

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1071
DOCKET NO. E-7, SUB 1074
DOCKET NO. E-22, SUB 525
DOCKET NO. E-100, SUB 113
DOCKET NO. E-100, SUB 121
DOCKET NO. E-100, SUB 145

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1071

In the Matter of
Application of Duke Energy Progress,
LLC, for Approval of Renewable Energy
and Energy Efficiency Portfolio Standard
Cost Recovery Rider Pursuant to G.S.
62-133.8 and Commission Rule R8-67

DOCKET NO. E-7, SUB 1074

In the Matter of
Application of Duke Energy Carolinas,
LLC, for Approval of Renewable Energy
and Energy Efficiency Portfolio Standard
Cost Recovery Rider Pursuant to G.S.
62-133.8 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 Approval of Renewable
Energy and Energy Efficiency Portfolio
Standard Cost Recovery Rider Pursuant
to G.S. 62-133.8 and Commission Rule
R8-67

ORDER REQUESTING COMMENTS
ON OPTIONS FOR ADDRESSING
POULTRY REC SHORTFALL

DOCKET NO. E-100, SUB 113)
)
In the Matter of)
Rulemaking Proceeding to Implement)
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)
)
DOCKET NO. E-100, SUB 145)
)
In the Matter of)
2015 REPS Compliance Plans and 2014)
REPS Compliance Reports)

BY THE COMMISSION: On September 16, 2015, the Administrator of the North Carolina Renewable Energy Tracking System (NC-RETS) filed the attached letter with the Commission. The letter explains that the 2013 retail sales for some electric power suppliers were corrected well after the June 1, 2014 deadline.¹ This caused NC-RETS's software to re-allocate the 170,000-MWh 2014 poultry waste resource obligation among electric power suppliers as recently as August of 2015. Some electric power suppliers had already submitted their 2014 REPS compliance to the Commission for review when this re-allocation occurred. According to the NC-RETS administrator, current records in NC-RETS indicate that North Carolina's electric power suppliers, in the aggregate, will be 599 MWh short of the 2014 poultry waste resource obligation because the obligation was re-allocated late in the REPS process.

The Commission finds good cause to request comments on this matter. Parties should consider what actions, if any, the Commission should take to address the apparent 599 MWh short-fall in the electric power suppliers' aggregate 2014 poultry waste resource requirement, including the option of rolling the shortfall into the 2015 compliance year. In addition, the Commission seeks comments on what changes to the Commission's rules or the NC-RETS software are necessary to prevent a similar occurrence in the future. Finally, the Commission seeks comments as to whether an independent audit of the NC-RETS system is advisable.

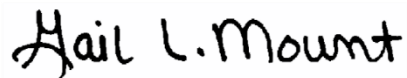
¹ See Commission Rule R8-67(h)(11).

IT IS, THEREFORE, ORDERED, that parties may comment on these matters by October 2, 2015.

ISSUED BY ORDER OF THE COMMISSION.

This the 21st day of September, 2015.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Gail L. Mount". The signature is written in a cursive, flowing style.

Gail L. Mount, Chief Clerk

Commissioner Rabon did not participate in this decision.



Bryan Gower
NC-RETS Program Administrator

Tel: 888-378-4461
bgower@apx.com

September 15, 2015

Chief Clerk, NC Utilities Commission
4325 Mail Service Center Raleigh,
NC 27699-4325

Re: Docket Nos. E-100, Sub 121; E-100, Sub 145; E-2 Sub 1071; E-7, Sub 1074; E-22, Sub 525; E100, Sub 113

I was asked by North Carolina Utilities Commission staff to submit a description of corrections to 2013 retail sales that were input to NC-RETS in August of 2015. These changes caused NC-RETS to re-calculate the 2014 poultry requirement for all electric power suppliers.

NCUC rules require North Carolina electric power suppliers to report their previous year's retail sales into NC-RETS by June 1st of each year. The aggregate of all the reported retail sales is used by NC-RETS to calculate the poultry requirement for each North Carolina electric power supplier.

In August 2015, ElectriCities informed me that NCMPA1 and NCEMPA's retail sales reported for 2013 and 2014 needed to be updated in order to be accurate:

"The 2013 load data was entered into NC-RETS by June 1st, 2014. However, our cities had not all provided their data by that time, so what was entered in at that point was the best we could do. Since then, the numbers have been updated and finalized, and no longer match the 2013 load data entered in NC-RETS."

ElectriCities email on August 27, 2015

After reviewing all 2013 retail sales numbers that had been entered into NC-RETS, I noticed a number of electric power suppliers with possible discrepancies. I informed Jay Lucas of the Public Staff of the possible discrepancies, and he directed me to work with the electric power suppliers to correct them. The 2013 retail sales for four electric power suppliers have been changed, as shown below:

Electric Power Supplier	Original 2013 Retail Sales (MWh)	Updated 2013 Retail Sales (MWh)	Change
GreenCo Solutions, Inc.	12,373,073	12,363,411	-9,662
NCMPA1	5,125,199	4,855,329	-269,870
NCEMPA	7,291,696	6,924,830	-366,866
Tennessee Valley Authority	556,244.217	586,195.46	29,951

This net reduction in 2013 retail sales resulted in lower 2014 poultry obligations for some electric power suppliers (those whose re-stated 2013 sales went down), and increased 2014 poultry obligations for those whose 2013 sales figures were unchanged or had gone up. For example, in NC-RETS, the Duke Energy Carolinas, LLC, and Duke Energy Progress, LLC, compliance sub-accounts now reflect non-compliance relative to their 2014 poultry obligations by 344 and 230 RECs respectively.

NCEMPA also modified its 2014 retail sales to 7,118,072 MWh, which similarly caused all electric power suppliers to see a change in the poultry obligation assigned to them for 2015.

As of today, the poultry RECs residing in the 2014 compliance sub-accounts and the poultry adders for projects approved as S886 Eligible total 169,401, which is 599 RECs short of North Carolina's 170,000 poultry REC requirement for 2014. The total number of poultry RECs with a vintage of 2014 or earlier that exists within NC-RETS as of today is 32,250 from in-state, and 254,740 from out-of-state sources. (This excludes RECs that reside in 2014 Compliance Subaccounts.)

Last week I discussed these issues with North Carolina Utilities Commission General Counsel Sam Watson and other Commission staff members who requested that I provide this documentation as part of the record in the Commission's 2014 REPS compliance proceedings, as well as in the Commission's NC-RETS docket.

Please let me know if I can provide any additional information.

Sincerely,

Bryan Gower
NC-RETS Administrator APX
Inc.
5 Penn Plaza, Suite 1919
New York, NY 10001 United States
919-557-4751

Cc: Tennessee Valley Authority; NCEMPA; NCMPA1; GreenCo Solutions, Inc.; Duke Energy Carolinas, LLC; Duke Energy Progress, LLC