

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 128

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Investigation of Integrated) ORDER APPROVING 2008 AND 2009 REPS
Resource Planning in North) COMPLIANCE REPORTS WITH
Carolina – 2010-2011) CONDITIONS

BY THE COMMISSION: Commission Rule R8-67(c)(3) requires each municipal electricity supplier and electric membership corporation (EMC), or its utility compliance aggregator, to file a verified Renewable Energy and Energy Efficiency Portfolio Standard (REPS) compliance report on or before September 1 of each year. On June 22, 2011, the Commission issued an Order requiring EnergyUnited Electric Membership Corporation (EnergyUnited) and GreenCo Solutions, Inc. (GreenCo), to verify their 2009 REPS compliance reports on or before September 1, 2011. In addition, the Order requested that the Public Staff review the 2008 and 2009 REPS compliance reports that had been filed by EnergyUnited and the 2009 REPS compliance report that had been filed by GreenCo and provide the Commission with comments. On June 29, 2011, GreenCo filed verification for its 2009 REPS compliance report. On July 25, 2011, EnergyUnited filed verification for its 2008 and 2009 REPS compliance reports.

On August 30, 2011, the Public Staff filed comments regarding the GreenCo and EnergyUnited REPS compliance reports. No other party filed comments in this matter.

EnergyUnited's 2008 and 2009 REPS Compliance Reports

The Public Staff stated that EnergyUnited's 2009 REPS compliance report claimed specific amounts of energy efficiency certificates (EECs), but that EnergyUnited did not provide measurement and verification (M&V) information supporting its quantification of the energy savings. Page 4 of EnergyUnited's 2009 REPS compliance report states that it earned 1,440 EECs from its heat pump and commercial lighting programs. The Commission notes that Section 5.10 of the Operating Procedures for the North Carolina Renewable Energy Tracking System (NC-RETS), which were approved by the Commission on January 31, 2011, in Docket No. E-100, Sub 113, states as follows:

An Electric Power Supplier that is eligible to demonstrate Portfolio [REPS] Compliance via Energy Efficiency Certificates ... shall create a Project in NC-RETS for that purpose. The Electric Power Supplier ... shall use the Self-Reporting Interface [in NC-RETS] to create EECs. The Electric Power Supplier ... shall retain for audit work papers demonstrating how it

calculated the amount of EECs to be created. Such work papers shall detail for each customer program the estimated volume of customer participation and related energy savings, adjustments for actual operating results (participation and savings rates) and the findings of measurement and verification analyses. [Emphasis added.]

While these requirements were not in place prior to the filing of EnergyUnited's 2009 REPS compliance report, the Commission nonetheless believes it is reasonable to expect EnergyUnited to develop the work papers required by the NC-RETS operating procedures and make them available to the Public Staff so that the Public Staff may verify that the EECs reported in EnergyUnited's 2009 REPS compliance report and any corresponding EECs that EnergyUnited might have created in NC-RETS are appropriate and consistent. All electric power suppliers should maintain records detailing the number of measure installations accomplished and their assumptions regarding energy savings and measure life.

The Public Staff stated that in 2008 EnergyUnited obtained renewable energy certificates (RECs) from two landfill-gas fueled facilities as well as power purchases from the Southeastern Power Administration (SEPA). The Public Staff stated that in 2009 EnergyUnited obtained RECs from these same sources as well as from an out-of-state wind facility.

G.S. 62-133.8(h)(4) establishes a cap on an electric power supplier's annual incremental REPS expenditures. In its 2008 REPS compliance report, EnergyUnited estimated its cost cap at \$1,846,680 and reported REPS incremental compliance costs of \$267,404. Similarly, in its 2009 REPS compliance report, EnergyUnited estimated its cost cap at \$1,858,850 and had REPS incremental compliance costs of \$633,317.

The Public Staff stated that it found no violation of the REPS statute or Commission rules in EnergyUnited's 2008 or 2009 REPS compliance reports, and recommended that the Commission approve the reports. Upon review of EnergyUnited's filings and the Public Staff's recommendation, the Commission concludes that EnergyUnited's 2008 and 2009 REPS compliance reports should be approved, subject to the filing of EE work papers as discussed above.

GreenCo's 2009 REPS Compliance Report

The Public Staff stated that GreenCo's 2009 REPS compliance report claimed specific amounts of EECs, but that GreenCo did not provide M&V information supporting its quantification of the energy savings. GreenCo's report stated that its members had earned an estimated 40,828 EECs from 10 EE pilot programs during 2009.

As noted above, the NC-RETS Operating Procedures require electric power suppliers to retain for audit work papers demonstrating how they calculated EECs, such work papers to include the estimated volume of customer participation and related

energy savings. While these requirements were not in place prior to the filing of GreenCo's 2009 REPS compliance report, the Commission nonetheless believes it is reasonable to expect GreenCo to develop the work papers required by the NC-RETS operating procedures and make them available to the Public Staff so that the Public Staff may verify that the EECs reported in GreenCo's 2009 REPS compliance report and any corresponding EECs that GreenCo might have created in NC-RETS are appropriate and consistent.

GreenCo reported that its members' REPS incremental compliance costs for 2009 were \$2,814,955, which is well below their cost cap of \$9,253,620. The Public Staff stated that in 2009 GreenCo obtained RECs from solar facilities, wind facilities and SEPA allocations.

The Public Staff stated that it found no violations of the REPS statute or of the Commission's rules in GreenCo's 2009 REPS compliance report and recommends that the Commission approve the report. Upon review of GreenCo's filing and the Public Staff's recommendation, the Commission concludes that GreenCo's 2009 REPS compliance report should be approved, subject to the development of EE work papers discussed above.

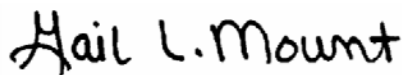
IT IS, THEREFORE, ORDERED as follows:

1. That EnergyUnited's 2008 and 2009 REPS compliance reports shall be, and are hereby, approved;
2. That GreenCo's 2009 REPS compliance report shall be, and is hereby, approved;
3. That EnergyUnited and GreenCo shall, by March 16, 2012, develop work papers documenting the energy savings reported in their 2009 REPS compliance reports, and the Public Staff is requested to review these work papers and include a summary of its findings in its comments regarding EnergyUnited and GreenCo's 2010 REPS compliance reports.

ISSUED BY ORDER OF THE COMMISSION.

This the 20th day of February, 2012.

NORTH CAROLINA UTILITIES COMMISSION



Gail L. Mount, Deputy Clerk