STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

STAFF CONFERENCE AGENDA September 3, 2019

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

D. ELECTRIC

- P1. APPLICATIONS FOR AMENDED CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES
- P2. DOCKET NO. E-7, SUB 1209 DUKE ENERGY CAROLINAS, LLC SMART METER USAGE APP PILOT PROGRAM Exhibit No. P-1
 - <u>DOCKET NO. E-2, SUB 1213 DUKE ENERGY PROGRESS, LLC SMART METER USAGE APP PILOT PROGRAM</u>
- P3. DOCKET NO. E-7, SUB 1146 DUKE ENERGY CAROLINAS, LLC REQUEST FOR WAIVER OF COMMISSION RULE R8-8 Exhibit No. P-2

MEMORANDUM

TO: Agenda – Commission Conference – September 3, 2019

FROM: PUBLIC STAFF – North Carolina Utilities Commission

D. ELECTRIC

P1. <u>APPLICATIONS FOR AMENDED CERTIFICATES OF PUBLIC CONVENIENCE</u> AND NECESSITY TO CONSTRUCT SOLAR FACILITIES

EXPLANATION: The following applications seeking amended certificates of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1 for construction of solar photovoltaic electric generating facilities were filed pursuant to Commission Rule R8-64.

Dominion Energy North Carolina:

 <u>Docket No. SP-3303, Sub 0</u> – Application of SunEnergy1-Scotland Neck, LLC, for an amended certificate of public convenience and necessity to construct a 3-MW Solar Photovoltaic Facility in Halifax County, North Carolina (registration statement issued previously).

Duke Energy Carolinas:

<u>Docket No. SP-7797, Sub 0</u> – Application of Clarksbury Solar, LLC, for an amended certificate of public convenience and necessity to construct a 4.999-MW Solar Photovoltaic Facility in Davidson County, North Carolina (registration statement issued previously).

The Public Staff has reviewed the amended applications and determined that they comply with the requirements of N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

RECOMMENDATION: (Lucas/Saillor) That the Commission issue orders approving the amended applications and issuing the requested amended certificates for these facilities. Proposed orders have been provided to the Commission Staff.

P2. <u>DOCKET NO. E-7, SUB 1209 – DUKE ENERGY CAROLINAS, LLC – SMART METER USAGE APP PILOT PROGRAM</u>

<u>DOCKET NO. E-2, SUB 1213 – DUKE ENERGY PROGRESS, LLC – SMART</u> METER USAGE APP PILOT PROGRAM

EXPLANATION: On June 18, 2019, Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP) (collectively, the Companies), filed an application seeking approval of Smart Meter Usage App Pilot Programs (Pilots).

The Companies state that the Pilots will provide residential customers with the ability to monitor their "real-time" energy usage data, with the intention of providing customers control over how they use energy and the potential to save money on their energy bills.

The Pilots are intended to test the gateway device that will connect the smart meter to the internet, thus enabling customers to control their consumption from a smart phone.

The Pilots will be offered to 5,000 residential customers of each Company (10,000 total) at a total cost of approximately \$2.5 million (50% incurred by each Company). The Pilots will initially be offered to customers in Mecklenburg and Buncombe Counties, but will be expanded to the remaining service territories after a three-month period. The Companies intend to offer the Pilots for approximately 18 to 24 months, a time period they deem sufficient to "understand customer adoption and to gain learnings from the technology's capabilities."

The Public Staff has reviewed the request and believes the Pilots are a reasonable test of the technology linking smart meters and smart phones to provide participants with real-time energy usage data.

The Public Staff is interested in understanding if and how the availability of near real-time energy usage data made available by the Pilots will encourage customers to take more proactive steps to manage their energy usage. The Pilots may also provide useful information to DEC in enhancing design of its current dynamic pricing time of use pilot.

EXHIBIT: The Public Staff's proposed orders are attached as Exhibit No. P-1

RECOMMENDATION: (Floyd/Fennell) That the Commission issue the Public Staff's proposed orders approving the Smart Meter Usage App Pilot Programs.

P3. <u>DOCKET NO. E-7, SUB 1146 – DUKE ENERGY CAROLINAS, LLC – REQUEST FOR WAIVER OF COMMISSION RULE R8-8</u>

EXPLANATION: On August 15, 2019, Duke Energy Carolinas, LLC (DEC or the Company), filed a request for waiver of Commission Rule R8-8 regarding the nine (9) dynamic pricing time-of-use (TOU) pilots that were approved by the Commission on July 2, 2019.

Commission Rule R8-8 requires utilities to provide the meter readings at the beginning and end of the period for which the bill is rendered. DEC states that the dynamic rate designations associated with the TOU pilots are not able to be communicated to the meter. Therefore, the beginning and ending readings are not able to be displayed on the bill.

DEC further states that usage during declared high rate days is determined based on the interval meter data that is communicated from the meter to the Company's Meter Data Management System. This method does not provide for the display of beginning and ending meter readings for the various periods on the bills. Participants will have access to their usage data through a web-based portal.

The Public Staff has reviewed the Company's request and recommends that the Commission grant the waiver. The manual billing process that will accompany the TOU pilots will provide the usage data for each type of billing period and TOU designation; however, the interval data used to prepare the bills does not rely on beginning and ending meter readings.

The Public Staff has encouraged the Company to provide as much data as possible regarding consumption, including a comparison of the cost of that consumption to what it would have been under a standard tariff. The Public Staff continues to believe that such information will help participants understand how their usage patterns impact their bills, and will continue to work with DEC to find solutions that provide this data to participants in a more transparent manner.

EXHIBIT: The Public Staff's proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (Floyd/Fennell) That the Commission issue the Public Staff's proposed order granting DEC's request as filed.

EXHIBIT NO. P-1 PAGE 1 OF 4

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1209

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Petition by Duke Energy Carolinas, LLC,)	ORDER APPROVING
for Approval of Smart Meter Usage App)	PILOT PROGRAM
Pilot Program)	

BY THE COMMISSION: On June 18, 2019, Duke Energy Carolinas, LLC (DEC), filed a request for approval of a Smart Meter Usage App Pilot Program (Pilot).

In its application, DEC stated that the Pilot will provide residential customers with the ability to monitor their "real-time" energy usage data, with the intention of providing customers control over how they use energy and the potential to save money on their energy bill. The Pilot is intended to test the gateway device that will connect the smart meter to the internet, thus enabling customers to control their consumption from a smart phone.

DEC further stated that the Pilot will be offered to 5,000 residential customers at a cost of approximately \$1.25 million. DEC also stated that the Pilot will initially be offered to customers in Mecklenburg County, but will expand availability to its remaining service territory after a three-month period. DEC intends to offer the Pilot for approximately 18 to 24 months, a time period it deems sufficient to "understand customer adoption and to gain learnings of the technology's capabilities."

The Public Staff presented this matter to the Commission at its Regular Staff Conference on September 3, 2019.

The Public Staff stated that it had reviewed the request and believed that the Pilot was a reasonable test of the technology linking smart meters and smart phones to provide participants with real-time energy usage data. The Public Staff also stated that it was interested in understanding if and how the availability of near real-time energy usage data made available by the Pilot encourages customers to take more proactive steps to manage their energy usage. The Public Staff further stated that the Pilot may provide useful information to DEC in enhancing design of its current dynamic time of use pilot.

EXHIBIT NO. P-1 PAGE 2 OF 4

Based on the foregoing, the Commission is of the opinion that DEC's request for approval of its Smart Meter Usage App Pilot Program should be approved as filed.

IT IS, THEREFORE, ORDERED:

- 1. That the Smart Meter Usage App Pilot Program is hereby approved as filed, effective this date:
- 2. That DEC shall file a report on the status of participation, the costs incurred to date, and any notable observations or trends on how participants are using the technology associated with the Pilot to reduce their energy usage. The report shall be filed every six months, with the first report being filed six months after the initiation of the Pilot.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of ____, 2019.

NORTH CAROLINA UTILITIES COMMISSION

Janice H. Fulmore, Deputy Clerk

EXHIBIT NO. P-1 PAGE 3 OF 4

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1213

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Petition by Duke Energy Progress, LLC,)	ORDER APPROVING
for Approval of Smart Meter Usage App)	PILOT PROGRAM
Pilot Program)	

BY THE COMMISSION: On June 18, 2019, Duke Energy Progress, LLC (DEP), filed a request for approval of a Smart Meter Usage App Pilot Program (Pilot).

In its application, DEP stated that the Pilot will provide residential customers with the ability to monitor their "real-time" energy usage data, with the intention of providing customers control over how they use energy and the potential to save money on their energy bill. The Pilot is intended to test the gateway device that will connect the smart meter to the internet, thus enabling customers to control their consumption from a smart phone.

DEP further stated that the Pilot will be offered to 5,000 residential customers at a cost of approximately \$1.25 million. DEP also stated that the Pilot will initially be offered to customers in Buncombe County, but will expand availability to their remaining service territory after a three-month period. DEP intends to offer the Pilot for approximately 18 to 24 months, a time period it deems sufficient to "understand customer adoption and to gain learnings of the technology's capabilities."

The Public Staff presented this matter to the Commission at its Regular Staff Conference on September 3, 2019.

The Public Staff stated that it had reviewed the request and believed that the Pilot was a reasonable test of the technology linking smart meters and smart phones to provide participants with real-time energy usage data. The Public Staff also stated that it was interested in understanding if and how the availability of near real-time energy usage data made available by the Pilot encourages customers to take more proactive steps to manage their energy usage.

Based on the foregoing, the Commission is of the opinion that DEP's request for approval of its Smart Meter Usage App Pilot Program should be approved as filed.

EXHIBIT NO. P-1 PAGE 4 OF 4

IT IS, THEREFORE, ORDERED:

- 1. That the Smart Meter Usage App Pilot Program is hereby approved as filed, effective this date;
- 2. That DEP shall file a report on the status of participation, the costs incurred to date, and any notable observations or trends on how participants are using the technology associated with the Pilot to reduce their energy usage. The report shall be filed every six months, with the first report being filed six months after the initiation of the Pilot.

ISSUED BY ORDER OF THE CO	OMMISSION.
This the day of, 2019.	
	NORTH CAROLINA UTILITIES COMMISSION

Janice H. Fulmore, Deputy Clerk

EXHIBIT NO. P-2 PAGE 1 OF 2

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1146

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Duke Energy Carolinas, LLC,)	ORDER GRANTING WAIVER
for Waiver of Commission Rule R8-8)	

BY THE COMMISSION: On August 15, 2019, Duke Energy Carolinas, LLC (DEC or the Company), filed a request for waiver of Commission Rule R8-8 regarding the nine (9) dynamic pricing time-of-use (TOU) pilots that were approved by the Commission on July 2, 2019.

Commission Rule R8-8 requires utilities to provide the meter readings at the beginning and end of the period for which the bill is rendered. DEC states that the dynamic rate designations associated with the TOU pilots are not able to be communicated to the meter. Therefore, the beginning and ending readings are not able to be displayed on the bill.

DEC further states that usage during declared high rate days is determined based on the interval meter data that is communicated from the meter to the Company's Meter Data Management System. This method does not provide for the display of beginning and ending meter readings for the various periods on the bills. Participants will have access to their usage data through a web-based portal.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on September 3, 2019.

The Public Staff stated that it reviewed the Company's request and recommended that the waiver be granted. The Public Staff further stated that the manual billing process that will accompany the TOU pilots will provide the usage data for each type of billing period and TOU designation; however, the interval data used to prepare the bills does not rely on beginning and ending meter reading.

The Public Staff also stated that it encouraged the Company to provide as much data as possible regarding consumption, including a comparison of the cost of that consumption to what it would have been under a standard tariff, and that such information

EXHIBIT NO. P-2 PAGE 2 OF 2

will help participants understand how their usage patterns impact their bills. The Public Staff concluded that it will continue to work with DEC to find solutions that provide this data to participants in a more transparent manner.

Based on the foregoing, IT IS, THEREFORE, ORDERED that for purposes of implementing the TOU pilots approved July 2, 2019 in this docket, the request for waiver of Commission Rule R8-8 is hereby granted.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of ____, 2019.

NORTH CAROLINA UTILITIES COMMISSION

Janice H. Fulmore, Deputy Clerk