Counsel for Duke Energy has also contacted counsel for all other parties of record regarding this Motion. Although not all counsel have responded, as of the time of this filing, no counsel for any party has indicated any objection to the Companies' motion.

WHEREFORE, Duke Energy Carolinas, LLC and Duke Energy Progress, LLC respectfully request that the Commission grant this Motion and enter an order (1) setting the deadline for Uninspected Facility Interconnection Customers to execute Self-Administered Inspection Agreements at thirty (30) days from the date of the Commission's Order on this Motion; (2) setting the deadline for the Companies to file a report detailing the status Self-Administered Inspection Agreements no later than twenty

(20) days from the deadline for execution of such agreements; and (3) grant such other relief as the Commission deems just and proper.

Respectfully submitted, this the 20<sup>th</sup> day of January 2022.

*E. Brett Breitschwerdt*

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## ATTACHMENT A

Memorandum of Agreement Regarding Procedure to  
Implement Periodic Medium Voltage Construction Safety  
and Reliability Inspection Requirements under NCIP  
Sections 6.5.2 and 6.5.3

Docket No. E-100, Sub 101

Memorandum of Agreement Regarding Procedure to Implement Periodic Medium Voltage Construction Safety and Reliability Inspection Requirements under NCIP Sections 6.5.2 and 6.5.3

This Memorandum of Agreement (the “MOA”) is entered into and agreed to by and between *[Duke Energy Carolinas, LLC / Duke Energy Progress, LLC]* (“Duke”), and *[Interconnection Customer Name]* (“Interconnection Customer”) (together with Duke, the “Parties”). The MOA memorializes the Parties’ agreement regarding their respective obligations to implement periodic medium voltage construction safety and reliability inspection requirements under Sections 6.5.2 and 6.5.3 of the North Carolina Interconnection Procedures (“NCIP”) as directed by the North Carolina Utilities Commission (“NCUC”) in its October 8, 2021 Order in Docket No. E-100, Sub 101 (the “Order Directing Inspections”). Terms used in this MOA that are not defined herein shall be interpreted consistent with Attachment 1 of the NCIP.

## 1. Background

- a. Duke is responsible for ensuring safe and reliable power system operations, including ensuring reliable power delivery to retail customers as well as reliable interconnection and parallel operation with Interconnection Customers. This includes overseeing Generating Facility commissioning inspections as well as certain periodic post-commissioning inspections of interconnected Generating Facilities’ medium voltage equipment under NCIP Sections 6.5.2 and 6.5.3.
- b. NCIP Section 6.5.2 provides that Utilities are authorized to conduct an initial inspection of the medium voltage AC side of each Generating Facility (including assessing that the anti-islanding process is operational) that was not inspected prior to commencing parallel operation (“Initial Inspection”). NCIP Section 6.5.3 provides that Duke is also entitled, on a periodic basis, to inspect the medium voltage AC side of each interconnected Generating Facility on a reasonable schedule determined by the Utility in accordance with the inspection cycles applicable to its own distribution system (“Periodic Inspections”). Interconnection Customers are responsible for Duke’s costs of implementing the Initial Inspection and Periodic Inspection requirements of the NCIP.
- c. On October 8, 2021, the NCUC issued the Order Directing Inspections, which, in pertinent part, revised NCIP Section 1.1.3 to clarify that Sections 6.5.2 and 6.5.3 apply to all uninspected Generating Facilities regardless of the date each executed an Interconnection Agreement.
- d. In its Order Directing Inspections, the NCUC also approved an agreement between Duke, Strata Solar, LLC, and Strata Solar Development, LLC (the Strata entities are referred to collectively as “Strata”) setting forth the structure of a self-inspection program intended to satisfy the inspection requirements of NCIP Sections 6.5.2 and 6.5.3. Noting that the agreement between Duke and Strata was a “reasonable start toward compliance” with those NCIP provisions, the NCUC further directed Duke to work with “all other Interconnection Customers with Uninspected Facilities [to] develop similar self-inspection programs, memorialized in memoranda of agreement”

to be executed no later than February 1, 2022. Order Directing Inspections, at 8. The NCUC instructed that future agreements should be “tailored . . . to the particular circumstances of the Interconnection customer[.]” and ordered Duke to file a report on the status of such agreements by February 23, 2022. *Id.*

- e. In keeping with the NCUC’s Order Directing Inspections, the Parties agree that a properly implemented “Self-Administered Compliance Program” designed to ensure the operational integrity of Uninspected Facilities will meet the requirements of NCIP Sections 6.5.2 and 6.5.3. Likewise, the Parties agree that the Duke Energy-Approved Third Party Administered Inspection Program meets the requirements of NCIP 6.5.2 and 6.5.3.

## 2. General Principles of Agreement

- a. Adherence to NCIP Sections 6.5.2 and 6.5.3. The Parties agree that the terms of this MOA will satisfy the Interconnection Customer’s compliance with NCIP Sections 6.5.2 and 6.5.3.
- b. Options for Compliance: To ensure ongoing compliance with Initial Inspection and Periodic Inspection requirements of NCIP Sections 6.5.2 and 6.5.3, Interconnection Customer hereby elects and commits to adhere on an ongoing basis to the Inspection Program option designated below:
  - i. Duke Energy-Approved Third Party Administered Inspection Program Option. Interconnection Customer elects and agrees to be inspected in accordance with the Duke Energy-Approved Third Party Administered Inspection Program meeting the objectives and requirements of this MOA. As part of the Duke Energy-Approved Third Party Administered Inspection Program, a Duke Energy-Approved Third Party contractor will conduct Initial and Periodic Inspections required that are substantially equivalent to inspections described in Section 5 and Section 6 of this MOA.

Interconnection Customer elects to be inspected in accordance with the Duke Energy-Approved Third Party Administered Inspection Program Option.

Initialed: \_\_\_\_\_ (Interconnection Customer)

- ii. Self-Administered Compliance Program Option. Interconnection Customer elects and agrees to develop and administer a Self-Administered Compliance Program, which shall be submitted to Duke for review within 90 Calendar Days of execution of this MOA to confirm that it meets the objectives and requirements described in Sections 3 through 7 of this MOA. Upon acceptance of Interconnection Customer’s Self-Administered Compliance Program, not to be unreasonably withheld, Duke agrees to continue to work with Interconnection Customer to implement the Self-Administered Compliance Program and, as determined to be necessary by Duke, to audit compliance with this MOA and Interconnection Customer’s Self-Administered Compliance Program pursuant to Section 8 of this MOA.

Interconnection Customer elects to administer a Self-Administered Compliance Program.

Initialed: \_\_\_\_\_ (Interconnection Customer)

- c. Failure to execute MOA. Recognizing that the Order Directing Inspections directed Duke and Interconnection Customer to enter into a MOA, Interconnection Customer's failure to execute an MOA and designate an Inspection Program in this Section 2(b) by February 1, 2022, shall be deemed to be acceptance of the Duke Energy-Approved Third Party Administered Inspection Program Option (i) above and result in Duke's scheduling and performance of inspections as described in Section 2(b)(i) and accessing the Interconnection Customer's Generating Facility pursuant to Section 2.3.2 of the North Carolina Interconnection Agreement ("NC IA"). Interconnection Customer's failure to meet the requirements of NCIP Sections 6.5.2 and 6.5.3, including making timely payment for any invoiced amounts for services rendered under the Duke Energy-Approved Third Party Administered Inspection Program may be considered an Event of Default under NC IA Section 7.6.
- d. Interconnection Agreement not modified. The Parties agree that the terms and conditions of Interconnection Customer's NC IA shall remain in full force and effect and shall not be modified or superseded by the terms of this MOA. Duke reserves all rights under the NC IA to disconnect the Generating Facility should Duke determine, at any time consistent with Good Utility Practice, that disconnection is warranted to address an Emergency Condition or an adverse operating effect, as those terms are defined or used in the NC IA.

### 3. DER Functional Settings Guidance Document

- a. Duke has developed a distributed energy resource ("DER") inverter and interconnection devices functional settings document ("DER Functional Settings Guidance Document") to establish minimum acceptable standards for purposes of DER functional settings compliance. The overall Self-Administered Compliance Program should adhere to the Duke DER Functional Settings Guidance Document, which addresses the following elements:
  - i. Details generally applicable requirements for settings of inverters and other interconnection devices as specified in the NC IA for purposes of completing Initial Inspections and Periodic Inspections.
  - ii. Defines the Interconnection Customer's responsibility for (a) maintaining proper settings in inverters and other interconnection devices in accordance with the DER Functional Settings Guidance Document's requirements, (b) reporting setting changes, and (c) maintaining data or evidence of compliance.
  - iii. Defines minimum standards for DER functional settings inspections as a component of an acceptable Self-Administered Compliance Program monitoring and assessment process.

- b. Duke will maintain the Duke DER Functional Settings Guidance Document on the TSRG website and provide such information to Interconnection Customer upon request.

#### 4. Adherence to Applicable Standards in Medium Voltage Inspection

- a. The scope of Medium Voltage<sup>1</sup> AC Inspection (“MV Inspection”) includes electrical equipment from the secondary side of the MV transformers to the point of interconnection. This includes but is not limited to:
  - i. MV AC construction
  - ii. Transformers
  - iii. Customer-owned primary meter
  - iv. Customer-owned recloser (as applicable)
  - v. Point of interconnection auxiliary transformer and associated disconnect switch or panelboard (as applicable)
  - vi. Inrush mitigation system (as applicable)
  - vii. Power plant control system (as applicable)
  - viii. Inverters (verification of UL 1741 and IEEE 1547 compliance)
- b. When performing MV Inspections pursuant to the Self-Administered Compliance Program, Interconnection Customer shall document adherence to applicable codes and standards set forth in NCIP Section 6.17 and Section 1.5.4 of the NC IA and identify any needed corrective actions as part of its inspections of its Generating Facility pursuant to the Self-Administered Compliance Program. Interconnection Customer will adhere to the specifications designated below:
  - i. Applicable Industry Codes and Standards. As part of its MV Inspections pursuant to the Self-Administered Compliance Program, Interconnection Customer will evaluate adherence to the following codes and standards specified in the NCIP 6.17 and the Interconnection Agreement 1.5.4:
    - National Electrical Safety Code (NESC); and
    - National Electrical Code (NEC).

For purposes of this section, the Parties agree that the Applicable Industry Codes and Standards to be used in performing the MV Inspection shall be: (i) the NESC and NEC in effect at the time the Parties executed the NC IA or at the time of any subsequent Material Modification to the Generating Facility; or (ii) if elected by the Interconnection Customer, Duke’s then-current comprehensive construction specifications.

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<sup>1</sup> NCIP Section 6.17 and Appendix 5 specify codes and standards with which the Generating Facility must comply. Appendix 5 references American National Standards Institute (ANSI) C84.1, Electric Power Systems and Equipment — Voltage Ratings (60 Hertz), in which the “Medium Voltage” is defined as a class of nominal system voltages greater than 1000 volts and less than 100 kV.

- ii. Duke will provide Interconnection Customer with its current comprehensive construction specifications. Duke's Construction Specifications meet and exceed NESC and NEC requirements and provide detailed drawings which can assist in the performance of the MV Inspection. Interconnection Customer shall consider using and is encouraged to use Duke's construction specifications as supporting materials during the MV Inspection and to make corrections post-inspection, at Interconnection Customer's discretion.

## 5. Initial Inspections under Self-Administered Compliance Program

To meet the Initial Inspection requirements under a Self-Administered Compliance Program, an Interconnection Customer must complete the following actions:

- a. Interconnection Customer will perform an initial MV Inspection to ensure that medium voltage equipment on the AC side of the Generating Facility continues to meet applicable Industry Codes and Standards, as identified in Section 4, as soon as practicable, but no later than: (a) for Generating Facilities with a commercial operation date on or before August 31, 2015, 18-months after the date this MOA is fully executed by the Parties; or (b) for Generating Facilities with a commercial operation date after August 31, 2015, three years after the date this MOA is fully executed by the Parties. Interconnection Customer shall provide a report from a professional engineer or other Qualified Person, as defined in 2020 NEC-100<sup>2</sup>, certifying the Generating Facility's compliance with the applicable Industry Codes and Standards or other reasonable written supporting documentation, attested to by the Interconnection Customer and acceptable to Duke, demonstrating compliance with the applicable Industry Codes and Standards. The Interconnection Customer's MV Inspection report shall identify any needed corrective actions and the Interconnection Customer's plans to undertake corrective actions consistent with process established in Section 9. In the event Interconnection Customer fails to provide written confirmation of compliance with this initial MV Inspection requirement, such failure may be deemed by Duke to warrant termination of this MOA.
- b. As soon as practicable and no later than 90 days of Interconnection Customer's completion of the initial MV Inspection, Interconnection Customer will also perform an inspection and verification of applicable inverter and interconnection device settings. Interconnection Customer shall provide reasonable written supporting documentation, attested to by the Interconnection Customer, to Duke demonstrating compliance with the applicable inverter and interconnection device settings set forth in the NC IA and DER Functional Settings Guidance Document and identifying any needed corrective actions and the Interconnection Customer's plans to undertake corrective actions consistent with process established in Section 9. In the event the Interconnection Customer fails to provide written confirmation of compliance with this

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<sup>2</sup> NEC 2020 Edition, Article 100 defines "Qualified Person" as one who has skills and knowledge related to the construction and operation of the electrical equipment and installations and has received safety training to recognize and avoid the hazards involved.

inspection requirement, such failure may be deemed by Duke to warrant termination of this MOA

- c. As soon as practicable and no later than 90 days of Interconnection Customer's completion of the initial MV Inspection, Interconnection Customer will also perform a one-time effort to (a) verify that the Generating Facility's as-built specifications matches the Interconnection Customer's Interconnection Request, Interconnection Agreement and Single Line Diagram on file with Duke; and (b) document the Duke point of interconnection ("POI") right-of-way ("ROW") access for Duke personnel as described in Section 7(a). Duke will maintain the Interconnection Facility As-built Installation Evaluation specifications on the TSRG website. Interconnection Customer shall provide reasonable written supporting documentation, attested to by the Interconnection Customer, to Duke demonstrating that the Generating Facility was constructed in compliance with the Interconnection Request, Interconnection Agreement and Single Line Diagram on file with Duke. This documentation shall identify any differences or needed corrective actions consistent with Remediation process established in Section 9. Information provided by Interconnection Customer in accordance with this Section 5(c.) may be evaluated for compliance with Section 3.4.5 (Modification of the Generating Facility) of Interconnection Customer's NC IA.
- d. As soon as practicable and no later than 90 days after either Interconnection Customer completes the initial MV Inspection or makes any corrective actions determined to be needed by the MV Inspection, Interconnection Customer will also perform a "cease-to-energize test" (also known as an "anti-islanding test"). Duke will maintain the Interconnection Customer instructions to be used for performing this anti-islanding test consistent with Duke specifications on the TSRG website.

## **6. Periodic Inspections under Self-Administered Compliance Program**

To meet the Periodic Inspection and other requirements under a Self-Administered Compliance Program, an Interconnection Customer must meet the following requirements:

- a. Periodic MV Inspections shall be completed after the initial MV Inspections at least once every 5 years. Interconnection Customer will perform Periodic Inspections to ensure that the Generating Facility continues to meet applicable Industry Codes and Standards, as identified in Section 4, and requirements for maintenance of rights-of-way access for Duke POI facilities, as otherwise provided in Section 7 of this MOA. Interconnection Customer shall provide a report from a professional engineer certifying the Generating Facility's compliance with the applicable Industry Codes and Standards or reasonable written supporting documentation, attested to by the Interconnection Customer, to Duke demonstrating compliance with the applicable Industry Codes and Standards and the requirements for maintenance of ROW access for Duke POI facilities. The Interconnection Customer's MV Inspection report shall identify any needed corrective actions and the Interconnection Customer's plans to undertake corrective actions consistent with Remediation process established in Section 9. In the event Interconnection Customer fails to provide written confirmation of compliance

with this inspection requirement, such failure may be deemed by Duke to warrant termination of this MOA.

- b. Interconnection Customer will adhere to the DER Functional Settings Guidance Document in completing Periodic Inspections, including confirming through remote query or direct field acquisition, settings of the Generating Facility's inverters, relays, and grid control devices.
- c. Interconnection Customer will perform a "cease-to energize test" as part of the scope of each periodic MV Inspection of Generating Facilities. Duke will maintain the Interconnection Customer instructions to be used for performing this anti-islanding test consistent with Duke specifications on the TSRG website.

#### **7. Maintenance of Right-Of-Way Access for Duke POI facilities**

- a. At the time of initial MV Inspection, Interconnection Customer will provide one-time photographic documentation to Duke that ROW access for Duke POI facilities is being properly maintained in a manner consistent with Duke specifications applicable to Duke facilities and rights of way.
- b. As part of Interconnection Customer's Self-Administered Compliance Program, Interconnection Customer shall provide Duke with written documentation detailing Interconnection Customer's preventive maintenance plan for ROW access for which Interconnection Customer has legal control for Duke POI facilities.
- c. Duke will maintain the Duke ROW access and maintenance specifications, standards and requirements on the TSRG website and provide such information to Interconnection Customer upon request.

#### **8. Compliance Audit Procedures under Self-Administered Compliance Program**

- a. Interconnection Customer shall maintain reasonable documentation of compliance with the Self-Administered Compliance Program for at least three (3) years from any Initial Inspection or Periodic Inspection and shall provide such documentation to Duke or the Public Staff upon request.
- b. In addition to all rights under the NCIA, Duke also has the right to require a compliance audit of Interconnection Customer's compliance with this MOA and its Self-Administered Compliance Program. Interconnection Customer shall cooperate with Duke to resolve any identified deficiencies in Interconnection Customer's Self-Administered Compliance Program within 30 calendar days of written notice from Duke. Interconnection Customer will be responsible for Duke's costs of any compliance audit required under this Section, as provided for in NCIP Sections 6.5.3 and 6.5.4.
- c. Interconnection Customer and Duke agree that in the event Duke identifies any deficiencies in the execution and administration of the Self-Administered Compliance Program, Duke will provide Interconnection Customer with written notice and a

reasonable period of not less than 30 calendar days to cure any such deficiencies before terminating Duke's acceptance of this Self-Administered Compliance Program as meeting the requirements of NCIP Sections 6.5.2 and 6.5.3 and implementing a Duke Energy-Approved Third Party-Administered Inspection Program as set forth in Section 2.b.1.

## **9. Remediation**

Interconnection Customer must remediate any deficiencies identified during the Initial Inspection or Period Inspections provided for under Section 5 and 6 of this MOA within thirty (30) calendar days of the inspection or propose a reasonable alternative timeline in which to complete such remediation subject to agreement by Duke. Duke shall provide written feedback within ten (10) calendar days addressing whether the proposed remediation timeline and plan is acceptable to Duke, such acceptance not to be unreasonably withheld. Interconnection Customer shall also provide written confirmation to Duke of completion of such remediation within ten (10) calendar days of completion. If the Interconnection Customer fails to undertake any required remediation within the applicable time period, the issue will be considered an adverse operating effect and, in Duke's discretion, may be considered an Event of Default under the NC IA between the Parties.

## **10. Dispute Resolution and Enforceability**

- a. The Parties may also seek to resolve any dispute arising under this MOA pursuant to NC IA Article 10 prior to termination of the MOA. Each Party agrees to conduct all negotiations in good faith.
- b. In the event that the Parties are unable to reach agreement, where agreement is required, or the resulting document or requirement is not acceptable to the recipient party, where agreement is not required, either party may, by written notice to the other party, terminate this MOA, and the Parties will be released from all obligations thereunder. For the avoidance of doubt, termination of this MOA by either Party shall result in the Interconnection Customer again being subject to the Duke Energy-Approved Third Party Administered Inspection Program option.

## **11. Change in Ownership**

Within thirty (30) days of a transfer of ownership or a change of control as described in NC IA Section 7.1, the Interconnection Customer shall provide Duke with written confirmation that it intends to continue operating under this MOA. If the Interconnection Customer fails to provide such written confirmation, the MOA will terminate, and the Interconnection Customer will be subject to the Duke Energy-Approved Third Party Administered Inspection Program. For the avoidance of doubt, a transfer of ownership or a change of control shall not be deemed as affecting (either accelerating or delaying) the schedule for Periodic Inspections, absent mutual agreement between the Parties.

**12. Notice**

Any notice required under this MOA shall be made in writing to the Designated Operating Representative of the Utility or the Interconnection Customer under Section 13.4 of the NC IA between the Parties.

**13. Limitation**

This MOA is limited to meeting the objectives and requirements of NCIP Sections 6.5.2, 6.5.3, and 6.5.4 and shall not be used or cited for any other purpose.

IN WITNESS WHEREOF, the Parties have signed, executed, and agreed to the foregoing Memorandum of Agreement on this \_\_\_\_ day of \_\_\_\_\_, 2022.

Duke Energy Carolinas, LLC and Duke Energy Progress, LLC

By: \_\_\_\_\_  
Wesley O. Davis, P.E.  
Director- DET Technical Standards & Operations

\_\_\_\_\_, in its authorized capacity on behalf of [Interconnection Customer]

By: \_\_\_\_\_

By: \_\_\_\_\_

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing *Motion for Extension of Time to Enter Into Self-Inspection Agreements with Uninspected Facilities and File Status Report* as filed in Docket No. E-100, Sub 101, was served via electronic delivery or mailed, first-class, postage prepaid, upon all parties of record.

This, the 20th day of January 2022.

*s/E. Brett Breitschwerdt* \_\_\_\_\_

E. Brett Breitschwerdt

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