

**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 GRANTING EXTENSION OF TIME  
) TO ENTER INTO SELF-INSPECTION  
) AGREEMENTS WITH UNINSPECTED  
) FACILITIES AND FILE STATUS REPORT

BY THE CHAIR: 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 clarified that certain inspection provisions of the North Carolina Interconnection Procedures (NCIP) apply to all Generating Facilities, regardless of the date of their Interconnection Agreement, including certain Facilities that were not inspected prior to commencing parallel operations (Uninspected Facilities). The Clarifying Order required that Interconnection Customers that own Uninspected Facilities enter into self-inspection agreements with Duke Energy Carolinas, LLC or Duke Energy Progress, LLC (jointly, Duke) by no later than February 1, 2022, and required that Duke file a report by February 23, 2022, detailing the status of self-inspection agreements with owners of Uninspected Facilities.

On December 7, 2021, Duke filed a Response to Commission Request for Remediation Information (Remediation Report). In the Remediation Report, Duke explained why remediation had not been documented for inspection efforts extending from 2014 to present that had been undertaken as a result of the inspections of Facilities performed by Advanced Energy.

On January 20, 2022, Duke filed a Motion for Extension of Time to Enter Into Self-Inspection Agreements with Uninspected Facilities and File Status Report. In its filing, Duke indicated that it had served a copy of the Clarifying Order on all North Carolina Interconnection Customers that own or operate Uninspected Facilities. Further, Duke indicated that it had developed a template memorandum of agreement (the Pro Forma MOA) providing Interconnection Customers that own or operate Uninspected Facilities with an option to self-administer inspection programs that comport with appropriate safety and reliability standards and meet the requirements of NCIP Sections 6.5.2 and 6.5.3, as directed by the Clarifying Order. Duke stated that this Pro Forma MOA was developed after stakeholder feedback received in December 2021 and January 2022 from the Public Staff, Carolina Clean Energy Business Association (CCEBA), and Strata Solar, LLC. Duke provided the Pro Forma MOA in an attachment to its January 20, 2022 filing.

Duke specifically requested in its January 20, 2022 filing that the Commission: (1) allow Interconnection Customers that own Uninspected Facilities 30 days from the date of the Commission's Order on this Motion to execute Self-Administered Inspection Agreements; and (2) allow the Companies an additional 20 days from the deadline to execute such agreements to file the Commission-directed status report required by the Clarifying Order. Duke states in its motion that the extension of time is necessary to allow for review of the Pro Forma MOA and execution of the associated self-inspection agreements by owners and operators of Uninspected Facilities.

On January 27, 2022, the Commission issued an Order Placing Certain Compliance Deadlines In Abeyance. Specifically, the Order held the compliance deadlines in the Clarifying Order regarding the self-inspection agreements in abeyance, pending further order of the Commission.

Based on Duke's motion and the record as a whole, the Chair determines that the Pro Forma MOA as revised below, is a reasonable and appropriate effort by Duke to comply with the NCIP and is appropriate as a mechanism for Duke to assure adequate power quality and reliability for all Duke customers.

The Chair notes that Duke's January 20, 2022 motion states that CCEBA emphasized that "at least 30 days" is needed for Uninspected Facility Interconnection Customers to review and execute the Pro Forma MOA. The Chair determines that these Interconnection Customers should be provided additional time beyond Duke's initial request and that 60 days after the date of this Order is appropriate for applicable Interconnection Customers to review and execute of the Pro Forma MOA.

The Chair further determines that Duke shall file a report with the Commission detailing the status of those agreements no later than 30 days after the 60-day period herein allowed. As part of this report, Duke should identify all of the Facilities previously inspected by Advanced Energy (as discussed in Duke's Remediation Report) that have not executed the Pro Forma MOA.

The Chair notes that section 1.d. of the Pro Forma MOA as filed by Duke characterizes the Clarifying Order as approving "an agreement between Duke, Strata Solar, LLC, and Strata Solar Development, LLC (the Strata entities are referred to collectively as "Strata") setting forth the structure of a self-inspection program." The Commission requests that Duke revise that provision of the Pro Forma MOA to reflect that the Commission "accepted" the agreement as reasonable compliance with the NCIP rather than "approved" the agreement.

IT IS, THEREFORE, ORDERED as follows:

1) That Duke shall distribute the Pro Forma MOA to the Interconnection Customers that own Uninspected Facilities by February 23, 2022, and the Interconnection Customers shall review and execute the Pro Forma MOA on or before April 26, 2022; and

2) That Duke shall file a report detailing the status of self-inspection agreements with owners of Uninspected Facilities, and providing the information outlined above, on or before May 26, 2022.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 11th day of February, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, reading "Joann R. Snyder". The signature is written in black ink and is positioned above the printed name.

Joann R. Snyder, Deputy Clerk