STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-100, SUB 101

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

| In the Matter of | | |
|-------------------------------------|---|-------------------------------|
| Generator Interconnection Standard, |) | ORDER GRANTING LIMITED WAIVER |
| Tariffs and Contract Forms |) | AND AUTHORIZATION TO MODIFY |
| |) | THE NORTH CAROLINA |
| |) | INTERCONNECTION AGREEMENT |

BY THE CHAIR: On July 28, 2023, Duke Energy Carolinas, LLC (DEC), filed a Petition for Limited Waiver and Authorization to Modify the North Carolina Interconnection Agreement to Accommodate Interconnection Customer Requirements (Petition), seeking to modify certain sections of the North Carolina Interconnection Agreement (NCIA) to accommodate an interconnection customer.

In the Petition, DEC states that on June 16, 2014, DEC and the United States executed a contract that governs the provision of electric, natural gas, and/or energy management services provided to the United States by DEC (the Federal Contract). A copy of the Federal Contract is Attachment A to the Petition. DEC further explained that the Environmental Protection Agency (EPA) is a DEC retail customer operating a 1.2 million square foot campus in the Research Triangle Park. The EPA has notified DEC that it completed a re-install of a 100 kW solar facility at its campus and that it seeks to enter into an NCIA with DEC.

The Petition explains that as an agency of the federal government within the Department of the Interior, the EPA is subject to certain federal statutes and regulations, including the Federal Acquisition Regulation (FAR), which contains the uniform policies and procedures that govern acquisition of goods or services by all federal executive agencies. The EPA has identified certain provisions of the Commission-approved NCIA as inconsistent with the FAR, federal law, and principles of federal sovereignty. The EPA has requested to modify provisions of the NCIA to bring them into harmony with terms in the Federal Contract. The proposed modifications, shown as redlines to the Commission-approved form NCIA, are attached to the petition as Attachment B.

The Commission has previously granted similar petitions brought by electric public utilities. On April 21, 2020, the Commission granted a petition filed by Virginia Electric Power Company, d/b/a Dominion Energy North Carolina (DENC), allowing DENC to make similar amendments to the NCIA in the future to accommodate other federal agency interconnection customers. On July 11, 2022, the Commission granted a petition brought by Duke Energy Progress, LLC (DEP), allowing DEP to agree to modifications of the NCIA with respect to a photovoltaic solar array project being developed for the United States

Department of the Army at Camp Mackall. The EPA is seeking the same modifications as those sought by the Army in connection with the Camp Mackall project, with limited additional modifications.

DEC states that Commission authorization of the requested modifications to the approved form of NCIA will not adversely impact power quality and reliability on the DEC system, will not unduly shift commercial risk to DEC, and does not create a need for the NC Interconnection Standard to be revised on a permanent basis.

On August 22, 2023, the Public Staff filed a letter stating that it had no objections to the modifications to the NCIA DEC and the EPA have requested. It recommended that the Commission allow DEC to make similar modifications as requested by federal agency interconnection customers in the future, filing proposed modifications to the NCIA only to the extent the revisions vary from the amendments filed with the Petition.

After careful consideration, the Chair finds good cause to grant the motion and allow DEC a limited waiver to amend the NCIA as proposed in its application. The Chair further finds it is reasonable for DEC to accommodate other federal agency interconnection customers by making similar amendments to the NCIA in the future without first seeking approval from the Commission. However, to the extent any future modifications to the NCIA for federal agency customers vary from the amendments filed in this petition, DEC shall file the NCIA modifications for Commission review and approval.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the modifications to the NCIA presented by DEC in its application are approved to meet the needs of the EPA and any future federal agency customers; and
- 2. That DEC shall file any future NCIA modifications for federal agency customers in redline form for Commission review to the extent the modifications vary from the amendments filed in this petition.

ISSUED BY ORDER OF THE COMMISSION.

This the 18th day of September, 2023.

NORTH CAROLINA UTILITIES COMMISSION

Tamika D. Conyers, Deputy Clerk