

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1264

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Duke Energy Carolinas, LLC, for Approval of Renewable Energy and Energy Efficiency Portfolio Standard Cost Recovery Rider Pursuant to N.C.G.S. § 62-133.8 and Commission Rule R8-67))))))	ORDER SCHEDULING HEARING, REQUIRING FILING OF TESTIMONY, ESTABLISHING DISCOVERY GUIDELINES AND REQUIRING PUBLIC NOTICE
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BY THE COMMISSION: In August 2007, North Carolina enacted comprehensive energy legislation, Session Law 2007-397 (Senate Bill 3) that, among other things, establishes a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) for this State and a procedure for cost recovery of REPS expenditures. North Carolina General Statute Section 62-133.8(h) provides for an annual REPS rider for each electric public utility to recover all reasonable and prudent incremental costs incurred to comply with the REPS requirement with specified per-account caps for customers in each customer class. Further, Commission Rule R8-67(e) provides for the establishment of a REPS experience modification factor (EMF) rider to allow the electric public utility to collect the difference between reasonable and prudently incurred incremental costs and the revenues that were actually realized during the test period under the REPS rider then in effect. In addition, Commission Rule R8-67(e) provides that the annual REPS cost recovery rider hearing for each electric public utility will be scheduled as soon as practicable after the annual fuel and fuel-related charge adjustment proceeding hearing held by the Commission for the electric public utility under Commission Rule R8-55, that each electric public utility shall file direct testimony and exhibits at the same time that it files the information required by Rule R8-55, and that each electric public utility shall publish notice prior to the REPS hearing.

Commission Rule R8-67(c) requires each electric public utility to file an annual report describing the electric public utility's compliance with the REPS requirement during the previous calendar year. Rule R8-67(c) further provides that the annual REPS compliance report will be reviewed by the Commission at a hearing following public notice and an opportunity for interested parties to intervene and file testimony.

On February 21, 2022, Duke Energy Carolinas, LLC (DEC or Applicant), filed a Motion for Extension of Time to File REPS Compliance Report. DEC stated the extension is necessary due to the Commission's pending decision regarding a request (Joint Motion), filed by various electric membership corporations (EMCs) and municipalities (Munis) in Docket No. E-100, Sub 113, to modify the 2021 REPS poultry waste-to-energy requirement. DEC stated that it needs a decision on the Joint Motion so that DEC can retire the accurate number of RECs and provide complete RECs information in its 2021 REPS Compliance

Report.¹ DEC requested and was granted an extension to and including ten business days from the date the Commission issued its order on the Joint Motion within which to retire its 2021 RECs and file its 2021 REPS Compliance Report. The Commission issued its Order on the Joint Motion on March 4, 2022.

On March 1, 2022, DEC filed its application for approval of REPS cost recovery pursuant to N.C.G.S. § 62-133.8 and Commission Rule R8-67, along with direct testimony and exhibits supporting its cost recovery application (Application). In its Application, DEC indicated that it will be filing its 2021 REPS Compliance Report no later than March 18, 2022.

The Commission finds that good cause exists to schedule a hearing to consider DEC's application and 2021 REPS compliance report. The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows

1. Any deposition which a party desires to take shall be taken before the deadline for filing of Public Staff and intervenor testimony. Notice of deposition shall be served on all parties at least seven days prior to the taking of the deposition. Notice of deposition and all other discovery notices, requests and motions shall be served on the appropriate parties by hand delivery or facsimile, or by electronic delivery if the receiving party has agreed to receipt by electronic delivery.

2. Any motion for subpoena of a witness to appear at the evidentiary hearing shall be filed with the Commission before the deadline for filing of Public Staff and intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. See N.C.G.S. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena 24 hours after such motion is filed.

3. Formal discovery requests related to the application and the Applicant's prefiled direct testimony shall be served on the Applicant not later than fourteen days prior to the deadline for filing of Public Staff and intervenor testimony. The party served shall have up to ten calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten days prior to the deadline for filing of Public Staff and intervenor testimony.

4. Formal discovery requests of the Public Staff or intervenors shall be served not later than three days after such testimony is filed. The party served shall have up to three calendar days to file with the Commission objections to the discovery requests on

¹ DEC did not join the Joint Motion but would be affected by any modification to the poultry waste set-aside requirements because DEC and the EMCs and Munis for which it provides REPS compliance services are subject to the statewide poultry allocation. DEC serves as the REPS compliance aggregator for Blue Ridge Electric Membership Corporation, Rutherford Electric Membership Corporation, the Town of Dallas, the Town of Forest City, and the Town of Highlands.

an item-by-item basis, but in no event shall objections be filed later than five days after that party's testimony was filed.

5. Formal discovery requests related to the Applicant's prefiled rebuttal testimony shall be served on the Applicant not later than two days after such testimony is filed. The party served shall have up to two calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three days after the rebuttal testimony was filed. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery from the Applicant.

6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two days to file a motion to compel with the Commission, and the party objecting to discovery shall have one day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery because of that party's late intervention or other delay in initiating discovery.

The Commission recognizes that in the past most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

IT IS, THEREFORE, ORDERED as follows:

1. That a public hearing shall be, and is hereby, scheduled to begin immediately following the hearings in Docket Nos. E-7, Subs 1262 and 1263, which are scheduled to begin at 10:00 a.m. on Tuesday, June 7, 2022, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering DEC's application for approval of REPS cost recovery and 2021 REPS compliance report;

2. That any person having an interest in this proceeding may file a petition to intervene stating such interest on or before Tuesday, May 17, 2022;

3. That the direct testimony and exhibits of the Public Staff and other intervenors shall be filed on or before Tuesday, May 17, 2022;

4. That DEC may file rebuttal testimony and exhibits on or before Thursday, May 26, 2022;

5. That DEC shall publish the Notice attached hereto as Appendix A in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks beginning at least 45 days prior to the hearing;

6. That DEC shall file affidavits of publication on or before the date of the hearing;
and

7. That the parties shall comply with the discovery guidelines established herein.

ISSUED BY ORDER OF THE COMMISSION.

This the 14th day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Joann R. Snyder".

Joann R. Snyder, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1264

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Carolinas, LLC,)
for Approval of Renewable Energy and Energy)
Efficiency Portfolio Standard Cost Recovery) PUBLIC NOTICE
Rider Pursuant to N.C.G.S. § 62-133.8 and)
Commission Rule R8-67)

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing in the annual Renewable Energy and Energy Efficiency Portfolio Standard (REPS) cost recovery proceeding for Duke Energy Carolinas, LLC (DEC). The public hearing has been scheduled to begin immediately following the hearings in Docket Nos. E-7, Subs 1262, and 1263, which are scheduled to begin at 10:00 a.m., on Tuesday, June 7, 2022, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. This proceeding is being held pursuant to N.C.G.S. § 62-133.8 and Commission Rule R8-67 to consider DEC's application for approval of REPS cost recovery and compliance with the REPS requirements during the 2021 calendar year. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

On March 1, 2022, DEC filed direct testimony and exhibits in support of its application for REPS cost recovery. By its application, DEC proposes to implement the following monthly REPS rates, not including regulatory fee, effective for service rendered on and after September 1, 2022: a \$1.04 charge for residential customers; a \$5.53 charge for general service and lighting customers; and a \$30.29 charge for industrial customers. DEC's proposed new monthly REPS rates, if approved, will result in the following increases to DEC's current monthly REPS rates, not including regulatory fee: \$0.10 for residential customers; \$0.40 for general service and lighting customers; and \$1.30 for industrial customers.

In addition, further information is available to the public by reviewing DEC's application on the Commission's website at www.ncuc.net.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Consumer Protection-Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001. Written statements may be emailed to utilityAGO@ncdoj.gov.

Written statements are not evidence unless persons appear at a public hearing and testify concerning the information contained in their written statements.

Any person desiring to intervene in the proceeding as a formal party of record should file a petition under North Carolina Utilities Commission Rules R1-5 and R1-19 on or before Tuesday, May 17, 2022. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before Tuesday, May 17, 2022.

ISSUED BY ORDER OF THE COMMISSION.

This the 14th day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Joann R. Snyder". The signature is written in a cursive, flowing style.

Joann R. Snyder, Deputy Clerk