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Clerk's Office N.C. Utilities Commission

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October 2, 2015

## **VIA HAND DELIVERY**

Gail L. Mount, Chief Clerk North Carolina Utilities Commission 430 North Salisbury Street Dobbs Building Raleigh, NC 27603-5918

Re: Docket No. E-2, Sub 1071

Docket No. E-7, Sub 1074 Docket No. E-22, Sub 525

Docket Nos. E-100, Sub 113, Sub 121, Sub 145

Dear Ms. Mount:

Pursuant to the Commission's September 21, 2015 Order Requesting Comments on Options Addressing Poultry REC Shortfall, attached please find GreenCo Solutions Inc.'s Comments.

Should you have any questions, please do not hesitate to contact me at 919.875.3121.

Sincerely,

Richard M. Feathers

Vice President & Associate General Counsel

RMF/bl

cc: Parties of Record (via e-mail)

**Enclosures** 



## STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

N.C. Utilities Commission

## BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1071	
In the Matter of	) GREENCO SOLUTONS INC.
Application of Duke Energy Progress, LLC,	) COMMENTS TO BE FILED IN
for Approval of Renewable Energy and	) RESPONSE TO THE
Energy Efficiency Portfolio Standard Cost	) COMMISSION'S SEPTEMBER
Recovery Rider Pursuant to G.S. 62-133.8	) 21, 2015 ORDER REQUESTING
and Commission Rule R8-67	) COMMENTS ON OPTIONS FOR
	ADDRESSING POULTRY REC
DOCKET NO. E-7, SUB 1074	SHORTFALL
In the Matter of	)
Application of Duke Energy Carolinas, LLC,	j
for Approval of Renewable Energy and	)
Energy Efficiency Portfolio Standard Cost	
Recovery Rider Pursuant to G.S. 62-133.8	OFFICIAL COPY
and Commission Rule R8-67	
	)
DOCKET NO. E-22, SUB 525	,
In the Matter of	
Application of Virginia Electric and Power,	)
d/b/a/ Dominion North Carolina Power, for	Ś
Approval of Renewable Energy and Energy	Ś
Efficiency Portfolio Standard Cost Recovery	í
Rider Pursuant to G.S. 62-133.8 and	)
Commission Rule R8-67	)
	,
DOCKET NO. E-100, SUB 113	
In the Matter of	)
Rulemaking Proceeding to Implement	j
Session Law 2007-397	)
	,
DOCKET NO. E-100, SUB 121	
In the Matter of	)
Implementing a Tracking System for	)
Renewable Energy Certificates Pursuant to	)
Session Law 2007-397	)
DOCUMENO E 100 CUD 145	
DOCKET NO. E-100, SUB 145	,
In the Matter of	?
2015 REPS Compliance Plans and 2014 REPS Compliance Reports	<i>)</i>

NOW COMES GreenCo Solutions Inc. ("GreenCo"), responding to Commission Order, issued on September 21, 2015, requesting comments on options for addressing poultry REC shortfall and files the following Comments.

In its Order, the Commission requested input on how to address a REC shortfall resulting from untimely changes to reported sales, suggestions on how to address the problem in the future, and as to whether an independent audit of the NC-RETS system is advisable.

As to the immediate question of how to address the existing REC shortfall, GreenCo is aware of the Public Staff's position on that issue and endorses it. GreenCo has in fact already furnished additional RECs to address its account and should not have any remaining issues.

GreenCo does suggest an alternative to the Public Staff's proposal for future treatment. The conundrum arises from the fact the poultry set-aside, unlike all of the other set-asides where requirements are based on individual percentages derived from each Electric Supplier's specific prior year retail sales, was initially an aggregate requirement. Thus, for the poultry set-aside, any adjustment to reported sales by one Electric Supplier results in likely adjustment to all others. As an alternative to the Public Staff's recommendation, GreenCo recommends that each Electric Supplier's allocation of the state-wide poultry set-aside requirement for each compliance year be based on the Retail Sales that the Electric Suppliers provide in the previous year's REPS Compliance Report. In other words, the look-back would be two years out, rather than one. This should dramatically decrease the likelihood that sales adjustments (which are particularly problematic for organizations such as GreenCo and the Power Agencies, who must

consolidate data from numerous selling entities) will impact the poultry requirement for the reported year. The allocation for each Electric Supplier should be provided in the Annual Report on the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina that the North Carolina Utilities Commission prepares annually, pursuant to G.S. 62-133.8(j). GreenCo further recommends that each Electric Supplier's requirement be entered as a whole number of RECs into the compliance section of NC-RETS, rather than as a percent of retail sales.

GreenCo takes no position on the advisability of an independent audit of NC-RETS, beyond observing that to its knowledge there have been no reported issues that compel such an audit, and that the issues prompting the Commission's Order resulted entirely from Electric Supplier adjustment to retail sales figures, not an anomaly of the NC-RETS system.

Respectfully submitted this the 2<sup>nd</sup> day of October, 2015.

**GREENCO SOLUTIONS INC.** 

BY:

Richard M. Feathers

Vice President and Associate General Counsel

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## **CERTIFICATE OF SERVICE**

It is hereby certified that the foregoing document has been served upon all parties of record by depositing copies via electronic mail.

This the  $2^{nd}$  day of October, 2015.

Richard M. Feathers