



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

May 17, 2022

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. E-7, Sub 1264 – Application by 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

Dear Ms. Dunston:

In connection with the above-referenced docket, I transmit herewith for filing on behalf of the Public Staff the following:

1. Notice of Affidavits;
2. Affidavit of Scott J. Saillor, Utilities Engineer, Energy Division; and
3. Affidavit of Charles A. Akpom, Financial Analyst II, Accounting Division.

By copy of this letter, we are forwarding copies to all parties of record.

Sincerely,

/s/ Nadia L. Luhr
Staff Attorney
nadia.luhr@psncuc.nc.gov

Executive Director
(919) 733-2435

Communications
(919) 733-2810

Economic Research
(919) 733-2902

Legal
(919) 733-6110

Transportation
(919) 733-7766

Accounting
(919) 733-4279

Consumer Services
(919) 733-9277

Electric
(919) 733-2267

Natural Gas
(919) 733-4326

Water
(919) 733-5610

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1264

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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

NOTICE
OF AFFIDAVITS

NOW COMES THE PUBLIC STAFF - North Carolina Utilities Commission,
by and through its Executive Director, Christopher J. Ayers, as constituted by
N.C. Gen. Stat. § 62-15, and gives notice that the Affidavits of:

Scott J. Saillor, Utilities Engineer, Energy Division
Charles A. Akpom, Financial Analyst II, Accounting Division
Public Staff - North Carolina Utilities Commission
430 North Salisbury Street - Dobbs Building
4326 Mail Service Center
Raleigh, North Carolina 27699-4326

will be used in evidence at the hearing in this docket scheduled for June 7, 2022,
pursuant to N.C.G.S. § 62-68. The affiants will not be called to testify orally and
will not be subject to cross-examination unless an opposing party or the
Commission demands the right of cross-examination by notice mailed or delivered
to the proponent at least five days prior to the hearing, pursuant to N.C.G.S. § 62-
68. Further, the Public Staff provides notice that if no party or the Commission
requests to cross-examine these affiants, the Public Staff shall seek to introduce
the affidavits into evidence, at which time the affidavits will be given the same effect
as if the affiants testified orally from the stand.

Respectfully submitted this the 17th day of May, 2021.

PUBLIC STAFF
Christopher J. Ayers
Executive Director

Lucy E. Edmondson
Interim Chief Counsel

Electronically submitted
/s/ Nadia L. Luhr
Staff Attorney

4326 Mail Service Center
Raleigh, North Carolina 27699-4300
Telephone: (919) 733-6110
Email: nadia.luhr@psncuc.nc.gov

CERTIFICATE OF SERVICE

I certify I have this day served a copy of the foregoing Notice of Affidavits and Affidavits on each of the parties of record in this proceeding or their attorneys of record by causing a copy to be deposited in the United States Mail, postage prepaid, properly addressed to each or by electronic delivery upon agreement from the parties.

This the 17th day of May, 2021.

Electronically submitted
/s/ Nadia L. Luhr

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-7, SUB 1264

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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 N.C.G.S. § 62-133.8 and)
Commission Rule R8-67)

AFFIDAVIT OF
SCOTT J. SAILLOR

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Scott J. Saillor, first being duly sworn, do depose and say:

I am a Utilities Engineer in the Energy Division of the Public Staff - North Carolina Utilities Commission. A summary of my duties, education, and experience is attached to this affidavit as Appendix A.

The purpose of my affidavit is to make recommendations to the Commission on the proposed Renewable Energy and Energy Efficiency Portfolio Standard (REPS) Cost Recovery Rider filed by Duke Energy Carolinas, LLC (DEC or the Company) on March 1, 2022, and on the REPS Compliance Report filed by the Company on March 18, 2022. These recommendations are based on a review of DEC's application, DEC's filed testimony and exhibits, DEC's 2021 REPS Compliance Report, DEC's newly signed renewable energy contracts, DEC's responses to Public Staff data requests, reports generated from the North Carolina Renewable Energy Tracking System, and the affidavit of Public Staff affiant Charles A. Akpom.

2021 REPS Compliance Report

DEC is legally obligated to acquire renewable energy certificates (RECs) in accordance with N.C. Gen. Stat. § 62-133.8, and contractually required to provide REPS compliance services, including reporting services, for the following wholesale customers: Blue Ridge Electric Membership Corporation, Rutherford Electric Membership Corporation, Town of Dallas, Town of Forest City, and Town of Highlands (collectively, the Wholesale Customers). The filings by DEC in this docket include the REPS requirements of these Wholesale Customers.

For 2021 compliance, DEC obtained a sufficient number of general RECs,¹ energy efficiency certificates (EECs), and RECs derived from other eligible sources so that the total equaled 12.5% of 2020 North Carolina retail sales for itself and 10% of 2020 North Carolina retail sales for the Wholesale Customers. As part of the total requirement, DEC needed to pursue retirement of sufficient solar RECs to match 0.20% of retail sales in 2020 for both itself and the Wholesale Customers, sufficient poultry waste RECs to match their pro-rata share of 300,000 MWh, and sufficient swine waste RECs to match 0.07% of retail sales in 2020 for itself. The swine waste REC requirements for the Wholesale Customers have been delayed until the 2022 compliance year. The current swine and poultry waste set-aside requirements were determined by the Commission in its December 16, 2019 Order Modifying the Swine and Poultry Waste Set-Aside Requirements and Providing Other Relief, and its March 4, 2022 Order Modifying the Swine and Poultry Waste

¹ General RECs include all RECs other than those used to meet the solar, swine waste, and poultry waste set-asides. Unlike RECs used for the set-asides, general RECs and EECs are interchangeable for REPS compliance purposes, with the exception that EECs are limited to 40 percent of the total compliance requirement for electric public utilities.

Set-Aside Requirements and Providing Other Relief, issued in Docket No. E-100, Sub 113.

Based on its review, the Public Staff has determined that DEC's REPS Compliance Report meets the requirements of N.C.G.S. § 62-133.8 and Commission Rule R8-67(c) for both DEC and the Wholesale Customers. Accordingly, the Public Staff recommends that the Commission approve DEC's 2021 REPS Compliance Report.

Proposed REPS Rider Charges


The proposed REPS rider is based on the projected costs and projected number of accounts subject to a REPS charge in the billing period (September 1, 2022, through August 31, 2023). The Experience Modification Factor (EMF) is based on the incremental costs in calendar year 2021 and the projected number of accounts subject to a REPS charge in the billing period. The EMF is also discussed in the affidavit of Public Staff affiant Akpom. To collect the utility regulatory fee established by N.C.G.S. § 62-302, the total REPS charge (including the prospective charge and the EMF) must be multiplied by the regulatory fee factor of 1.001302.

DEC requested the following monthly charges for the REPS and EMF billing components of its REPS rider for the billing period:

Customer Class	REPS Rider	EMF	Total	Total Including Regulatory Fee
Residential	\$ 0.90	\$ 0.14	\$ 1.04	\$ 1.04
General	\$ 4.66	\$ 0.87	\$ 5.53	\$ 5.54
Industrial	\$ 22.67	\$ 7.62	\$ 30.29	\$ 30.33

Based on my review of the application, and the review of the affidavit of Public Staff affiant Akpom, I recommend approval of DEC's proposed rates.

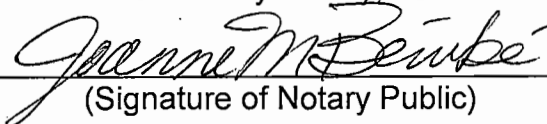
This completes my affidavit.



Scott J. Sailor

Sworn to and subscribed before me

On this the 13th day of May, 2022.



(Signature of Notary Public)

Joanne M. Bérubé

(Name of Notary Public)

Joanne M. Berube
NOTARY PUBLIC
WAKE COUNTY, N.C.
My Commission Expires 12-17-2022.

My Commission Expires: 12/17/2022

SCOTT J. SAILLOR

Qualifications and Experience

I graduated from North Carolina State University with a Bachelor of Science degree in Electrical Engineering. I was employed by the Communications Division of the Public Staff beginning in 1998, where I worked on issues associated with the quality of service offered by telephone and payphone service providers, arbitration proceedings, compliance reporting, and certification filings. Since joining the Energy Division in 2011, my responsibilities have focused on the areas of demand side management and energy efficiency measures, renewable portfolio standards compliance, applications for resale of electric service and non-utility generating facilities, and revenue and customer growth analysis.

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-7, SUB 1264

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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)

AFFIDAVIT OF
CHARLES A. AKPOM

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Charles A. Akpom, first being duly sworn, do depose and say:

I am a Financial Analyst II in the Accounting Division of the Public Staff - North Carolina Utilities Commission. A summary of my duties, education, and experience is attached to this affidavit as Appendix A.

N.C. Gen. Stat. § 62-133.8(h) provides that the State's electric power suppliers may recover their reasonable and prudently incurred incremental costs of compliance with the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) through an annual rider charge. Pursuant to Commission Rule R8-67, the REPS rider will be recovered over the same period as the utility's fuel and fuel-related cost rider. Commission Rule R8-67 also provides for a REPS experience modification factor (REPS EMF rider), which is utilized to "true-up" the recovery of reasonable and prudently incurred incremental REPS compliance

costs incurred during the test period established for each annual rider proceeding.

The purpose of my affidavit is to present the results of the Public Staff's investigation of the REPS EMF rider proposed by Duke Energy Carolinas, LLC (DEC or the Company) in its application filed in this proceeding on March 1, 2022, based on incremental REPS compliance costs incurred and revenues recorded from January 1, 2021, through December 31, 2021 (test period).

The Public Staff's investigation included procedures intended to evaluate whether the Company properly determined its per books incremental compliance costs and revenues, as well as the annual revenue cap for REPS requirements, during the test period. These procedures included a review of the Company's filings and other Company data provided to the Public Staff. Additionally, the procedures included a review of certain specific types of expenditures impacting the Company's costs, including labor costs and research and development costs. The Public Staff's investigation also included the review of numerous responses to written and verbal data requests, as well as discussions with the Company.

Based upon the Public Staff's investigation, including the review of information received from the Company, I recommend that DEC's proposed annual and monthly REPS EMF increment riders for the residential, general, and industrial customer classes be approved. These amounts produce annual REPS EMF increment riders of \$1.72, \$10.39, and \$91.44 for residential, general, and industrial customers, respectively, and monthly REPS EMF increment riders of

\$0.14, \$0.87, and \$7.62 for residential, general, and industrial customers, respectively, per customer account, excluding the regulatory fee

This completes my affidavit.

Charles Akpom
Charles A. Akpom

Sworn to and subscribed before me
this the 17th day of May, 2022.

Jessica Heironimus
Notary Public

My Commission Expires: May 10, 2023



APPENDIX A**CHARLES A. AKPOM****Qualifications and Experience**

I am a 1987 graduate of Southern University and A&M College, Baton Rouge, Louisiana with an MBA in Accounting. I am a Certified Public Accountant.

I joined the Public Staff in September 2020. I am responsible for: (1) examining and analyzing testimony, exhibits, books and records, and other data presented by utilities and other parties under the jurisdiction of the Commission or involved in Commission proceedings; and (2) preparing and presenting testimony, exhibits, and other documents for presentation to the Commission.

Prior to joining the Public Staff, I was a Controller with BB&T for eleven years, responsible for accounting, finance, human resources, IT, and communications for the organization. Additionally, I worked as an accountant and auditor in corporate accounting and federal government with increasing responsibility levels in the supervision of accounting and performing audit engagements.

Since joining the Public Staff, I have worked on the Western Carolina University PPAs, DEC and DEP's storm securitization audits, and filed in the 2021 REPS rider proceedings for DEC, DEP, and DENC. Additionally, I have filed testimony in the Clark Utilities rate case in Docket No. W-1205, Sub 14.