

Kendrick C. Fentress Associate General Counsel

Mailing Address: NCRH 20 / P.O. Box 1551 Raleigh, NC 27602

> o: 919.546.6733 f: 919.546.2694

Kendrick.Fentress@duke-energy.com

January 8, 2016

## **VIA ELECTRONIC FILING**

Ms. Gail L. Mount Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

### **Duke Energy Carolinas, LLC and Duke Energy Progress LLC's** Re: Joint Motion to Deem Revised LEO Form Timely Filed & LEO Form **Docket No. E-100, Sub 140**

Dear Ms. Mount:

Please find enclosed for filing in the above-referenced docket the Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Joint Motion to Deem Revised LEO Form Timely Filed and LEO Form.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Kundlik Gentres

Kendrick C. Fentress

Enclosure

cc: Parties of Record

## BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

## DOCKET NO. E-100, SUB 140

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In the Matter of Biennial Determination of Avoided Cost Rates for Electric Utility Purchases from Qualifying Facilities – 2014

## DUKE ENERGY CAROLINAS AND DUKE ENERGY PROGRESS' JOINT MOTION TO DEEM REVISED LEO FORM TIMELY FILED

NOW COME Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, the "Movants") and, pursuant to Commission Rule R1-7, respectfully move the North Carolina Utilities Commission (the "Commission") to deem timely filed the Movants' revised form to establish a legally enforceable obligation ("Revised LEO Form") in the above-captioned docket. In support of this motion, the Movants show the following:

1. The Commission issued its Order Establishing Standard Rates and Contract Terms for Qualifying Facilities on December 17, 2015, wherein it mandated the use of a simple form clearly establishing a qualifying facility's commitment to sell its electric output to a utility and the date of the legally enforceable obligation. Further, the Commission approved the format submitted by Dominion North Carolina Power ("DNCP") in its reply comments and required Movants to adapt the contents of the DNCP form for their use and to submit a Revised LEO Form for approval within 15 days of the issuance of the order, *i.e.*, January 1, 2016.<sup>1</sup>

2. Due to the press of other business, the Movants were not able to file the Revised LEO Form by January 1, 2016. The Revised LEO Form has been prepared and

<sup>&</sup>lt;sup>1</sup> See page 52 of the December 17, 2015 Order Establishing Standard Rates and Contract Terms for Qualifying Facilities, Docket No. E-100, Sub 140.

is ready for Commission review. The Movants apologize for the delay and respectfully request that the Commission accept the Revised LEO Form as timely filed.

WHEREFORE, the Movants respectfully request that the Commission deem the Revised LEO Form as having been timely filed.

Respectfully submitted, this the 8<sup>th</sup> day of January, 2016.

Kendrick C. Fentress Associate General Counsel Duke Energy Corporation NCRH 20/P.O. Box 1551 Raleigh, NC 27602-1551 Telephone: 919.546.6733 Kendrick.Fentress@duke-energy.com

Counsel for DUKE ENERGY CAROLINAS, LLC and DUKE ENERGY PROGRESS, LLC

# Jan 08 2016

# NOTICE OF COMMITMENT TO SELL THE OUTPUT OF A QUALIFYING FACILITY TO Duke Energy Carolinas, LLC or Duke Energy Progress, LLC

Instructions to QF: The QF shall deliver, via certified mail, courier, hand delivery or email, its executed Notice of Commitment to:

Director – Power Contracts 400 South Tryon Street Mail Code: ST 13A Charlotte, North Carolina 28202 Attn.: Wholesale Renewable Manager <u>DERContracts@duke-energy.com</u>

Any subsequent notice that a QF is required to provide to Company pursuant to this Notice of Commitment shall be delivered to the same address by one of the foregoing delivery methods.

- 1. [\_\_\_\_\_] ("Seller") hereby commits to sell to Duke Energy Carolinas, LLC or Duke Energy Progress, LLC (the "Company") all of the electrical output of the Seller's qualifying facility ("QF") described in Seller's self-certification of QF status filed with the Federal Energy Regulatory Commission in Docket No. QF\_\_\_\_\_ (the "Facility").
- 2. The name, address, and contact information for Seller is:

Telephone:

Email: \_\_\_\_\_

3. By execution and submittal of this commitment to sell the output of the Facility (the "Notice of Commitment"), Seller certifies as follows:

(Select the applicable certification below)

- i. \_\_\_\_\_Seller has received a certificate of public convenience and necessity ("CPCN") for the construction of its \_\_\_\_\_kW (net capacity ac) Facility from the North Carolina Utilities Commission ("NCUC") pursuant to North Carolina General Statute § 62-110.1 and NCUC Rule R8-64, which CPCN was granted by NCUC on [insert date] in Docket No. \_\_\_\_\_.
- ii. \_\_\_\_\_ Seller is exempt from the CPCN requirements pursuant to North Carolina General Statute § 62-110.1(g) and has filed a report of proposed construction for its \_\_\_\_\_ kW (net capacity ac) Facility with the NCUC pursuant to NCUC Rule R8-65 ("Report of Proposed Construction") on [insert date] in Docket No. \_\_\_\_\_.

- Seller has applied or will apply for a CPCN for the construction of its kW (net capacity ac) Facility on [insert date] in Docket No. \_\_\_\_\_. If the Seller does not know the docket number on the date of submission of this Notice of Commitment, Seller shall notify the Company of the docket number when it is assigned by the NCUC. Seller shall notify the Company upon issuance of an order by the Commission granting the CPCN.
- iv. \_\_\_\_\_ Seller is exempt from the CPCN requirements pursuant to North Carolina General Statute § 62-110.1(g) and will file a Report of Proposed Construction for its \_\_\_\_\_ kW (net capacity ac) Facility with the NCUC pursuant to NCUC Rule R8-65 and shall notify the Company at the address specified in paragraph 1 of the docket number of such filing when it is assigned by the NCUC.
- 4. This Notice of Commitment shall take effect on its "Submittal Date" as hereinafter defined. "Submittal Date" means (a) the receipted date of deposit of this Notice of Commitment with the U.S. Postal Service for certified mail delivery to the Company, (b) the receipted date of deposit of this Notice of Commitment with a third-party courier (e.g., Federal Express, United Parcel Service) for trackable delivery to the Company, (c) the receipted date of hand delivery of this Notice of Commitment to the Company at the address set forth in paragraph 1, above, or (d) the date on which an electronic copy of this Notice of Commitment is sent via email to the Company if such email is sent during regular business hours (9:00 a.m. to 5:00 p.m.) on a business day (Monday through Friday excluding federal and state holidays). Emails sent after regular business hours or on days that are not business days shall be deemed submitted on the next business day.
- 5. By execution and submittal of this Notice of Commitment Seller acknowledges that:
  - a. The legally enforceable obligation date ("LEO Date") for the Facility will be determined in accordance with subsections (c) or (d) below. For QFs of 5 MW or less, the LEO Date will be used to determine Seller's eligibility for the rates, terms and conditions of the Company's currently effective Schedule PP. If the Seller's Facility does not qualify for Schedule PP, rates for purchases from the Facility will be based on the Company's avoided costs as of the LEO Date, calculated using data current as of the LEO Date.
  - b. If on the Submittal Date, Seller has a CPCN from or has filed a Report of Proposed Construction with NCUC for the Facility, the LEO Date will be the Submittal Date.
  - c. If on the Submittal Date, Seller does not have a CPCN for the Facility or has not filed a Report of Proposed Construction with the NCUC for the Facility, the LEO Date will be the date on which the NCUC issues a CPCN for the Facility or the filing date of the Report of Proposed Construction for the Facility, as applicable.

- 6. This Notice of Commitment shall automatically terminate and be of no further force and effect in the following circumstances:
  - a. Upon execution of a PPA between Seller and Company.
  - b. For a seller eligible for Schedule PP, if such Seller does not execute a PPA within thirty (30) days of the Company's delivery of an "executable" PPA. An executable PPA shall mean a PPA delivered to the QF by the Company that contains all information necessary for execution and that the Company has requested that the QF execute and return.
  - c. For a Seller that is not eligible for Schedule PP, if such Seller does not execute a PPA within six months (as such period may be extended by mutual agreement of Seller and Company) after the Company's submittal of the PPA to the QF, provided, however, that if no interconnection agreement for the Facility has been tendered to Seller prior to the expiration of such deadline, the deadline for execution of the PPA shall be automatically extended until the date that is five days after the date that the interconnection agreement is tendered to the Seller. Notwithstanding the foregoing, if the PPA proposed by the Company becomes the subject of an arbitration or complain proceeding, the six month deadline for execution of the PPA shall be tolled upon the filing of the pleading commencing such proceeding and thereafter the deadline for execution of the PPA will be as directed by the NCUC.

The undersigned is duly authorized to execute this Notice of Commitment for the Seller:

[Name]

[Title]

[Company]

[Date]

# OFFICIAL COPY

# Jan 08 2016

## **CERTIFICATE OF SERVICE**

I certify that a copy of Duke Energy Carolinas and Duke Energy Progress' Joint Motion to Deem Revised LEO Form Timely Filed, in Docket No. E-100, Sub 140, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1<sup>st</sup> Class Postage Prepaid, properly addressed to parties of record.

This the 8<sup>th</sup> day of January, 2016.

Kendrick C. Fentress Associate General Counsel Duke Energy Corporation NCRH 20/P.O. Box 1551 Raleigh, NC 27602-1551 Telephone: 919.546.6733 Kendrick.Fentress@duke-energy.com