

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-2, SUB 1167  
DOCKET NO. E-7, SUB 1166

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Duke Energy Progress, )  
LLC, and Duke Energy Carolinas, LLC )  
Requesting Approval of Solar Rebate )  
Program Pursuant to N.C. Gen. Stat. )  
§62-155(f)

**REPLY COMMENTS OF THE  
PUBLIC STAFF**

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, and respectfully submits reply comments on the Solar Rebate Program Annual Report (Report) filed by Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP) (collectively, Duke or the Companies) in the above-captioned docket on April 1, 2021. On May 6, 2021, the Public Staff, the Southern Alliance for Clean Energy (SACE) and the North Carolina Sustainable Energy Association (NCSEA) each filed initial comments on the Report. On May 28, 2021, the Public Staff filed a Motion for Extension of Time, requesting leave to file reply comments by June 14, 2021. On June 3, 2021, the Commission granted the Public Staff’s request.

In its initial comments, NCSEA stated that it supports Duke’s preferred option of aligning the deadline for customers who receive a rebate reservation with the last day of each enrollment period, because Duke’s 90-day proposal is “not a workable option.”<sup>1</sup> Similarly to the Public Staff, NCSEA expressed concern

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<sup>1</sup> NCSEA Initial Comments, at 3.

regarding the treatment of customers on the waitlist when the installation deadline passes, stating that it “believes that customers, specifically those with projects near the front of the waitlist queue, may be unnecessarily harmed unless certain protections are adopted.”<sup>2</sup> NCSEA further proposed two changes to Duke’s preferred proposal: “(1) waitlisted customers that have already installed should be granted a rebate if their spot in the queue opens up at the end of the initial lottery installation window; and, (2) customers on the waitlist who have not yet installed and that are awarded capacity in the final 90 days up to and including the end-of-2021 installation deadline should be granted extra time to install their solar.”<sup>3</sup> NCSEA suggested that the window for customers on the waitlist that are awarded capacity in the final 90 days up to and including the end-of-2021 installation deadline could match up with the *next* lottery allocation installation window. NCSEA also stated that it was willing to discuss a longer window, if parties are interested.

SACE’s initial comments first addressed the installation deadlines for customers who receive a rebate reservation, recommending that those customers be given until the 15<sup>th</sup> of the months of December and June (for July and January applicants, respectively) to install their system before their rebate reservation is cancelled. SACE stated that this proposal should free up unused capacity “in time for the following enrollment lottery” but would not allow sufficient time to reallocate it to customers on the waitlist for that period.<sup>4</sup> SACE also called attention to a

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<sup>2</sup> *Id.* at 4.

<sup>3</sup> *Id.* at 6.

<sup>4</sup> SACE Initial Comments, at 2.

number of minor concerns regarding the data presented in the Report related to the number of rebates paid, number of rejected applications, and number of cancelled projects. Lastly, SACE raised concerns about customers who may be required to pay the early termination fee.

The Public Staff has discussed the early termination matter with Duke, and Duke confirmed it is only seeking the early termination fee from customers that originally obtained the rebate and later withdrew from the applicable solar rebate rider, and not from new customers who have assumed service at the same location. Such a withdrawal is in violation of the terms and conditions of the solar rebate that customers were required to acknowledge and accept as part of the solar rebate application process, and new customers would not have accepted these terms and conditions or received the solar rebate payment. The solar rebate rider states:<sup>5</sup>

If within ninety (90) days of electric service termination a new customer takes over the site and elects electric service and assumes the Customer's obligations under this Rider, including but not limited to continued electric service under an eligible rate schedule and Rider NM, the termination charges will be waived.

Regarding the application window, the Public Staff discussed with SACE, NCSEA, and Duke a joint proposal that incorporates aspects of each intervenor's initial comments. The joint proposal is described below and only applies to residential and small commercial customers that receive a rebate reservation.

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<sup>5</sup> Solar Rebate Rider SRR (NC), at 2.

Large non-residential customers that receive a rebate reservation will continue to have 365 days to install their system.

The joint proposal requires that residential and small commercial customers that receive a rebate reservation in the upcoming July 2021 application window have until December 15, 2021 to install their solar system, in alignment with SACE's proposal. Customers that have not installed their system by that date will have their application cancelled and their unused capacity reallocated to the July 2021 waitlist. Waitlisted customers who are allocated unused capacity and have installed their system will receive a rebate check. Waitlisted customers that are allocated unused capacity as a rebate reservation will have until June 15, 2022 to install their system, aligning them with the installation deadlines for customers who receive a rebate reservation during the January 2022 application window. This process would repeat for the January 2022 window, with rebate reservation customers having until June 15, 2022 to install their systems before their application is cancelled and the unused capacity is allocated to the January 2022 waitlist.

The Public Staff believes that this approach would provide customers that receive a rebate reservation sufficient time (approximately 140 days) to install their systems. It would also provide the opportunity for unused capacity from an enrollment window to be reallocated to the waitlisted customers in that enrollment window, potentially alleviating some frustration and disappointment. This proposal will result in some waitlisted customers who receive a rebate reservation having more time to install their systems than customers who received the rebate

reservation in the initial lottery, but the Public Staff believes this is preferable to waitlisted customers having less time. The Public Staff has presented this proposal to SACE, NCSEA, and Duke, and all parties have indicated their support for the waitlist proposal. NCSEA does not take a position on the Public Staff's early termination comments.

Respectfully submitted this 14th day of June, 2021.

PUBLIC STAFF  
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### **CERTIFICATE OF SERVICE**

I certify that a copy of these Comments has been served on all parties of record or their attorneys, or both, by United States mail, first class or better; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 14th day of June, 2021.

Electronically submitted  
/s/ Layla Cummings