

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 101

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Generator Interconnection Standards)	ORDER REQUESTING COMMENTS
)	REGARDING COMPREHENSIVE
)	COMPLIANCE WITH NCIP SECTION 6.5

BY THE COMMISSION: On June 14, 2019, the Commission issued an Order Approving Revised Interconnection Standard and Requiring Reports and Testimony (Inspection Order) which, among other things, found modifications to the North Carolina Interconnection Procedures (NCIP) to allow Dominion Energy North Carolina (DENC), along with Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP, with DEC together, Duke) to conduct post-commissioning inspections to be reasonable. The Inspection Order further required Duke and DENC to include information on these inspections in the fee report required by that same order, to be filed by March 1 of each year.

On October 23, 2019, DENC and Duke filed a Joint Compliance Filing of Approved North Carolina Interconnection Procedures, which included the approved modifications in NCIP Section 6.5 that allow the utilities to conduct inspections. Section 6.5 is entitled "Commissioning and Post-Commissioning Inspections." Section 6.5 now includes the following three subsections:

- 6.5.2 In the case of any Generating Facility that was not inspected prior to commencing parallel operation, the Utility shall be authorized to conduct an inspection of the medium voltage AC side of each Generating Facility (including assessing that the anti-islanding process is operational). The Interconnection Customer shall pay the actual cost of such inspection within 30 Business Days after the Utility provides a written invoice for such costs.
- 6.5.3 The Utility shall also be entitled, on a periodic basis, to inspect the medium voltage AC side of each Interconnected Generating Facility on a reasonable schedule determined by the Utility in accordance with the inspection cycles applicable to its own distribution system. The Interconnection Customer shall pay the actual cost of such inspection within 30 Business Days after the Utility provides a written invoice for such costs.
- 6.5.4 The Utility shall also be entitled to inspect the medium voltage AC side of an Interconnected Generating Facility in the event that the Utility identifies or becomes aware of any condition that (1) has the potential to either cause

disruption or deterioration of service to other customers served from the same electric system or cause damage to the Utility's System or Affected Systems, or (2) is imminently likely to endanger life or property or cause a material adverse effect on the security of, or damage to the Utility's System, the Utility's Interconnection Facilities or the systems of others to which the Utility's System is directly connected. The Interconnection Customer shall pay the actual cost of such inspection within 30 Business Days after the Utility provides a written invoice for such costs.

On October 8, 2021, the Commission issued an Order Clarifying Generator Interconnection Standards, Requesting Comments, and Requiring Filing of Remediation Information (Clarifying Order). The Clarifying Order emphasized that the post-commission inspection provisions in Sections 6.5.2, 6.5.3, and 6.5.4 of the NCIP apply to all Generating Facilities, regardless of the date of their Interconnection Agreement. Subsequent filings in this docket have outlined Duke's compliance with the requirements of Subsection 6.5.2 regarding facilities that were not inspected prior to commencing parallel operation (Uninspected Facilities).

Based on the record as a whole, the Commission now finds good cause to request that Duke provide information on its planned compliance with other parts of NCIP Section 6.5 for all Generating Facilities, notably Subsections 6.5.3 and 6.5.4. Further, the Commission finds good cause to require DENC to provide information on its compliance with the entirety of Section 6.5 of the NCIP, including Subsections 6.5.2, 6.5.3, and 6.5.4.

The information filed by Duke and DENC on compliance with Section 6.5 should include an explanation of any criteria the utilities use to determine which facilities to inspect and when. As Duke noted in its January 20, 2022 filing regarding compliance with the inspection requirements for Uninspected Facilities, Duke's plan for compliance is applicable to facilities larger than 1 MW. Footnote 1 on page 3 of that filing states:

The Uninspected Facilities to which this Pro Forma MOA will be sent include all distribution connected, sell-all solar Generating Facilities with a nameplate capacity greater than or equal to 1 MW that executed an Interconnection Agreement prior to June 14, 2019, and were interconnected prior to Duke's implementation of an inspection process under NCIP Section 6.5.2 and thus were not inspected prior to commencing parallel operation.

The Commission notes that Duke's December 22, 2021 filing regarding Risks Posed by Inverter-Based Resources included an Attachment A, the "DER Functional Settings for DER Interconnection to Duke Energy Distribution System." Section 1.3 of Attachment A states that "This document applies to DER facilities interconnected to Duke Energy Distribution System that are 250 kW and greater."

The Commission requires Duke to provide an explanation as to the difference in the criteria used for the application of the "DER Functional Settings for DER Interconnection to Duke Energy Distribution System" and the criteria for conducting

inspections under Section 6.5 of the NCIP. The Commission further requires both Duke and DENC to file comments regarding any additional criteria applied pursuant to implementing NCIP section 6.5.

IT IS, THEREFORE, ORDERED as follows:

1) That Duke shall file comments on or before May 26, 2022, describing its plan to comply with NCIP subsections 6.5.3 and 6.5.4, provide an explanation regarding the differing criteria applied to DER Functional Settings and NCIP Section 6.5, and outlining any criteria used for implementing all subsections of NCIP Section 6.5;

2) That DENC shall file comments on or before May 26, 2022, describing its plan to comply with NCIP Section 6.5, including outlining any criteria used for implementing NCIP Section 6.5;

3) That the Public Staff is requested to review the utilities' submittals and file comments on or before June 30, 2022; and

4) That other parties may also file comments on or before June 30, 2022.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of April, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, reading "Erica N. Green". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Erica N. Green, Deputy Clerk

Chair Charlotte A. Mitchell and Commissioner Kimberly W. Duffley did not participate in this decision.