NORTH CAROLINA UTILITIES COMMISSION MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

November 1, 2021

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, November 1, 2021, at 10:00 a.m. with Chair Mitchell, presiding.

The following were present:

COMMISSIONERS

Commissioner Brown-Bland Commissioner Clodfelter Commissioner Duffley Commissioner Hughes Commissioner McKissick

<u>COMMISSION STAFF:</u> Ms. McMillen, Ms. Lazo, Ms. Henderson, Mr. Watson, Ms. Fennell, Ms. Duffy, Ms. Hicks, Ms. Barnes, Ms. Kennedy, Ms. Hilburn, Ms. Paschal, Ms. Jayasheela, Mr. Hardy, Mr. McCoy

<u>PUBLIC STAFF:</u> Mr. Downey, Ms. Holt, Ms. Jost, Mr. Creech, Ms. Edmondson, Ms. Coxton, Ms. Cummings, Mr. Floyd, Mr. Saillor, Mr. D. Williamson, Mr. Lucas, Mr. T. Williamson, Mr. Thomas

ATTORNEY GENERAL:

COURT REPORTER: Ms. Mitchell

D. **ELECTRIC**

P1. DOCKET NOS. E-7, SUB 1169 AND E-2, SUB 1170 - DUKE ENERGY CAROLINAS, LLC'S AND DUKE ENERGY PROGRESS, LLC'S MOTION TO MODIFY GREEN SOURCE ADVANTAGE PROGRAM

On September 17, 2021, Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP), (collectively, Duke), filed a motion in Docket Nos. E-7, Sub 1169 and E-2, Sub 1170 to modify the Green Source Advantage (GSA) program to align the GSA Facility eligibility criteria with the recently approved North Carolina Interconnection Procedures (NCIP) Definitive Interconnection Study (Queue Reform). Under current GSA Facility eligibility criteria, a potential GSA Facility must have a completed System Impact Study Report prior to a prospective GSA Customer being allowed to submit a GSA Program Application with that facility. Queue Reform introduces a new Definitive Interconnection System Impact Study (DISIS) process, which requires significantly more financial security and project readiness demonstrations at the outset of the study process.

Duke requests to revise the GSA Facility eligibility requirements to align with Queue Reform; specifically, that potential GSA Facilities that have executed a DISIS Agreement and met all Readiness Milestone 1 requirements (either a demonstration of readiness or an additional security deposit) be allowed to enter the DISIS Phase I study process prior to proceeding to a GSA term sheet. The GSA term sheet would then be sufficient to satisfy Readiness Milestone 2.

Duke notes that projects proceeding through the Transitional Serial study process have already met the pre-existing requirements of the existing GSA Program, and such projects are definitively ready to interconnect and are currently eligible for the GSA Program. Projects eligible for the Transitional Cluster Study process would satisfy GSA Facility eligibility requirements by committing to enter the Transitional Cluster Study by meeting all NCIP Section 1.10.2.1 readiness requirements. Such projects would become eligible for the GSA Program as of the close of the 60-day eligibility window on October 31, 2021.

Duke states that it has shared the request with the Carolinas Clean Energy Business Association (CCEBA), and that CCEBA has authorized Duke to state that it does not object to the proposed GSA Program modifications.

The Public Staff has reviewed the request to modify the program and determined that it complies with the requirements of N.C. Gen. Stat. § 62-159.2. The Public Staff acknowledges Duke's statement that projects seeking to enter the GSA program through the Transitional Cluster Study process may be at an increased risk of withdrawal due to the lower level of project readiness and upfront financial security relative to DISIS. However, the Public Staff agrees that this Transitional Cluster Study eligibility criteria is non-discriminatory and appropriate for the one-time Transitional Cluster process in order to encourage participation in the GSA Program.

The Public Staff recommends the Commission enter an order modifying the GSA Program eligibility requirements for prospective GSA Facilities by (i) aligning the GSA Program with readiness commitments under the future Definitive Interconnection Study Process by allowing Interconnection Customers that have met the Readiness Milestone 1 requirements and entered DISIS Phase 1 to be eligible GSA Facilities and (ii) during the initial transition period, allowing Interconnection Customers that have entered either the Transitional Serial process or Transitional Cluster Phase 1 study process to be eligible GSA Facilities.

The Public Staff recommended that the Commission issue the Public Staff's proposed order approving the proposed modifications to the GSA program.

It was moved and passed that the Public Staff's recommendation be adopted.

P2. <u>DOCKET NO. E-2, SUB 1187 – DUKE ENERGY PROGRESS, LLC - APPLICATION FOR APPROVAL OF NON-PROFIT LOW-INCOME</u> WEATHERIZATION PAY FOR PERFORMANCE PILOT PROGRAM

On October 15, 2021, Duke Energy Progress, LLC (DEP or the Company), filed a request to extend the Non-Profit Low-Income Weatherization Pay for Performance Pilot Program (Pilot) through June 30, 2022. The Pilot was originally approved November 27, 2018, for a three-year term from January 1, 2019, through December 31, 2021, as an energy efficiency program to provide monetary incentives to local non-profit weatherization assistance organizations involved in weatherizing residential low-income households in the Buncombe County area.

DEP states that the evaluation of the Pilot is an important element in determining whether to commercialize or terminate the Pilot. The evaluation is scheduled to begin January 1, 2022, and the report is expected no later than June 2022. If granted, DEP's request would allow the Company to continue offering the Pilot until the evaluation is completed and a decision can be made to continue or terminate the Pilot.

The Public Staff has reviewed the request and recommends that the Commission extend approval of the Pilot through June 30, 2022.

The Public Staff recommended that the Commission issue the Public Staff's proposed order approving the extension of the Non-Profit Low-Income Weatherization Pay for Performance Pilot Program as requested by DEP.

It was moved and passed that the Public Staff's recommendation be adopted.

P3. <u>APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY</u>

The following application seeks to renew a certificate of public convenience and necessity for construction of a solar photovoltaic (PV) generating facility pursuant to N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

<u>Dominion Energy North Carolina</u>:

 <u>Docket No. SP-8284, Sub 0</u> – Application of Perquimans Solar, LLC, to renew the certificate of public convenience and necessity to construct a 5-MW solar PV facility in Perquimans County, North Carolina (registration statement issued previously).

The Public Staff has reviewed the application and determined that it complies with the requirements of N.C.G.S. § 62-110.1 and Commission Rule R8-64.

The Public Staff recommended that the Commission issue an order approving the application and issuing the requested renewed certificate. The Public Staff has provided a proposed order to the Commission Staff.

It was moved and passed that the Public Staff's recommendation be adopted.

Minutes of the Regular Commission Staff Conference of October 25, 2021, were approved.

Minutes prepared by Portia Barnes.