

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1306

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Carolinas, LLC,)
for Approval of Renewable Energy and) ORDER SCHEDULING HEARING,
Energy Efficiency Portfolio Standard) ESTABLISHING PROCEDURAL
Compliance Report and Cost Recovery Rider) AND FILING REQUIREMENTS,
Pursuant to N.C. Gen. Stat. § 62-133.8 and) AND REQUIRING PUBLIC NOTICE
Commission Rule R8-67)

BY THE CHAIR: In August 2007, North Carolina enacted comprehensive energy legislation, Session Law 2007-397 (Senate Bill 3) that, among other things, established a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) for North Carolina and a procedure for cost recovery of REPS expenditures. North Carolina General Statutes Section 62-133.8(h) provides for an annual REPS rider for each electric public utility to recover all reasonable and prudent incremental costs incurred to comply with the REPS requirement with specified per-account caps for customers in each customer class. Further, Commission Rule R8-67(e) provides for the establishment of a REPS experience modification factor (EMF) rider to allow the electric public utility to collect the difference between reasonable and prudently incurred incremental costs and the revenues that were actually realized during the test period under the REPS rider then in effect. In addition, Commission Rule R8-67(e) provides that the annual REPS cost recovery rider hearing for each electric public utility will be scheduled as soon as practicable after the annual fuel and fuel-related charge adjustment proceeding held by the Commission for the electric public utility under Commission Rule R8-55, that each electric public utility shall file direct testimony and exhibits at the same time that it files the information required by R8-55, and that each electric public utility shall publish notice prior to the REPS hearing.¹

Commission Rule R8-67(c) requires each electric public utility to file an annual report describing the electric public utility's compliance with the REPS requirement during the previous calendar year. Rule R8-67(c) further provides that the annual REPS compliance report will be reviewed by the Commission at a hearing following public notice and an opportunity for interested parties to intervene and file testimony.

On February 27, 2024, Duke Energy Carolinas, LLC (DEC) filed its application for approval of REPS cost recovery pursuant to N.C.G.S. § 62-133.8 and Commission Rule R8-67, along with direct testimony and exhibits supporting its cost recovery

¹ On October 10, 2023, the North Carolina General Assembly enacted Session Law 2023-138 changing the REPS to the Clean Energy and Energy Efficiency Portfolio Standard (CEPS).

application. DEC also filed its 2023 REPS Compliance Report with its application. By its application, DEC requests changes in its REPS charges effective for service rendered after September 1, 2024. If approved by the Commission, DEC's proposed changes in REPS rates would result in an increase of the current REPS rates of all customer classes with the amount of the increase varying for different customer classes effective September 1, 2024. More particularly, residential customers would experience a monthly \$0.44 increase in the REPS charge, general service customers would experience a monthly \$2.86 increase in the REPS charge, and industrial customers would experience a monthly \$18.29 increase in their REPS charge.

The Commission finds good cause to issue the present Order scheduling this matter for public hearing, establishing procedural and filing requirements, and requiring public notice. The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition shall be taken before the deadline for the filing of the Public Staff and other intervenor prefiled direct testimony. Notice of deposition shall be served on all parties at least 7 calendar 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 expert witness hearing shall be filed with the Commission before the deadline for the filing of the Public Staff and other intervenor testimony, shall be served on 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 within 2 business days after such a motion is filed.

3. Formal discovery requests related to the application and DEC's prefiled direct and supplemental testimony shall be served on DEC not later than 14 calendar days prior to the filing of the Public Staff and other intervenor direct testimony. The party served shall have up to 10 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 10 calendar days prior to the deadline for the filing of the Public Staff and other intervenor direct testimony.

4. Formal discovery requests related to the Public Staff and other intervenors prefiled direct testimony shall be served no later than 5 calendar days after such testimony is filed. The party served shall have up to 3 business 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 9 calendar days after the filing of the Public Staff or other intervenor direct testimony.

5. Formal discovery requests related to DEC's prefiled rebuttal testimony shall be served no later than 3 business days after such testimony is filed. The party served shall have up to 3 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 3 business days after the filing of DEC's rebuttal testimony. 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.

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 2 calendar days to file with the Commission a motion to compel, and the party objecting to discovery shall have 1 calendar 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 due to that party's late intervention or other delay in initiating discovery.

The Chair urges all parties to work in a cooperative manner and to attempt to accommodate discovery within the time available. 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 hearing for the purpose of considering the annual REPS compliance report and REPS cost recovery proceeding for DEC shall be, and is hereby, scheduled to begin immediately following the hearings in Docket No. E-7, Subs 1304 and 1305, which are scheduled to begin at 2:00 p.m. on Monday, June 10, 2024, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina;

2. That any person having an interest in this proceeding may file a petition to intervene stating such interest on or before Monday, May 20, 2024;

3. That the direct testimony and exhibits of the Public Staff and other intervenors shall be filed on or before Monday, May 20, 2024;

4. That DEC may file rebuttal testimony and exhibits on or before Wednesday, May 29, 2024;

5. That all parties filing supporting exhibits in either PDF or Excel format shall provide the Commission Staff electronic versions of the exhibits filed in native Excel format via email at NCUCexhibits@ncuc.gov, including all of the supporting worksheets and formulas, within three days of the filing of such exhibits (or within three business days of the issuance of this order if already filed with the Commission), and that DEC and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact;

6. That DEC shall publish the Notice attached hereto as Appendix A in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks beginning at least 30 days prior to the hearing;

7. That DEC shall file affidavits of publication on or before the date of the hearing; and

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

ISSUED BY ORDER OF THE COMMISSION.

This the 15th day of March, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "A. Shonta Dunston". The signature is written in a cursive style with a large, stylized "D" in the last name.

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1306

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) PUBLIC NOTICE
Compliance Report and Cost Recovery Rider)
Pursuant to N.C. Gen. Stat. § 62-133.8 and)
Commission Rule R8-67)

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing in the annual Renewable Energy Portfolio Standard (REPS) cost recovery proceeding for Duke Energy Carolinas, LLC (DEC). The public hearing is scheduled to begin immediately following the hearings in Docket No. E-7, Subs 1304 and 1305, which are scheduled to begin at 2:00 p.m. on Monday, June 10, 2024, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

This proceeding is being held pursuant to the provisions of N.C. Gen. Stat. § 62-133.8 and Commission Rule R8-67 to consider DEC's application for approval of REPS cost recovery and compliance with the REPS requirements during the 2023 calendar year.

On February 27, 2024, DEC filed its application in the above-captioned docket. By its application, DEC proposes to implement the following monthly REPS rates, not including the regulatory fee, effective for services rendered on or after September 1, 2024: a \$1.25 charge for residential customers, a \$6.86 charge for general service customers, and a \$40.96 charge for industrial customers. DEC's proposed new monthly REPS rates, if approved, will result in the following increases to DEC's current monthly REPS rates, not including the regulatory fee: \$0.44 for residential customers, \$2.86 for general service customers, and \$18.29 for industrial customers.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Dobbs Building, 5th Floor, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEC's application and testimony is available for review by the public, or on the Commission's website at www.ncuc.gov.

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, c/o Consumer Protection-Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001. Written statements may be emailed to utilityAGO@ncdoj.gov.

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 Monday, May 20, 2024. 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 Monday, May 20, 2024.

ISSUED BY ORDER OF THE COMMISSION.

This the 15th day of March, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "A. Shonta Dunston". The signature is written in a cursive, flowing style.

A. Shonta Dunston, Chief Clerk