STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1159 DOCKET NO. E-7, SUB 1156

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Joint Petition of Duke Energy Carolinas, LLC,)	
and Duke Energy Progress, LLC, for Approval)	ORDER REQUESTING
of Competitive Procurement of Renewable)	COMMENTS ON PETITION
Energy Program)	

BY THE CHAIR: The Competitive Procurement of Renewal Energy (CPRE) Program is being implemented pursuant to N.C. Gen. Stat. § 62-110.8, as enacted by North Carolina Session Law 2017-192 (HB 589). Pursuant to N.C.G.S. § 62-110.8(a), Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP, and collectively with DEC, Duke), must procure energy and capacity from renewable energy facilities in the aggregate amount of 2,660 megawatts (MW) over a term of 45 months, which will conclude on November 21, 2021. N.C.G.S. § 62-110.8(b)(1) provides that, if prior to the end of the initial 45-month CPRE Program Procurement Period, Duke has executed power purchase agreements and interconnection agreements for renewable energy and capacity within their balancing authority areas that are not subject to economic dispatch or curtailment and were not procured pursuant to N.C.G.S. § 62-159.2 (Transition MW) having an aggregate capacity in excess of 3,500 MW, the Commission shall reduce the competitive procurement aggregate amount by the amount of such exceedance. If the aggregate capacity of such Transition MW is less than 3,500 MW at the end of the initial 45-month CPRE Program Procurement Period, the Commission shall require Duke to conduct an additional competitive procurement in the amount of such deficit.

On September 1, 2021, Duke filed an update to its CPRE Program Plan (Program Plan Update) pursuant to Commission Rule R8-71(g) in Docket No. E-100, Sub 165. The Program Plan Update states that, as of August 12, 2021, there were approximately 4,448 MW of resources that qualify as Transition MW. Therefore, as of August 12, 2021, the CPRE procurement target was reduced by a minimum of 948 MW. Duke further projected that an additional 230 MW of resources will qualify as Transition MW by the end of the CPRE Program Procurement Period. Therefore, Duke estimated that the final Transition MW will be 4,683 MW, resulting in a total remaining amount to be procured of approximately 300 MW. Acknowledging that the implementation of Duke's queue reform¹ introduces an additional layer of complexity regarding the timing of Tranche 3, Duke's Program Plan Update further noted two potential options for integrating Tranche 3 with queue reform cluster studies: (1) by implementing Tranche 3 as part of the initial

¹ See Commission Docket E-100, Sub 101.

Transitional Cluster Study (TCS), or (2) by implementing Tranche 3 as part of the first Definitive Interconnection System Impact Study (DISIS) Clusters.

On October 5, 2021, in the Commission's CPRE Program Dockets, E-2, Sub 1159 and E-7, Sub 1156, the Carolinas Clean Energy Business Association (CCEBA) filed a Petition to Initiate Resource Solicitation Cluster for CPRE Tranche 3 (Petition). In short, CCEBA's petition proposes an alternative mechanism for implementing Tranche 3 consistent with queue reform and the newly revised North Carolina Interconnection Procedures (NCIP). Particularly, CCEBA requests that the Commission order Duke and the CPRE Program Independent Administrator (IA) to conduct Tranche 3 via a Resource Solicitation Cluster (RSC) pursuant to NCIP Section 4.4.2. CCEBA further requests that the Commission consider its Petition on an expedited basis and establish a procedural schedule for stakeholder commentary on the Petition – that the Commission direct Duke, the Public Staff, and any other interested parties to file responses to the Petition by October 18, 2021, and that CCEBA be directed to file a Reply no later than October 22, 2021.

In the alternative to its Petition, CCEBA states its preference that Tranche 3 be integrated with the TCS as opposed to the DISIS, and CCEBA's request for expediency is driven by an expediated timeline that would be required in order to integrate Tranche 3 into the TCS.

On October 8, 2021, Duke filed a letter regarding CCEBA's Petition. Duke states that the IA and Duke continue to engage with stakeholders on the timing and implementation of Tranche 3; however, Duke advises that it does not anticipate that aligning CPRE Tranche 3 with the TCS will be feasible. Finally, Duke states that it does not object to CCEBA's proposed procedural schedule and commits to file responsive comments on CCEBA's Petition by October 18, 2021. No other party has filed an objection to CCEBA's proposed commentary schedule.

In light of the foregoing, the Commission finds good cause to require that Duke, the Public Staff, and any other interested parties shall file initial comments to CCEBA's Petition by no later than October 18, 2021, and that all parties may file reply comments by no later than October 22, 2021.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 13th day of October, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk