

ATTACHMENT 1 - Docket Nos. E-2, Sub 1314, E-7, Sub 1289, E-2, Sub 1315, and E-7,  
Sub 1288

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Mar 01 2024

**Duke Energy – Customer Renewable Program Stakeholder  
Discussion**

August 4, 2022



10:00am – 10:15am: Welcome and Introductions

- Safety moment
- Introductions
- Stakeholder recap and purpose for today

10:15am – 10:30am: Facilities and Resources

- Duke Energy owned facilities
- Customer renewable program facilities

10:30am – 11:00am: Customer Renewable Programs Concepts

- GSA Choice
- Clean Energy Impact
- Subscription-based solar

11:00am – 11:25am: Roundtable/Open Q&A

11:25am – 11:30am: Next steps and adjourn

## **Welcome and Introductions:**

- Karen Hall, Stakeholder Engagement Director, Duke Energy
- Wendi Fleener, Director, Clean Energy, Duke Energy
- Leland Snook, Managing Director, Rate Design & Regulatory Solutions, Duke Energy
- Duke Energy Large Account Management Team

Two engagement sessions

354 invitations sent

121 attendees

56 customers, customer groups,  
solar developers, environmental  
groups, and regulatory  
organizations represented

Customers  
have a wide  
range of clean  
energy goals

Desire for  
resources to be  
located in the  
Carolinas

There is an interest  
in next generation  
renewable programs

Current  
renewable  
options are not  
a long-term  
solution

- **General Understanding for Duke Energy owned facilities**
- Duke Energy will retain the rights to the Carbon Emissions Attributes
  - Required to be able to have the generation count towards carbon reduction
- Renewable Energy Attributes (RECs) can be sold to customers
  - RECs will be priced at fair market value
  - Money received will help “buy down” the cost of our projects/benefits all customers
  - RECs will be retired by Duke Energy on the Customer’s behalf

## Customer Renewable Program Resource Overview

- All resources supporting new customer programs will be system resources
- Similar to the current GSA program, projects will be system resources located in either North Carolina or South Carolina for each balancing authority (DEC and DEP)
- Energy will be delivered to the Duke grid to meet system load

Customer Renewable Programs that Duke ultimately files for approval in NC or SC will be similar, but may have differences due to differences in regulation or statute

Duke has an overarching goal to create customizable clean energy options for customers

# Potential Large Customer Program Concept - GSA Choice

Option	Unique Benefits	Capacity
Renewable Energy Purchase (GSA Like Design)	<ul style="list-style-type: none"> <li>New option for large business customers given the availability of current GSA program</li> <li>Up to 100% of participating customer's energy use                             <ul style="list-style-type: none"> <li>- Subject to capacity availability</li> </ul> </li> <li>Presents opportunity for projects not selected in a Duke RFP</li> <li>Up to 10-Yr. levelized avoided cost bill credit in addition to 2 &amp; 5 year and hourly avoided cost bill credits</li> </ul>	Up to 45% of Program Capacity in NC and TBD in SC
Duke Owned Renewable Energy – REC Purchase	<ul style="list-style-type: none"> <li>Customers would have access to long-term purchase (up to 20 years) of local RECs - Anchor tenant concept, up to 100% of energy use                             <ul style="list-style-type: none"> <li>- Subject to capacity availability</li> </ul> </li> <li>REC Revenue would be credited back to Duke customers</li> <li>Option is straight-forward and easy to understand</li> <li>RECs would be allocated to NC &amp; SC</li> <li>Assumes alignment on resource procurement in both states</li> </ul>	<p>Up to 55% of Program Capacity in NC and TBD in SC</p> <p>Capacity will be a portion of the total Duke Energy RECs available</p>
Energy Storage Option	<ul style="list-style-type: none"> <li>Duke uses storage for capacity needs</li> <li>Allows participant to time-align renewable energy with their load</li> <li>Duke/Participant cost sharing</li> </ul>	Duke owned energy storage option available under both third-party and Duke owned renewable options

**Customer Bill Example w/GSA**

## Normal Customer Rate Schedule

Demand Charge	\$ 5,000
Energy Charge	\$ 4,000
	<hr/>
	\$ 9,000
 GSA Project Charge	 \$ 300
GSA Bill Credit	\$ (260)
	<hr/>
Net Bill	<u><u>\$ 9,040</u></u>

**Customer Bill Example  
w/Duke REC**

## Normal Customer Rate Schedule

Demand Charge	\$ 5,000
Energy Charge	\$ 4,000
	<hr/>
	\$ 9,000
 REC Purchase	 \$ 40
	<hr/>
Net Bill	<u><u>\$ 9,040</u></u>

\*The information presented in this comparison is for illustrative purposes only



### Renewable REC Block Program available to all customers (Clean Energy Impact)

- With significant expansion of renewable resources in the Carolinas, Duke will own significantly more RECs
- Sourcing of RECs for this program targeting residential and small business customers would be local rather than purchased elsewhere
- REC revenue would be credited to Duke customers, reducing the cost of Duke owned renewables

### Potential subscription based Solar Program available to all customers

- Duke sees potential in exploring a Duke owned subscription solar program in the Carolinas
- How it would work:
  - Customers would subscribe to a Duke owned solar resource and pay a subscription fee to cover the resource cost, which would be added to the customer's bill
  - The subscription payment would credit a capital account for the solar asset
  - The customer's subscription quantity of energy would be credited an amount based on avoided cost since no fuel is being used
  - Includes an Income Qualified component

- For each program the earliest a project would be online/available for customer participation is dependent on the procurement process and could be several years
- For third-party options in GSA Choice – developers would need to work the customer side in parallel with Duke RFP process given DISIS timing (e.g. 2022 RFP)
- Third-party options in GSA Choice would count towards the 45% for NC
- Duke owned portion of GSA Choice programs would count towards the 55% for NC

## Next Steps:

- Late August – Stakeholder Meeting to receive feedback on Duke's proposed program concepts
- Please send any questions or comments to:  
**[CustomerRenewablePrograms@duke-energy.com](mailto:CustomerRenewablePrograms@duke-energy.com)**

