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May 3, 2024

**VIA ELECTRONIC FILING**

Ms. A. Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**Re: Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's  
Motion to Withdraw and Discontinue Development of Proposed Phase  
II Electric Transportation Pilot Programs  
Docket Nos. E-2, Sub 1197 and E-7, Sub 1195**

Dear Ms. Dunston:

Enclosed for filing with the North Carolina Utilities Commission in the above-referenced dockets is Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Motion to Withdraw and Discontinue Development of Proposed Phase II Electric Transportation Pilot Programs.

If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Higginbotham", with a long horizontal flourish extending to the right.

Jason A. Higginbotham

Enclosure

cc: Parties of Record

OFFICIAL COPY

May 03 2024

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-2, SUB 1197  
DOCKET NO. E-7, SUB 1195

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	<b>DUKE ENERGY CAROLINAS, LLC</b>
	)	<b>AND DUKE ENERGY PROGRESS,</b>
Application by Duke Energy Carolinas,	)	<b>LLC’S MOTION TO WITHDRAW</b>
LLC and Duke Energy Progress, LLC,	)	<b>AND DISCONTINUE</b>
for Approval of Proposed Electric	)	<b>DEVELOPMENT OF PROPOSED</b>
Transportation Pilots	)	<b>PHASE II ELECTRIC</b>
	)	<b>TRANSPORTATION PILOT</b>
	)	<b>PROGRAMS</b>

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NOW COMES Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (“DEP” and together DEC, “Duke Energy” or the “Companies”), pursuant to the North Carolina Utilities Commission’s (“Commission”) February 21, 2022 *Order Requiring Further Collaboration and Report on Proposed Phase II Pilot Programs*, in the above-referenced dockets (“Phase II ET Pilots Order”), and respectfully move for authorization to withdraw and discontinue development of their proposed Phase II Electric Transportation (“ET”) Pilot Programs.

This Motion serves as the formal request discussed in the *Fourth Joint Status Report of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC on Phase II Pilot Programs* (“Fourth Joint Status Report”), which the Companies submitted to the Commission in the above-referenced dockets on March 5, 2024. In their Fourth Joint Status Report, the Companies concluded, for various reasons, that it was in the public interest to request authorization to withdraw their Phase II ET Pilots. The Companies proposed their Phase II ET Pilots in compliance with the directive in the Commission’s

November 24, 2020 *Order Approving Electric Transportation Pilot, in Part*, in the above-referenced dockets (“Phase I ET Pilots Order”) for the Companies to use a stakeholder process to explore and create a second set of certain ET pilots. In addition, the Companies have evaluated their ability to leverage non-utility customer funding for the pilots in compliance with the Phase II ET Pilots Order. Accordingly, in addition to their request for authorization to withdraw the Phase II ET Pilots, the Companies also request that the Commission find that the Companies’ efforts to propose and develop the Phase II ET Pilots have sufficiently met the applicable requirements of the Phase I ET Pilots Order and the Phase II ET Pilots Order.

In further support of this Motion, the Companies state the following:

#### **BACKGROUND**

1. On March 29, 2019, the Companies filed an application in the above-referenced dockets, pursuant to N.C. Gen. Stat. § 62-140, requesting approval of seven proposed ET pilot programs. After receiving comments and reply comments and conducting a hearing, the Commission issued the Phase I ET Pilots Order in which the Commission (1) approved the Companies’ proposed Public Level 2 Fast Charging pilot and approved, on a modified scale, the Companies’ proposed Electric Vehicle (“EV”) School Bus, Direct Current Fast Charging, and Multi-Family Dwelling Charging pilots; (2) declined to approve four other proposed ET pilot programs; and (3) directed the Companies to use a stakeholder process to explore and create a second pilot of the Public Level 2 Charging, Direct Current Fast Charging, and Multifamily Dwelling Charging pilots, which the Commission had approved as Phase I ET Pilots. The Phase I ET Pilots Order

established the requirements for conducting the stakeholder process and outlined the minimum required attributes for any ET pilots developed through the stakeholder process.

2. On May 24, 2021, pursuant to the directives of the Phase I ET Pilots Order, the Companies filed an application requesting approval of five Phase II ET Pilots – a Customer-Operated EV Supply Equipment (“EVSE”) program and second phases of the Companies’ existing Public Level 2 Fast Charging, Direct Current Fast Charging, Multifamily Dwelling Charging; and EV School Bus Charging ET pilots.

3. On February 21, 2022, after reviewing the proposed Phase II ET Pilots, the Commission issued the Phase II Pilot Order directing the Companies to continue working with the Electric Transportation Stakeholder Group (“ETSG”), and to refine and modify their Phase II ET Pilots to take into consideration the possibility of receiving direct funding under the Infrastructure Investment and Jobs Act (“IIJA”), H.R. 3684, 117th Cong. (2021), enacted on November 15, 2021, and/or other recently available sources of federal funds. In addition, the Commission directed the Companies to file a report within 90 days updating the Commission on its progress on these directives.

4. On May 11, 2022, the Companies filed a *Joint Motion to Withdraw Customer Operated Electric Vehicle Supply Equipment Pilots from Phase II Pilot Proposals and to Hold Phase II Pilot Dockets in Abeyance*, requesting authorization to withdraw their proposed EVSE program as a Phase II ET Pilot in order to refile it as a standalone program. The Companies’ Joint Motion also requested an extension of time for the Companies to comply with the requirements on the Phase II ET Pilots Order.

5. On July 13, 2022, the Commission granted the Companies’ request to withdraw the EVSE pilots, ordered the Companies to file proposed EVSE tariffs within 30

days, and also ordered the Companies to file a report updating the Commission on the Companies' efforts to comply with the directives of the Phase II ET Pilot Order on or before October 3, 2022.

6. On August 15, 2022, the Companies refiled their proposed EVSE program as a standalone commercial program, and on August 8, 2023, the Commission issued an order approving the Companies' proposed EVSE standalone program and directing certain cost recovery and reporting requirements.

### **SUMMARY OF REPORTS ON THE PHASE II ET PILOTS**

7. As required by the Phase II ET Pilots Order, on October 3, 2022, the Companies submitted their First Joint Status Report on their Phase II ET Pilots. In that Report, the Companies updated the Commission on the Companies' efforts to work with the ETSG to refine the Phase II Pilots. The Companies also described their role supporting the North Carolina Department of Transportation's ("NC DOT") development of the North Carolina National Electric Vehicle Infrastructure ("NEVI") plan, under which the NC DOT proposed to place Direct Current Fast Chargers ("DCFC") every 50 miles along designated Alternative Fuel Corridors. The Companies noted in their Report that the state's NEVI deployment could surpass the DCFC targets of the Phase II ET Pilots and stated that it was not clear whether the Companies' proposed Phase II ET Pilots would be complementary or redundant to the state's plans. The Companies requested additional time to review the impacts of the IIJA and the then-recently enacted Inflation Reduction Act of 2022 ("IRA"), H.R. 5376, 117th Cong. (2021-2022). On December 2, 2022, the Commission granted the

Companies' request for additional time to review the impacts of the IIJA and the IRA on the Phase II ET Pilots as well as the Companies' request to file a second Phase II Report.

8. The Companies subsequently filed Second and Third Joint Status Phase II Pilot Reports on January 6, 2023, and September 5, 2023, respectively. In each of the reports, the Companies provided updates on their efforts to leverage federal funding opportunities in their implementation of the proposed pilots and reported on their inability to comply with the Commission's directives because program structures were still under development. However, the Companies described their continued engagement with the ETSG and the NC DOT as well as their internal processes for tracking development of IIJA and IRA programs.

9. On March 5, 2024, the Companies submitted their Fourth Joint Status Report in which they reported that they had concluded they would not be eligible for the majority of IIJA funding programs that may be related to EVs and the deployment of EV infrastructure. As a result, it was not likely that funding made available through the IIJA or IRA would further the objectives of the proposed Phase II ET Pilots. Nonetheless, the Companies reported that they had submitted several Letters of Support for entities that have applied for EV federal funding programs and attached a list of those entities to the Fourth Joint Status Report.

10. The Companies also reported in their Fourth Joint Status Report that they had continued to engage with the NC DOT on the agency's implementation of its forthcoming NEVI program. The Companies reported that, at the NC DOT's request, the Companies had given a presentation on best practices and engagement for prospective market recipients of IIJA funding and had engaged with the NC DOT on the design of

efficient processes for NEVI site capacity inquiries. Additionally, the Companies stated that they had assisted with the review of maps of prospective NEVI sites to identify areas where line extension costs may be more economical. The Companies explained that their engagement with the NC DOT had resulted in Duke Energy taking on a supportive role in the NC DOT's implementation of the NEVI program. The Companies also reported on their expectation that numerous entities would likely vie for funding under the NEVI program once it had been finalized.

### **REQUEST TO WITHDRAW PHASE II ET PILOTS**

11. The Commission's Phase II ET Pilots Order emphasized the importance of exploring opportunities to leverage non-utility customer funding to enhance the benefits of the proposed Phase II ET Pilots. The Commission noted that the enactment of the IIJA had authorized the investment of billions of dollars in federal funds in the country's utility infrastructure, including ET infrastructure and therefore ordered the Companies to:

Refine and modify its Phase II Pilots to take into consideration the IIJA and the possibility of receiving direct funding under the IIJA and/or other recently available sources of federal funds in conjunction with the programs proposed as Phase II Pilots, and to pursue all such funding that is available.<sup>1</sup>

The Commission also noted that it had issued an order on February 1, 2022 in Docket No. M-100, Sub 164 requesting information on the availability of funding under the IIJA as well as steps public utilities in North Carolina could take to fully utilize those funds to promote adequate, reliable, and economical utility service.<sup>2</sup>

12. The Companies have conducted a comprehensive review of the IIJA and continue to provide updates on their efforts to leverage available federal funding in their

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<sup>1</sup> Phase II ET Pilots Order at 3-4.

<sup>2</sup> *Id.* at 3.

semi-annual reports to the Commission in compliance with the Commission's November 10, 2022 *Order Directing North Carolina Public Utilities to Take Reasonable and Prudent Action to Obtain Federal Funding and to File Reports* in Docket No. M-100, Sub 164. Through this comprehensive analysis, the Companies have determined that they are not eligible for the majority of IIJA funding programs developed to promote the adoption of EVs or facilitate the expansion of EV infrastructure. As a result, funding available under the IIJA will not meaningfully impact the development of the Phase II ET Pilots.

13. While the Companies may be eligible for certain funds under the NC DOT's forthcoming NEVI program, there are likely to be a significant number of applicants for NEVI funds and it is uncertain how the NC DOT will disburse those funds. Furthermore, through their interactions with the NC DOT, the Companies have developed a supportive role in the implementation of the NEVI program and believe that assisting in the effective implementation of the program will provide a greater value to the state than vying for funds that many potential applicants are likely to seek in order to deploy public DC fast charging. The Companies are not aware of any other state agency-administered grants or funding programs that might promote the objectives of the Phase II ET Pilots.

14. Notwithstanding their request to withdraw their Phase II ET Pilots, the Companies plan to continue identifying opportunities to promote the adoption and expansion of EVs and EV infrastructure. As noted, the Commission recently approved the Companies' EVSE program as a standalone commercial program. The Companies provided an update on this program on March 1, 2024 in compliance with the Commission's August 8, 2023, *Order Approving Customer Operated Electric Vehicle Supply Equipment Tariff with Conditions* in the above-referenced dockets. In that same

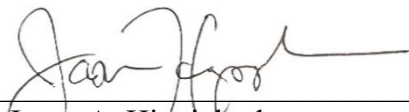


report, the Companies also updated the Commission on participant analytics and data obtained through their EV Make Ready Credit program. Furthermore, the Companies' proposed Off-Peak Charging program, which the Companies' have submitted for Commission approval in Docket Nos. E-7, Sub 1301 and E-2, Sub 1334, provides a simple programmatic structure to promote passive managed charging to North Carolina EV drivers.

15. The Companies have notified the ETSG and the Public Staff of their intention to request authorization to withdraw the Phase II ET Pilots. In addition, on April 4, 2024, the Companies met with the Public Staff to discuss the Companies' general plans in the ET space. The Companies have conferred with the Public Staff on this Motion and have been authorized to represent that the Public Staff does not object to the Companies' request.

WHEREFORE, for the foregoing reasons, Duke Energy Carolinas, LLC and Duke Energy Progress, LLC believe it is in the public interest to withdraw and discontinue development of their proposed Phase II ET Pilots and respectfully request that the Commission issue an order (1) allowing the Companies to withdraw the Phase II ET Pilots; (2) finding that the Companies' efforts to propose and develop the Phase II ET Pilots have sufficiently met the requirements of Phase I ET Pilots Order and the Phase II ET Pilots Order; and (3) granting any other such relief that this Commission deems appropriate.

Respectfully submitted this 3<sup>rd</sup> day of May, 2024.

By:   
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CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Motion to Withdraw and Discontinue Development of Proposed Phase II Electric Transportation Pilot Programs, in Docket Nos. E-2, Sub 1197 and E-7, Sub 1195, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1<sup>st</sup> Class Postage Prepaid, properly addressed to parties of record.

This is the 3<sup>rd</sup> day of May, 2024.

By:



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