

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1167

DOCKET NO. E-7, SUB 1166

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)

)
) **DUKE ENERGY PROGRESS,**
) **LLC'S AND DUKE ENERGY**
) **CAROLINAS, LLC'S JOINT**
) **ANNUAL SOLAR REBATE**
) **PROGRAM REPORT**
)
)
)

This biannual informational filing is provided to the North Carolina Utilities Commission ("Commission") in accordance with the March 23, 2021, *Order Modifying Solar Rebate Program and Allowing Comments* in the above-captioned dockets. Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP", collectively "Duke Energy" or the "Companies") make their biannual informational filing for the January 2021 allocation period, in these proceedings.

Overview of the January 2021 Allocation Period

The goal of the Solar Rebate Program is to provide an economic incentive for residential, non-residential and non-profit customers in North Carolina to adopt solar power by reducing the upfront costs of installing solar equipment. During the January 2021 allocation period (January 6, 2021 through June 30, 2021), a total of 815 rebates were paid, so far, with an associated installed capacity of approximately 7,520 kilowatts ("kW").¹

¹ For the January 2021 application window: Residential customers must complete installation by December 31, 2021. Non-residential and non-profit customers with a project 20 kW or below, must complete installation no later than 365 days from the date the rebate reservation was obtained. All other non-residential and non-profit customers must complete installation no later than 365 days from the date of an executed interconnection agreement by the Companies.

Participation Rates

Appendix A provides detail regarding the breakout of rebates paid as well as rates of participation by customer class for the January 2021 allocation period, including reserved and approved installed capacity for each participant class and those for which a set-aside capacity is reserved, as of September 28, 2021.

Program Costs

The Solar Rebate Program had changes to the costs of rebates mid-year, and January and July reservation periods have significant overlap in 2021 and are still ongoing. Program costs for calendar year ending December 31, 2021 will be included in the April 1, 2022 biannual program filing

Fraud

No potential instances of fraud were identified within the rebate application process.

Rejected Applications

In accordance with the program terms and conditions, applications may be rejected for several reasons if they do not meet all the criteria to be eligible for a rebate. The charts below provide detail regarding the number of applications rejected as of September 27, 2021 for the January 2021, allocation period, and reasons those applications were rejected.

	DEC	DEP	Total
Residential	242	188	430
Non-residential	11	3	14
Non-Profit	1	0	1
Non-Profit (NC Greenpower)	0	0	0
Total Number of Applications Rejected	254	191	445

Reason Application was Rejected	Number Rejected
DEC	
Duplicate Application ¹	87
Interconnection request (project ID and customer name) cannot be found	2
Interconnection request has been Withdrawn	2
Interconnection request has been Cancelled/Terminated	4
Customer is not on a Net Metering rate schedule	1
Not a Duke Energy North Carolina customer	5
Project was completed more than 90 days prior to application submission	128
Project was not completed by the deadline	0
Customer applied for 2020 rebate instead of January 2021 Rebate	24
Customer is not eligible because it is not a new system (transfer of ownership)	1
DEP	
Duplicate Application	53
Interconnection request (project ID and customer name) cannot be found	1
Interconnection request has been Withdrawn	2
Interconnection request has been Cancelled/Terminated	2
Customer is not on a Net Metering rate schedule	1
Not a Duke Energy North Carolina customer	0
Project was completed more than 90 days prior to application submission	105
Project was not completed by the deadline	1
Customer applied for 2020 rebate instead of January 2021 Rebate	25
Customer is not eligible because it is not a new system (transfer of ownership)	1

Applications Cancelled at Year-End

January 2021 Residential applications that do not complete installation by the end of the year, non-residential applications that communicated they were not going meet the 365-day timeframe, and all July 2021 applications on the waitlist will be cancelled at the end of the calendar year. As stated in DEP's Solar Rebate Rider SRR-3 and DEC's Solar Rebate Rider SRR (collectively, the "Solar Rebate Rider"), if previously accepted applications are rejected, applications will continue to be accepted after annual participation limits are achieved. Details regarding the number of applications cancelled at year-end will be included in the April 1, 2022 program filing. The chart below details the number of

waitlisted applications cancelled June 30, 2021.

	DEC	DEP	Total
Residential	1,211	1,511	2,722
Non-residential	34	63	97
Non-Profit	0	0	0
Non-Profit (NC Greenpower)	0	0	0
Total Number of Applications Cancelled	1,245	1,574	2,819

Early Termination

Per the Solar Rebate Rider, the contract period for service under the rider is 10 years from the date of initial participation. An early termination fee applies unless the termination is for good cause or a new customer takes over the site and assumes the previous customer's obligations under the rider. Prior to payment of the rebate, customers must be participating in the Net Metering Rider NM. The Solar Rebate Program team performs a review, typically on a quarterly basis, to ensure all customers paid a rebate have not disconnected their service and are still participating in the Net Metering Rider NM. Due to the implementation of Customer Connect, these processes have been temporarily paused, but will resume in the final quarter of 2021. Details regarding the number of customers charged an early termination fee in 2021 will be included in the April 1, 2022 program filing.

Incentive Amounts

Duke Energy will continue to monitor and perform analysis as to the reasonableness of the incentives offered through the program, as well as the method in which the incentives are calculated. In the recent March 23, 2021 *Order Modifying Solar Rebate Program and Allowing Comments*, the rebate amounts were reduced for residential and commercial customers to reflect the reasonable cost of these solar installations for the enrollment window opening on July 7, 2021. The Companies do not recommend any changes to the

solar rebate incentive amounts or any changes to the program at this time.

Respectfully submitted this 1st day of October, 2021.

By: _____



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ATTORNEYS FOR DUKE ENERGY PROGRESS, LLC
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of **DUKE ENERGY PROGRESS, LLC'S AND DUKE ENERGY CAROLINAS, LLC'S JOINT BIENNIAL SOLAR REBATE PROGRAM REPORT** has been served on all parties of record on the service list by either electronic mail or by deposit in the U.S. mail, postage prepaid.

This, the 1st day of October, 2021.



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Rebates Paid and Rates of Participation by Customer Class

(all values presented in kW-AC unless otherwise noted)

DEC							
Customer Type	2021 Guidelines	Capacity Rolled From 2020 program year	Capacity Installed for January 2021 Allocation (Applications Accepted-Connected)	January 2021 Reserved Capacity to Carry Forward to July 2021 (Applications Accepted - Not Connected)	Total January 2021 Capacity Assigned (Includes the 2019 Roll over Capacity)	Total Unreserved Capacity to Carry Forward to July 2021 (included 2018,2019 capacity for Nonprofit)	Number of Customers Paid Rebates for January 2021 Allocation Period
Residential	3,750	0	2,967	104	3,797	100	362
Non- Residential			104	622			6
Non- Profit	1,225	1,493	291	313	604	5,467	8
Non- Profit (NC Green Power)	25	45	0	0	0	115	0

DEP							
Customer Type	2021 Guidelines	Capacity Rolled From 2020 program year	Capacity Installed for January 2021 Allocation (Applications Accepted-Connected)	January 2021 Reserved Capacity to Carry Forward to July 2021 (Applications Accepted - Not Connected)	Total January 2021 Capacity Assigned (Includes the 2019 Roll over Capacity)	Total Unreserved Capacity to Carry Forward to July 2021 (included 2018,2019 capacity for Nonprofit)	Number of Customers Paid Rebates for January 2021 Allocation Period
Residential	3,750	0	3,528	187	4,045	0	780
Non- Residential			105	225			13
Non- Profit	1,225	1,474	457	3,942	4,399	3,107	17
Non- Profit (NC Green Power)	25	45	10	0	10	140	2

Notes:

- 1 Some large non-residential projects accepted into the Rebates program in 2019 and 2020 have not completed yet. Those projects are allowed 365 to install from the interconnection agreement date, per rider SRR. Numbers shown above reflect payments through September 28, 2021