

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1185

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC,) ORDER SCHEDULING HEARINGS,
for a Certificate of Public Convenience and) REQUIRING FILING OF TESTIMONY,
Necessity to Construct a Microgrid Solar) ESTABLISHING DISCOVERY
and Battery Storage Facility in Madison) GUIDELINES AND REQUIRING
County, North Carolina) PUBLIC NOTICE

BY THE CHAIRMAN: On October 8, 2018, Duke Energy Progress, LLC (DEP or Applicant) filed an application pursuant to N.C.G.S. § 62-110.1 and Commission Rule R8- 61 for a certificate of public convenience and necessity (CPCN) to construct the Hot Springs Microgrid Solar and Battery Storage Facility (Hot Springs Microgrid or Facility). DEP states that the Hot Springs Microgrid facility will consist of solar photovoltaic (PV) panels affixed to ground mount 20-degree fixed-tilt racking, solar inverters, a Microgrid controller and a battery energy storage system (BESS). The nominal generation capacity for the PV generator will be approximately 3 MW_{DC}/ 2 MW_{AC}. The nominal storage capacity for the battery will be approximately 4 MW. The useful life of the Facility is expected to be 25 years with anticipated replacement battery cells after year 10, depending on the degradation curves. The total projected cost of the project was filed by DEP under seal as a confidential trade secret. The application is supported by pre-filed testimony and exhibits.

On October 31, 2018, the Chairman issued an order finding the application incomplete. On November 13, 2018, DEP filed supplemental testimony and exhibits.

The Chairman is of the opinion that good cause exists to schedule a public witness hearing and an expert witness hearing to consider DEP's application. However, the Commission may cancel the public witness hearing if no significant protests are filed with the Commission. The Chairman further concludes that DEP should be required to publish the Public Notice attached hereto as Appendix A in the manner required by N.C.G.S. § 62- 82, and to file an affidavit of publication with the Commission.

The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition which a party desires to take shall be taken before the deadline for filing of Public Staff and intervenor testimony. Notice of deposition shall be served on all parties at least seven days prior to the taking of the deposition. Notice of deposition and all other discovery notices, requests and motions shall be served on the

appropriate parties by hand delivery or facsimile, or by electronic delivery if the receiving party has agreed to receipt by electronic delivery.

2. Any motion for subpoena of a witness to appear at the evidentiary hearing shall be filed with the Commission before the deadline for filing of Public Staff and intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. See N.C.G.S. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena 24 hours after such motion is filed.

3. Formal discovery requests related to the application and the Applicant's prefiled direct testimony shall be served on the Applicant not later than fourteen days prior to the deadline for filing of Public Staff and intervenor testimony. The party served shall have up to ten calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten days prior to the deadline for filing of Public Staff and intervenor testimony.

4. Formal discovery requests of the Public Staff or intervenors shall be served not later than three days after such testimony is filed. The party served shall have up to three calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than five days after that party's testimony was filed.

5. Formal discovery requests related to the Applicant's prefiled rebuttal testimony shall be served on the Applicant not later than two days after such testimony is filed. The party served shall have up to two calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three days after the rebuttal testimony was filed. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery from the Applicant.

6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two days to file a motion to compel with the Commission, and the party objecting to discovery shall have one day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery because of that party's late intervention or other delay in initiating discovery.

The Commission recognizes that in the past most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

IT IS, THEREFORE, ORDERED as follows:

1. That a public witness hearing shall be held on Wednesday, January 23, 2019, at 7:00 p.m., at the Madison County Courthouse, 2 N. Main St., Marshall, Madison County, North Carolina, for the purpose of receiving public witness testimony regarding DEP's application. However, the public witness hearing may be canceled if no significant protests are filed with the Commission;

2. That a hearing solely for the purpose of receiving expert testimony of the parties regarding DEP's application shall be held on Monday, February 25, 2019, at 2:00 p.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. However, the expert witness hearing may be canceled if no significant protests are filed with the Commission;

3. That any person having an interest in this proceeding may file a petition to intervene stating such interest and may file expert witness testimony on or before January 30, 2019;

4. That the direct testimony and exhibits of the Public Staff shall be filed on or before January 30, 2019;

5. That DEP may file rebuttal testimony and exhibits on or before February 13, 2019;

6. That the Chief Clerk of the Commission shall deliver copies of the application and the Public Notice attached hereto as Appendix A to the Clearinghouse Coordinator of the Office of Policy and Planning of the Department of Administration for distribution by the Coordinator to State agencies having an interest in the application;

7. That DEP shall publish the Public Notice attached hereto as Appendix A in the manner required by N.C.G.S. § 62-82 in a newspaper having general circulation in Madison County;

8. That DEP shall file an affidavit of publication on or before the date of the expert witness hearing; and

9. That the parties shall comply with the discovery guidelines established herein.

ISSUED BY ORDER OF THE COMMISSION.

This the 30th day of November, 2018.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Janice H. Fulmore". The signature is written in a cursive style with a large initial "J" and a distinct "F".

Janice H. Fulmore, Deputy Clerk

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-2, SUB 1185

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC,)
for a Certificate of Public Convenience and)
Necessity to Construct a Microgrid Solar) PUBLIC NOTICE
and Battery Storage Facility in Madison)
County, North Carolina)

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing on Wednesday January 23, 2019, at the Madison County Courthouse, 2 N. Main St., Marshall, Madison County, North Carolina, at 7:00 p.m. The purpose of the hearing is to receive public witness testimony regarding the application filed on October 8, 2018, with supplemental testimony filed on November 13, 2018, by Duke Energy Progress, LLC (DEP) pursuant to N.C.G.S. § 62-110.1 and Commission Rule R8-61 for a certificate of public convenience and necessity (CPCN) to construct to construct the Hot Springs Microgrid Solar and Battery Storage Facility (Hot Springs Microgrid or Facility). DEP states that the Hot Springs Microgrid facility will consist of solar photovoltaic (PV) panels affixed to ground mount 20-degree fixed-tilt racking, solar inverters, a Microgrid controller and a battery energy storage system (BESS). The nominal generation capacity for the PV generator will be approximately 3 MW_{DC}/ 2 MW_{AC}. The nominal storage capacity for the battery will be approximately 4 MW. The useful life of the Facility is expected to be 25 years with anticipated replacement battery cells after year 10, depending on the degradation curves. The total projected cost of the project was filed by DEP under seal as a confidential trade secret. The application is supported by pre-filed testimony and exhibits.

Public witness testimony will be received in accordance with Commission Rule R1-21(g). The Commission has also scheduled an expert witness hearing to be held on Monday, February 25, 2019, at 2:00 p.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. However, the public witness and expert witness hearings may be canceled if no significant protests are filed with the Commission.

Additional specific information about DEP's application for a CPCN may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Raleigh, North Carolina, where a copy of DEP's application and supporting documents are available for review by the public, and on the Commission's website at www.ncuc.net. Search for Docket No. E-7, Sub 1185.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Written statements are not evidence unless persons appear at a public hearing and testify concerning the information contained in their written statements.

Any person desiring to intervene in the proceeding as a formal party of record should file a petition under North Carolina Utilities Commission Rules R1-5 and R1-19 on or before January 30, 2019. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before January 30, 2019.

ISSUED BY ORDER OF THE COMMISSION.

This the 30th day of November, 2018.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in blue ink, appearing to read "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk

NOTE TO PRINTER: Advertising cost shall be paid by the Applicant. It is required that the Affidavit of Publication be filed with the Commission by the Applicant.