

REDACTED

INFORMATION SHEET

PRESIDING: Commissioner Clodfelter, Presiding; Commissioners Gray and Duffley  
PLACE: Via WebEx Videoconference  
DATE: Monday, November 2, 2020  
TIME: 2:00 p.m. – 4:57 p.m.  
DOCKET NO.: SP-13695, Sub 1  
COMPANY: Orion Renewable Resources LLC  
DESCRIPTION: Petition for Relief  
VOLUME:

APPEARANCES

FOR ORION RENEWABLE RESOURCES LLC:  
Benjamin L. Snowden, Esq.

FOR ACCION GROUP, LLC:  
Daniel C. Higgins, Esq.  
Jack P. Crisp, Esq.

FOR THE USING AND CONSUMING PUBLIC:  
Tim Dodge, Esq.  
Layla Cummings, Esq.

WITNESSES

Harold T. Judd / Phillip Layfield / Ralph Monsalvatge / David Ball / Garey Rozier, as a panel  
Ovane Piper  
Timothy Lasocki

EXHIBITS

Accion Exhibits 1 – 3 - (I/A)  
Orion Accion Cross Examination Exhibit 1 – (I/A)  
Attachments A – E – (I/A)

---

EMAIL DISTRIBUTION

COPIES: Mr. Snowden, Mr. Dodge and Ms. Cummings  
REPORTED BY: Kim Mitchell  
DATE FILED: November 24, 2020

TRANSCRIPT PAGES: 135  
PREFILED PAGES: 28  
TOTAL: 163

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

DOCKET NO. SP-13695, SUB 1

In the Matter of:	)	ACCION GROUP, LLC's, THE CPRE
	)	INDEPENDENT ADMINISTRATOR,
Orion Renewable Resources LLC	)	RESPONSE TO VERIFIED
	)	PETITION FOR RELIEF BY ORION
	)	RENEWABLE RESOURCES LLC

NOW COMES, Accion Group, LLC, the Independent Administrator for the Competitive Procurement of Renewable Energy Program ("CPRE" or "Program") (hereinafter "IA" or "Accion") for the purpose of providing the North Carolina Utilities Commission (hereinafter, "NCUC" or "Commission") with factual information regarding the CPRE Tranche 1 solicitation as it relates to the Petition for Relief ("Petition") filed by Orion Renewable Resources, LLC ("Petitioner").

The Petition presents numerous misunderstandings and misrepresentation about the CPRE process, the role of Duke Energy Carolinas ("DEC" and together with the Duke Energy Progress, LLC, ("Duke")) and the actions of the IA. The IA declines to participate in the hyperbolic rhetoric that would be necessary to address the mincing of argument, opinion and misunderstanding woven through the Petition. However, the IA believes it important to point out that there is a misstatement of fact concerning the involvement of DEC personnel in the evaluation process. To be clear, while the Duke T&D Evaluation Team conducted the Step 2 transmission interconnection analysis (after the IA provided a ranking of Proposals), DEC personnel played no role in the evaluation of Proposals. The Duke T&D Team did not receive any Proposal pricing information. Duke personnel did not receive Proposal pricing information until after the conclusion of CPRE Step 2. The evaluation tools employed by the IA were not provided by Duke and Duke personnel made no determinations as to the disposition of Proposals prior to the IA providing recommendations as

to the Proposals eligible for PPAs. That is the role of the IA. The petitioner is well aware of the CPRE process and the limited role of Duke. The Petitioners repeatedly allege that DEC participated in the evaluation process. This is untrue. In the view of the IA, attempts to discredit the NCUC's process and the attacks on the Commission's process should be rejected outright. The CPRE evaluation process employed in CPRE Tranche 1 is set forth herein.

The core of this dispute can be reduced to a simple question: Should the value of CPRE Proposals, and in turn the eligibility for a Power Purchase Agreement ("PPA"), be based on the IA's robust and detailed evaluation of the 8760 hourly impacts of each year of the 20-year analysis which determines the net benefit to customers, or on whether Proposals are at or below Duke's levelized avoided energy and capacity rates utilizing the methodology most recently approved by the Commission?

N.C. Gen. Stat. § 62-110.8(b)(2) caps the price at which Duke procures CPRE resources at the current forecast of its avoided cost calculated over the term of the PPA "consistent with the Commission-approved avoided cost." Commission Rule R8-71(b)(2) defines "Avoided cost rate" as the long-term, levelized avoided energy and capacity costs utilizing the methodology most recently approved by the Commission. In accordance with N.C. Gen. Stat. § 62-110.8(b)(2), the Tranche 1 RFP did, in fact, identify the maximum bid price based on the then current Commission-approved avoided cost methodology (such prices, the "Avoided Cost Cap") and all bidders were required to bid a decrement to such Avoided Cost Cap.

However, while N.C. Gen. Stat. § 62-110.8(b)(2) establishes a maximum price on bids selected through CPRE (i.e., a "cap"), it does not mandate that the IA and Duke must select each and every bid that submits a bid price below the Avoided Cost Cap subject only to the total CPRE procurement total. Instead, under the CPRE Rule (R8-71), the IA is given wide latitude to evaluate

Proposals based on its CPRE Program Methodology. For instance, Commission Rule R8-71(f)(1)(iii) references the “economic and noneconomic factors to be considered by the Independent Administrator in its evaluation of proposals.” It would make no sense to refer to “economic factors to be considered” if the IA was required as a matter of law to simply rank bids solely on their price decrement. Instead, the IA is required to develop the optimal evaluation tool, which the IA did when it developed the overall CPRE Program Methodology. And where the IA determines that a Proposal is not in the best interest of customers based on the IA’s CPRE Program Methodology, the IA and Duke are not required to select a Proposal simply because the Proposal is below the Avoided Cost Cap.

The CPRE Program Methodology consisted of (1) the IA’s proprietary evaluation tools that were based on Duke’s current forecast of its hourly avoided capacity and energy costs calculated over the 20-year term of the CPRE PPA (the “IA Evaluation Tool”), and (2) other non-economic factors, such as having control of an appropriate development site. The IA Evaluation Tool is consistent with established methods utilized by regulated utilities and regulatory commissions in the United States when making cost/benefit determinations in resource decisions. The IA Evaluation Tool considered the full system impact of a Proposal on Duke’s system on an hourly basis (8760) over the 20-year term of a CPRE PPA (the results of such IA Evaluation Tool are referred to as the “Net Benefit”). The evaluations were based on the production profile provided by the Market Participant (“MP”). This produced a ranking of Proposals from the most beneficial to customers to the least beneficial. The CPRE Program Methodology, including the overall structure of the IA Evaluation Tool, was described in substantial detail in the draft and final RFP.

The on-line Proposal form required each Proposal to be proposed at or below the Avoided Cost Cap. The IA Evaluation Tool identified the full system benefit of each Proposal rather than simply rank Proposals using the decrement identified by the MP. The robust evaluation was designed to prevent a MP from “gaming” the process by submitting an unrealistic 20-year forecast of production. The IA Evaluation Tool also provided the most comprehensive analysis of the benefit of each Proposal to customers rather than mechanically assuming that a simplistic evaluation of bid decrements was sufficient. The determination of a more accurate assessment of the value of Proposals was endorsed by the Duke Evaluation Team and the Public Staff as the IA developed the evaluation tools for the CPRE program.

Contrary to the assertion in the Petition, the IA Evaluation Tool was not used to “determine whether a bidder’s proposal complied with the avoided cost cap”. There is no dispute that Petitioner bid a price that was a decrement to the Avoided Cost Cap. Rather, the IA Evaluation, as part of the CPRE Program Methodology, was utilized to determine that the Orion Proposal was not beneficial to customers.

The IA Evaluation Tool was developed by the IA to meet the needs of the CPRE program. While the IA Evaluation Tool is proprietary to Accion Group, LLC, the unique application for the CPRE program was developed with the cooperation of the Duke Evaluation Team and the Public Staff. The IA Evaluation Tool was demonstrated for Duke and the Public Staff, using mock Proposal data, prior to the receipt of Proposals in Tranche 1. Duke and the Public Staff agreed that the IA Evaluation Tool was a vital tool to rank Proposals relative to each other, controlling for size and output characteristics.

The IA believe that N.C. Gen. Stat. 62-110.8(b)(2) requires the IA to determine “the cost-effectiveness of procured new renewable energy resources” of Proposals, and believes that the IA

has the latitude to identify which Proposals are found to be cost effective relative to the system as determined by the IA Tool. Similarly, Commission Rule R8-71 provides latitude for the IA to reject a Proposal based on the IA's evaluation of the Proposal using the CPRE Program Methodology (including the IA Evaluation Tool). The IA measures cost effectiveness as whether a Proposal would provide a positive benefit for Duke's customers.

Using the IA Evaluation Methodology, Orion's Proposal was ranked last among all 58 Proposals received in DEC and determined to have a negative Net Benefit to customers, thus it would create the least value for customers. That is, even though the Proposal was bid as a decrement to the Avoided Cost Cap, the IA's evaluation under its IA Evaluation Tool determined that the Proposal was not beneficial to customers. For this reason, and in light of the latitude provided to the IA under the applicable law, the IA did not recommend Duke execute a PPA with Orion. The IA believes the goal of CPRE is to provide long-term value to customers, and in order to achieve that goal, it is appropriate to assess the full value of Proposals over the 20-year life of a PPA.

The IA requests that the NCUC provide clarity and direction concerning two matters:

1. Should the value of CPRE Proposals, and in turn the eligibility for a Power Purchase Agreement ("PPA"), be based on the IA's robust and detailed evaluation of the 8760 hourly impacts of each year of the 20-year analysis which determines the net benefit to customers, or on whether Proposals are at or below Duke's levelized avoided energy and capacity rates utilizing the methodology most recently approved by the Commission?
2. Whether a challenge to the final determinations in a CPRE Tranche must be made before final PPAs are awarded, or whether the Commission will accept as timely challenges submitted eight months after the fact.

The Commission's determination concerning the second posited question may affect Duke's willingness to execute PPAs while, in effect, the appeal period has not tolled, and the IA would

want to advise CPRE participants of Duke's position prior to inviting MPs to provide Proposal Security in order to proceed to the Step 2 evaluations in Tranche 2 and subsequent tranches.

Respectfully submitted,



Harold T. Judd, Esquire  
President  
Accion Group, LLC  
*The Carriage House*  
244 North Main Street  
Concord, New Hampshire 03301  
603-229-1644  
[hjudd@acciongroup.com](mailto:hjudd@acciongroup.com)

**CERTIFICATE OF SERVICE**

I certify that a copy of Accion Group, LLC's, The CPRE Independent Administrator, Response To Verified Petition For Relief By Orion Renewable Resources LLC in Docket No. SP-13695, SUB 1, has been served by electronic mail, hand delivery, or by depositing a copy in the United States mail, postage prepaid, properly addressed to parties of record.

This the 9th day of April, 2020.



---

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

DOCKET NO. SP-13695, SUB 1

In the Matter of:	)	ACCION GROUP, LLC's, THE CPRE
	)	INDEPENDENT ADMINISTRATOR,
Orion Renewable Resources LLC	)	RESPONSE TO AN ADDITIONAL
	)	REPLY BY ORION RENEWABLE
	)	RESOURCES LLC

NOW COMES, Accion Group, LLC, the Independent Administrator for the Competitive Procurement of Renewable Energy Program ("CPRE" or "Program") (hereinafter "IA" or "Accion") for the purpose of addressing claims by Orion Renewable Resources, LLC ("Orion") to the North Carolina Utilities Commission (hereinafter, "NCUC" or "Commission").

In the latest submission Orion seeks to undermine the essence of the CPRE program, which is to have independent evaluation of Proposals and not permit bilateral negotiations of Purchase Power Agreements. The IA urges the Commission to preserve the trust that the market has in the current CPRE process and not endorse direct negotiations between Duke and Orion, as requested.

Orion continues to misrepresent the actions of the IA and attempts to justify waiting eight (8) months to challenge the CPRE Tranche 1 process.<sup>1</sup> The IA addressed these claims in prior submissions and will not repeat what was previously presented as the Commission already has all of the facts in prior submissions. As presented in the IA's April 9, 2020 Response, the IA believes the dispute should be reduced to two questions:

1. Should the value of CPRE Proposals, and in turn the eligibility for a Power Purchase Agreement ("PPA"), be based on the IA's robust and detailed evaluation of the 8760 hourly impacts of each year of the 20-year analysis which determines the net benefit to customers, or on whether Proposals are at or below Duke's levelized avoided energy and capacity rates utilizing the methodology most recently approved by the Commission?

---

<sup>1</sup> Orion fails to note that the CPRE rules do not require the IA to provide any de-brief or post-selection information to unsuccessful participants, but the IA did so as a courtesy to the market and in an attempt to assist Market Participants in being prepared for subsequent tranches of CPRE.

2. Whether a challenge to the final determinations in a CPRE Tranche must be made before final PPAs are awarded, or whether the Commission will accept as timely challenges submitted eight (8) months after-the-fact.

However, the IA believes it appropriate to highlight that the May 26, 2020 reply by Orion seeks relief that would undermine the very essence of the CPRE program.

A fair competitive solicitation process is based on all participants being treated the same way, including in the evaluation process, and that all participants have access to the same information at the same time. Duke, the Public Staff, and the IA created the process for CPRE that met those goals, including the separation of Duke personnel from the selection process and from direct interaction with Market Participants (“MPs”). The IA notes that none of the other 22 MPs that submitted Proposals in Tranche 1 have challenged the legitimacy of the CPRE evaluation process.

Orion seeks to circumvent the transparency of CPRE by engaging in unilateral discussions with the Duke T&D Evaluation Team and other Duke personnel, and to exclude the IA. Reply at 8. This would provide Orion with extraordinary access to the evaluation process employed by the Duke T&D Evaluation Team: access unavailable to all other participants. Unilateral discussions between a bidder and Duke is, in the understanding of the IA, exactly what CPRE was intended to avoid. In the opinion of the IA, if North Carolina is going to have a robust, transparent and fair competitive process, all MPs are to be treated in the same manner. Providing extraordinary access to the evaluation process and evaluation personnel and to perfect a unilateral result is contrary to the basic tenants of a competitive market.

Finally, the IA notes that we are weeks away from final selections in Tranche 2 and a year after Orion was informed that the Proposal was non-competitive. The IA again, respectfully, requests guidance from the Commission on when final decisions in each CPRE are, in fact, final.

Respectfully submitted,



Harold T. Judd, Esquire  
President  
Accion Group, LLC  
*The Carriage House*  
244 North Main Street  
Concord, New Hampshire 03301  
603-229-1644  
[hjudd@acciongroup.com](mailto:hjudd@acciongroup.com)

**CERTIFICATE OF SERVICE**

I certify that a copy of Accion Group, LLC's, The CPRE Independent Administrator, Response To Verified Petition For Relief By Orion Renewable Resources LLC in Docket No. SP-13695, SUB 1, has been served by electronic mail, hand delivery, or by depositing a copy in the United States mail, postage prepaid, properly addressed to parties of record.

This the 12th day of June, 2020.



---

**Docket No. SP-13695, Sub 1**

**Petitioner's Cross-Examination Exhibit 1**

**Your conversation with DE Administrator:**

Tim Lasocki

**Proposal 129-01 Request for Information**

Market Participant ID: 129  
7/15/2019 11:28:04 AM

Dear IA - I am writing to follow up on our Request for Information regarding the Network Upgrade costs assigned decremented from the \$/MWh value of our proposal. Could we schedule a call this week to discuss? We'd like to learn what this number is and the assumptions behind it.

Thanks,  
Tim Lasocki

Tim Lasocki

Market Participant ID: 129  
6/6/2019 10:53:50 AM

**Proposal 129-01 Request for Information**

Dear IA - Thanks for reply on feedback timing. Yes, I mean the Network Upgrade costs assigned decremented from the \$/MWh value of our proposal since we have not been informed of this number. We look forward to hearing this data and other feedback after July 8.

Tim Lasocki

Independent Administrator  
6/6/2019 10:34:38 AM

**Proposal 129-01 Reply of the IA**

This response is to the message on June 5, 2019, seeking information about the Step 2 evaluation process. As noted before, the IA is prepared to discuss your proposal AFTER the contracting period is completed. Presently, the contracting period is expected to be completed on July 8, 2019. In the interim, we provide the following response.

Interconnection costs were not calculated by the T&D Evaluation team, since those costs were the responsibility of the bidder. Network upgrade costs were calculated by the T&D Evaluation team and were decremented from the \$/MWh value of each proposal in the competitive tier. Thus the interconnection costs were not included in the bid evaluation.

Proposals were individually analyzed since there were no transmission interdependencies among any of the proposals in the competitive tier.

The network upgrade costs for individual bids can not be discussed with the respective bidder until 90 days after notification.

Thus, this data will be available after July 8, 2019.

Tim Lasocki

**Proposal 129-01 Message from the IA re: Wire sent in error by Orion**

Market Participant ID: 129  
6/11/2019 12:46:38 PM

The return wire goes to Orion Power America, and the address is correct.

Thanks,  
Tim

Independent Administrator  
6/11/2019 10:32:53 AM

**Proposal 129-01 Message from the IA re: Wire sent in error by Orion**

*Orion Power America or Orion Renewable Energy Group?*

The following is the previous address you have provided for wires. Please confirm this is correct for the current wire as well:

*3000 El Camino Real Bldg 5, Suite 700  
Palo Alto, CA 94306*

Tim Lasocki

**Proposal 129-01 Wire Transaction Receipt**

Market Participant ID: 129  
6/10/2019 5:42:54 PM

Dear IA,

This wire was made in error to the wrong location. Please return wire the \$100,000

to the address below.

Bank: BancFirst  
101 North Broadway, Oklahoma City, OK 73102

Beneficiary: Orion Power America, LLC  
ABA/Routing No: 103003632  
Account No: 4005218997

We apologize for the inconvenience.

Tim

Independent Administrator **Proposal 129-01 Wire Transaction Receipt**

6/10/2019 4:54:32 PM This is from the IA.

We have received a wire transaction today in the amount of \$100,000.  
Can you please confirm what this is intended for? There is no information  
associated with this wire other than it is from Orion/Iron Works Solar.

Please advise as soon as possible, so we may apply as intended.

Thank you.

Tim Lasocki

**Proposal 129-01 Return of Cash Surety Bond Deposit**

Market Participant ID: 129 Hi Sheri - Thank for the wire status information.

6/6/2019 2:55:36 PM Tim

Independent Administrator **Proposal 129-01 Proposal 129-01 Return of Cash Surety Bond Deposit**

6/6/2019 2:53:06 PM Tim,

The full amount of \$1,487,975 has been wired to Orion.  
Please disregard my previous message, as this was corrected.

Sheri  
Accion Group, LLC

Independent Administrator **Proposal 129-01 Return of Cash Surety Bond Deposit**

6/6/2019 2:19:58 PM Tim,

Please note I initiated the wire, and upon review, realized the amount was incorrect.

The 6/6 wire you will be seeing in your account is in the amount of \$1,463.  
The balance of \$1,486,512 will be wired immediately (\$1,487,975 less the wired  
amount \$1,463).

My apologies for this error and any inconvenience it may cause.

Sheri  
Accion Group, LLC

Tim Lasocki

**Proposal 129-01 Request for Information**

Market Participant ID: 129 Dear IA - Thanks for reply on feedback timing. Yes, I mean the Network Upgrade  
6/6/2019 10:53:50 AM costs assigned decremented from the \$/MWh value of our proposal since we have  
not been informed of this number. We look forward to hearing this data and other  
feedback after July 8.

Tim Lasocki

Independent Administrator **Proposal 129-01 Reply of the IA**

6/6/2019 10:34:38 AM

This response is to the message on June 5, 2019, seeking information about the Step 2 evaluation process. As noted before, the IA is prepared to discuss your proposal AFTER the contracting period is completed. Presently, the contracting period is expected to be completed on July 8, 2019. In the interim, we provide the following response.

- Interconnection costs were not calculated by the T&D Evaluation team, since those costs were the responsibility of the bidder. Network upgrade costs were calculated by the T&D Evaluation team and were decremented from the \$/MWh value of each proposal in the competitive tier. Thus the interconnection costs were not included in the bid evaluation.
- Proposals were individually analyzed since there were no transmission inter-dependencies among any of the proposals in the competitive tier.
- The network upgrade costs for individual bids can not be discussed with the respective bidder until 90 days after notification.
- Thus, this data will be available after July 8, 2019.

Tim Lasocki

**Proposal 129-01 Additional wire information needed**

Market Participant ID: 129

Here you go:

6/5/2019 2:49:04 PM

3000 El Camino Real Bldg 5, Suite 700  
Palo Alto, CA 94306

Thanks!  
Tim

Independent Administrator **Proposal 129-01 Additional wire information needed**

6/5/2019 2:31:57 PM

Tim,

The bank will also need the address for Orion Renewable Energy Group.

Thank you!

Tim Lasocki

**Proposal 129-01 Request for Information**

Market Participant ID: 129

Dear IA - We are writing to follow up on our request related to information about our proposals final ranking. We are particularly interested in the Cluster Study Interconnection Costs assigned to our bid price.

6/5/2019 2:24:51 PM

Thanks,  
Tim Lasocki

Independent Administrator

4/11/2019 10:22:52 AM

Proposal 129-01 Message from the IA

Thank you for further clarifying your concern. Simply stated, the costs identified in the feasibility study were not double counted and imputed to your project during the Step 2 system impact study phase. The feasibility study identified the likely costs associated with interconnect at the POI, and the MP was to include those costs when bidding decrements to Avoided Cost. The Step 2 system impact evaluation concerned the entire transmission system, after the poi.

As noted before, the IA is prepared to have a discussion about your proposal, after Duke completes the contracting phase, which may take up to 60 days.

Tim Lasocki

Market Participant ID: 129  
4/10/2019 7:49:51 PM  
Proposal 129-01 Proposal 129-01 T&D System Upgrade Costs  
Dear IA - Thanks for the quick reply to our question submitted yesterday.

We understand that T&D system upgrade costs identified in the transmission system impact studies of CPRE proposals may have been significant enough to result in our proposal being above Avoided Cost. This is not our concern. We are seeking confirmation that the \$6.9m in cost to construct the facilities described in our feasibility study, or similar facilities, were not added to our bid price, when system upgrade costs were added to each proposal.

Our PPA price accounts for \$6.9m in costs for the construction of a 100 kV Interconnection - Tap, the modification of relay and communication equipment at Albemarle Switching Station and Buck Tie, and any requirement to install OPGW on the Albemarle 100 kV Lines if a third party provider cannot be identified.

When the cost of providing these facilities is excluded from our bid price, our price is \$42.45/MWh. Therefore, we are seeking assurance that there is no double counting. In other words, that \$6.9m of costs for facilities identified in your CPRE system impact studies are not paying for the same, or similar, facilities to those already included in our bid price, or to make sure that they are at least added to the correct PPA price.

Thanks,  
Tim Lasocki  
Independent Administrator  
4/10/2019 7:21:45 AM  
Proposal 129-01 Message from the IA

As discussed in the RFP and in other explanatory information provided on the IA website, the Step 2 process evaluated the transmission system impact of all CPRE proposals relative to other projects in the transmission queue. The evaluation included "cluster studies" when multiple projects would use the same Point of Interconnection. Therefore, the Feasibility Studies for individual projects might not be the only upgrade cost imputed to a project.

After the contracting period is completed the IA will provide additional information about the evaluation of individual projects. please reply if you would like to schedule a discussion regarding your proposal.

Tim Lasocki  
Market Participant ID: 129  
4/9/2019 8:32:17 PM  
Proposal 129-01 T&D System Upgrade Costs  
Dear IA - Orion has reviewed the Final Notification letter and read the IA Step 2 Report. We believe there might be some misunderstandings or misallocations of interconnection facility costs included in our proposal decrement to avoided cost and what the IA added as a T&D Upgrade Cost. Could the IA please confirm as soon as possible what T&D Upgrade Cost was assigned to our proposal 129-01 and what these upgrades relate to? For example, we note \$3.8m in costs for Optical Ground Wire (OPGW) were identified in our Feasibility Study. All costs for such communications that may be required have been included in our PPA price, and should not be added to our proposal.

Thanks,  
Tim  
Independent Administrator  
4/9/2019 11:04:38 AM  
Proposal 129-01 Reply from the IA  
Thank you for your request. The IA will conduct the conversation after Duke

completes the contracting phase, which will be within 60 days. You will be notified via the message board on the IA website.

Tim Lasocki  
Market Participant ID: 129  
4/9/2019 10:34:27 AM  
Proposal 129-01 Final Notification Letter  
We have downloaded the Final Notification letter. Thanks for your review of our proposal. We hope to be selected in the future and would like to take you up on the offer to discuss the ranking.

Thanks,  
Tim

Tim Lasocki

**Proposal 129-01 refund of Step 2 Bid Security**

Market Participant ID: 129  
6/5/2019 2:12:16 PM

Thank you. We look forward to the confirmation.  
Tim

Independent Administrator  
6/5/2019 2:10:36 PM

**Proposal 129-01 Response from the IA**

Tim,

Thank you. We will confirm when the wire is initiated. It will either be this afternoon or first thing in the morning.

Tim Lasocki

**Proposal 129-01 Proposal 129-01 refund of Step 2 Bid Security**

Market Participant ID: 129  
6/5/2019 2:00:04 PM

Dear IA - Thank you for your quick reply. Here is the information you requested.

Thanks,  
Tim

Bank: BancFirst  
101 North Broadway, Oklahoma City, OK 73102  
Beneficiary: Orion Renewable Power Resources, LLC  
ABA/Routing No: 103003632  
Account No: 4005190303

Beneficiary contact name and number: Radhika Nayak - 650-543-1607

Independent Administrator  
6/5/2019 10:06:55 AM

**Proposal 129-01 Response from the IA regarding Status of Security Deposit**

Please confirm for our records, your wish for the IA to wire the Bid Security Deposit back to you, and additionally, provide the following information:

The Bank Account Number  
Wiring Routing Number  
ACH/DDA Routing Number  
Swift Number (if applicable)

We will also need the Beneficiary Name and telephone number.  
Please note, a wire transaction fee (bank fee) of \$25 will be deducted from the amount of the \$1,488,00 to be wired.

As soon as we receive this information, we will promptly process your return wire.

Thank you.

Tim Lasocki

**Proposal 129-01 refund of Step 2 Bid Security**

Market Participant ID: 129  
6/4/2019 7:09:23 PM

Dear IA - We checked our records and do not appear to have received a refund of our Step 2 Bid Security wire in the amount of \$1,488,000. Can you please let us know the status of this security?

Thanks,  
Tim Lasocki  
Vice President, Origination and Finance  
Orion Renewable Energy Group LLC  
155 Grand Avenue, Suite 706  
Oakland, CA 94612  
510-545-4107  
tlasocki@orionrenewables.com

Independent Administrator **Proposal 129-01 Message from the IA**

4/11/2019 10:22:52 AM

Thank you for further clarifying your concern. Simply stated, the costs identified in the feasibility study were not double counted and imputed to your project during the Step 2 system impact study phase. The feasibility study identified the likely costs associated with interconnect at the POI, and the MP was to include those costs when bidding decrements to Avoided Cost. The Step 2 system impact evaluation concerned the entire transmission system, after the poi.

As noted before, the IA is prepared to have a discussion about your proposal, after Duke completes the contracting phase, which may take up to 60 days.

Tim Lasocki

**Proposal 129-01 Proposal 129-01 T&D System Upgrade Costs**

Market Participant ID: 129

Dear IA - Thanks for the quick reply to our question submitted yesterday.

4/10/2019 7:49:51 PM

We understand that T&D system upgrade costs identified in the transmission system impact studies of CPRE proposals may have been significant enough to result in our proposal being above Avoided Cost. This is not our concern. We are seeking confirmation that the \$6.9m in cost to construct the facilities described in our feasibility study, or similar facilities, were not added to our bid price, when system upgrade costs were added to each proposal.

Our PPA price accounts for \$6.9m in costs for the construction of a 100 kV Interconnection - Tap, the modification of relay and communication equipment at Albemarle Switching Station and Buck Tie, and any requirement to install OPGW on the Albemarle 100 kV Lines if a third party provider cannot be identified.

When the cost of providing these facilities is excluded from our bid price, our price is \$42.45/MWh. Therefore, we are seeking assurance that there is no double counting. In other words, that \$6.9m of costs for facilities identified in your CPRE system impact studies are not paying for the same, or similar, facilities to those already included in our bid price, or to make sure that they are at least added to the correct PPA price.

Thanks,  
Tim Lasocki

Independent Administrator **Proposal 129-01 Message from the IA**

4/10/2019 7:21:45 AM

As discussed in the RFP and in other explanatory information provided on the IA website, the Step 2 process evaluated the transmission system impact of all CPRE proposals relative to other projects in the transmission queue. The evaluation included "cluster studies" when multiple projects would use the same Point of Interconnection. Therefore, the Feasibility Studies for individual projects might not be the only upgrade cost imputed to a project.

After the contracting period is completed the IA will provide additional information about the evaluation of individual projects. please reply if you would like to schedule a discussion regarding your proposal.

Tim Lasocki

**Proposal 129-01 T&D System Upgrade Costs**

Market Participant ID: 129  
4/9/2019 8:32:17 PM

Dear IA - Orion has reviewed the Final Notification letter and read the IA Step 2 Report. We believe there might be some misunderstandings or misallocations of interconnection facility costs included in our proposal decrement to avoided cost and what the IA added as a T&D Upgrade Cost. Could the IA please confirm as soon as possible what T&D Upgrade Cost was assigned to our proposal 129-01 and what these upgrades relate to? For example, we note \$3.8m in costs for Optical Ground Wire (OPGW) were identified in our Feasibility Study. All costs for such communications that may be required have been included in our PPA price, and should not be added to our proposal.

Thanks,  
Tim

Independent Administrator  
4/9/2019 11:04:38 AM

**Proposal 129-01 Reply from the IA**

Thank you for your request. The IA will conduct the conversation after Duke completes the contracting phase, which will be within 60 days. You will be notified via the message board on the IA website.

Tim Lasocki

**Proposal 129-01 Final Notification Letter**

Market Participant ID: 129  
4/9/2019 10:34:27 AM

We have downloaded the Final Notification letter. Thanks for your review of our proposal. We hope to be selected in the future and would like to take you up on the offer to discuss the ranking.

Thanks,  
Tim

Independent Administrator  
4/9/2019 9:58:07 AM

**Proposal 129-01 Message from the IA**

Please go to the cure folder within your bid book to access the status change for this proposal.

Independent Administrator  
4/9/2019 8:29:20 AM

**Proposal 129-01 Message from the IA**

MPs will be notified on April 9, 2019.

Tim Lasocki

**Proposal 129-01 Final Determinations Status?**

Market Participant ID: 129  
4/8/2019 5:41:16 PM

Dear IA - could you please provide an update on when final determinations will be made?

Thanks,  
Tim

RE: The schedule for CPRE anticipated that the IA would notify MPs on March 25, 2019 of whether their proposals were selected as finalists. The Step 2 iterative process continues, and final determinations have yet to be made. The IA anticipates notifying MPs of final determinations by April 8, 2019. The IA appreciates the patience of the MPs.

Independent Administrator  
3/28/2019 9:14:09 AM

**Proposal 129-01 Email from Developer**

This is from the IE.

As the registered Bidder and the individual who submitted the Proposal, you are the only person who can grant access to your Proposal Book/Proposal. The below email communications relate to Orion's Proposal, and occurred outside of the Message Board, therefore we have provided the email string below for your records:

**From:** Sheri Vincent-Crisp <[svincentcrisp@acciongroup.com](mailto:svincentcrisp@acciongroup.com)>  
**Sent:** Wednesday, March 27, 2019 12:03 PM  
**To:** 'Peter Moritzburke'  
**Subject:** RE: Website Info Request - Duke Energy Carolinas

Peter,

Thank you.

While you may be the lead developer, the bid was submitted by another individual from your company with a separate registration on the Website. As a matter of security and confidentiality, that account/bid can only be viewed by the person who registered and submitted the bid unless that person provides their credentials to someone else. Please contact that individual in order to access your company's bid. They will need to provide you with their username and Password for you to do so.

Whether you are registered as a MP or Non-MP yourself, either way, you cannot access the company bid unless that individual gives you permission.

Please note: You do not need to register to view or manage the bid, if you are provided credentials for access, however, if you want to receive announcements and notifications, you should still register yourself.

I hope this clarifies the process for you.

Best regards,

Sheri

**Sheri L. Vincent-Crisp**  
244 North Main Street  
Concord, NH 03301  
Work: [\(603\) 229-1644](tel:6032291644)  
Cell: (603) 731-7779

**From:** Peter Moritzburke <[peter@orionrenewables.com](mailto:peter@orionrenewables.com)>  
**Sent:** Wednesday, March 27, 2019 10:24 AM  
**To:** Sheri Vincent-Crisp <[svincentcrisp@acciongroup.com](mailto:svincentcrisp@acciongroup.com)>  
**Subject:** Re: Website Info Request - Duke Energy Carolinas

Incorrect. Our company submitted a bid into tranche 1. I am the lead developer of that project.

---

Peter F. Moritzburke  
Development Consultant  
Orion Renewable Energy Group  
Cell: (415)306-1214

From: Sheri Vincent-Crisp  
Sent: Wednesday, March 27, 7:22 AM  
Subject: RE: Website Info Request - Duke Energy Carolinas

To: Peter Moritzburke

Peter,

While you initially registered as a MP, you did not submit a bid to Tranche 1, and perhaps plan to participate in the next Tranche 2.

You can re-register as a non MP at this point to Tranche 1,. You will have access to announcements and documents and will continue to receive notifications and information regarding the Tranche 1 process.

Once Tranche 2 is available, you may register as a MP.

Best regards,

Sheri

**Sheri L. Vincent-Crisp**

244 North Main Street

Concord, NH 03301

Work: [\(603\) 229-1644](tel:6032291644)

Cell: (603) 731-7779

**From:** Peter Moritzburke <[peter@orionrenewables.com](mailto:peter@orionrenewables.com)>

**Sent:** Wednesday, March 27, 2019 1:45 AM

**To:** Sheri Vincent-Crisp <[svincentcrisp@acciongroup.com](mailto:svincentcrisp@acciongroup.com)>

**Subject:** RE: Website Info Request - Duke Energy Carolinas

Why non-market? I'm with Orion, a participant in the CPRE process.

---

Peter F. Moritzburke  
Development Consultant  
Orion Renewable Energy Group  
Cell: (415)306-1214

**From:** Sheri Vincent-Crisp <[svincentcrisp@acciongroup.com](mailto:svincentcrisp@acciongroup.com)>

**Sent:** Tuesday, March 26, 2019 11:24 AM

**To:** Peter Moritzburke <[peter@orionrenewables.com](mailto:peter@orionrenewables.com)>

**Subject:** RE: Website Info Request - Duke Energy Carolinas

Peter,

Please re-register to the site as a Non-Market Participant.

Thank you,

Sheri

**Sheri L. Vincent-Crisp**

244 North Main Street

Concord, NH 03301

Work: [\(603\) 229-1644](tel:6032291644)

Cell: (603) 731-7779

**From:** [peter@orionrenewables.com](mailto:peter@orionrenewables.com) <[peter@orionrenewables.com](mailto:peter@orionrenewables.com)>  
**Sent:** Tuesday, March 26, 2019 1:36 PM  
**To:** [svincentcrisp@acciongroup.com](mailto:svincentcrisp@acciongroup.com)  
**Subject:** Website Info Request - Duke Energy Carolinas

Date: 3/26/2019 1:35:31 PM  
RFP Name: Duke Energy Carolinas  
Form Submitter: Peter Moritzburke  
Company: Orion Renewable Energy Group

CPRE access - Hello - The Accion system doesn't recognize my username anymore. Please provide access. Thank you! Peter

Site: <https://decprerfp2018.accionpower.com>

Independent Administrator **Proposal 129-01 Message from the IA**

3/26/2019 1:01:13 PM Thank you for again offering to reduce the size of your project.

Tim Lasocki **Proposal 129-01 Project Size**

Market Participant ID: 129  
3/25/2019 4:29:14 PM Dear IA - Please clarify your statement that "Further, when completing the CPRE proposal form, this MP elected to NOT be eligible for up to a 10% reduction in the size of the project."

We proposed a 74.4 MW project in the CPRE proposal form. Furthermore, we are willing to reduce the size of the interconnection position, currently at 80 MW, to 74.4 MW in order to meet the project requirements as proposed.

We hope this clears up any misunderstanding about our willingness to meet the CPRE process requirements with regard to transmission interconnection.

Thanks,  
Tim

Independent Administrator **Proposal 129-01 Response of the IA**

3/19/2019 11:24:13 AM As clarified during the Stakeholders' meeting, MPs may discuss interconnection matters with account managers, but in the inquiry here the MP wants to discuss CPRE issues with Duke personnel, which is not permitted. The IA confirmed that the interconnection application for this project is for 80 MW. Further, when completing the CPRE proposal form, this MP elected to NOT be eligible for up to a 10% reduction in the size of the project.

Independent Administrator **Proposal 129-01 Response of the IA**

3/19/2019 11:13:34 AM If your proposal is selected for a PPA, Duke and the MP have 60 days to complete the contracting arrangements. That will be adequate time for Duke to confirm the amount of the assurance and the MP to make arrangements.

Tim Lasocki **Proposal 129-01 PPA Pre-COD Performance Assurance Amount and Posting Date**

Market Participant ID: 129  
3/12/2019 6:28:35 PM Dear Independent Administrator - If we are selected as a winning bid following conclusion of the Step 2 Evaluation, could you tell us the expected amount and posting date for the PPA Pre-COD Performance Assurance?

Also, will the amount of PPA Pre-COD Performance Assurance be net of our already posted Step 2 Evaluation Security? I.e. will we simply "top up" to get to the total required in the PPA?

Thanks,  
Tim Lasocki

Tim Lasocki **Proposal 129-01 Project Size Clarification**

Market Participant ID: 129

3/1/2019 6:26:32 PM

As stated in Orion's CPRE proposal, Misenheimer Solar capacity as proposed is 74.4 MWac. The Project can achieve 80 MWac under the current interconnection application. Orion will revise the interconnection application to 74.4 MWac as required under CPRE rules.

Please note that Orion has attempted to communicate with its DEC interconnection study manager on this and other topics. However that manager has asked Orion to address these questions with the CPRE account manager.

In reference to your comment below, Orion would also like to discuss interconnection costs with the CPRE account manager.

Please let us know a time for a phone call that works well for our CPRE account manager. Thank you.

Tim Lasocki and Peter Moritzburke

Tim Lasocki

**Proposal 129-01 Step 2 Security Posted**

Market Participant ID: 129

Thanks for the Bid Security receipt confirmation.

3/1/2019 6:24:40 PM

Tim

Independent Administrator

**Proposal 129-01 Step 2 Security Posted**

3/1/2019 12:54:02 PM

This is to confirm receipt of your Bid Security wire in the amount of \$1,488,000.

Independent Administrator

**Proposal 129-01 Reply of the IA**

3/1/2019 10:55:37 AM

Please clarify regarding the size of your project. Is your interconnection application for an 80.0 MW project or a 74.4 MW project?

Regarding the cost of interconnection, please note that the MP may discuss interconnection costs with the account manager. The MP **MAY NOT** inquire of the account manager about system upgrade costs (that is, the cost of improvements after the POI) that may be imputed to the proposal as part of CPRE, or whether the system upgrade costs have been determined.

Tim Lasocki

**Proposal 129-01 Proposal 129-01 Step 2 Security posted**

Market Participant ID: 129

Dear IE - Thanks for confirming the bid security wire instructions. We are writing to confirm that we have now submitted the security. Wire confirmation below. Could you please confirm receipt?

3/1/2019 10:52:54 AM

Thanks,  
Tim

BancFirst Bank  
Outgoing Wire &#8208; Advice of Debit

---

Date 03/01/2019 Wire Create Time (PST): 0721

Account # : \*\*\*\*\*0303

Name : ORION RENEWABLE POWER RESOURCES LLC

Amount : \$1,488,000.00

GFX Reference : 20190600021400

Beneficiary Bank: MERRIMACK CONCORD  
211470225

Beneficiary: \*\*\*\*088445

ACCION GROUP LLC

Beneficiary Info (OBI):

BID SECURITY

(BID #: PROPOSAL 129&#8208;01;

ORION RENEWABLE RESOURCES LLC)

Fed Reference Number

IMAD: 20190301L1LFBS8C000058  
OMAD: 20190301QMGFNP6200086603011020FT01

Independent Administrator  
2/27/2019 4:51:55 PM

**Proposal 129-01 Proposal 129-01 Proposal 129-01 Proposal 129-01 Bid Security Wire Instructions**

This is to confirm the Bid Security Wire Instructions are the same as the initial Bid Fee Instructions.  
Please be sure to include the Bid Number and your Bidding Company so we can confirm receipt.

Thank you,  
The IE

Tim Lasocki

**Proposal 129-01 Interconnection Study Schedule**

Market Participant ID: 129  
2/25/2019 4:35:21 PM

Dear IA -

-Can you provide the interconnection study schedule for projects in the primary competitive tier?  
-Currently our project is being studied at 80MW at the POI, and we plan to reduce to 74.4MW as proposed. Can you confirm that is still DEC's preference and, if so, DEC's preferred timing and next steps for that process?  
-For development planning purposes we need to understand the interconnection construction schedule. Please provide as soon as possible.  
-Are members of the CPRE interconnection team available for a call to discuss the items above?

Thanks,  
Tim

Tim Lasocki

**Proposal 129-01 Proposal 129-01 Proposal 129-01 Bid Security Posting Amount & due date**

Market Participant ID: 129  
2/25/2019 1:17:35 PM

Dear IA - thanks for confirming the amounts and deadline.

Tim

Independent Administrator  
2/25/2019 1:07:45 PM

**Proposal 129-01 Reply from the IA**

Thank you for your reply. The MP is correct in the bid security cost. The MP has seven (7) *business* days since being notified of being moved to the competitive tier to provide bid security, as stated in the RFP. Therefore, the deadline for the MP to provide bid security is *Monday, March 4, 2019*. However, if the MP can improve on that timeline, it would facilitate the process.

Tim Lasocki

**Proposal 129-01 Proposal 129-01 Proposal 129-01 Bid Security Wire Instructions**

Market Participant ID: 129  
2/25/2019 1:05:53 PM

Dear IA - Can you please confirm the wire instructions for the Step 2 Bid Security are the same as the initial bid security (below)?

Thanks,  
Tim

Bank Name:  
Merrimack County Savings Bank  
89 North Main Street  
Concord NH 03301  
Tel: 603-545-6039  
Acct Name: Accion Group LLC  
Acct #: 3200088445  
Routing #: 211470225

REQUIRED INFORMATION ON TRANSACTION:  
Proposal Number

Tim Lasocki  
Market Participant ID: 129  
2/25/2019 12:28:56 PM

Proposal Company Name  
Re: Duke Energy CPRE [DEC/DEP or Asset/Acquisition]

**Proposal 129-01 Proposal 129-01 Bid Security Posting Amount & due date**

Dear IA - Based on our project size of 74.4 MW AC, we are planning to post \$1,488,000.

Could you please confirm that your understanding of the required bid security is the same as ours?

Please also confirm this posting needs to be received on or before February 28, 2019.

Thanks,  
Tim

Tim Lasocki  
Market Participant ID: 129  
2/22/2019 2:42:17 PM

**Proposal 129-01 Bid Security Posting**

Dear IA - Thank you for your message sent on 2/21/19. We intend to post bid security within 7 days for our proposal. We are making preparations now.

Thanks,  
Tim Lasocki  
Vice President, Origination and Finance  
Orion Renewable Energy Group LLC  
155 Grand Avenue, Suite 706  
Oakland, CA 94612  
510-545-4107  
tlasocki@orionrenewables.com

Independent Administrator  
2/21/2019 5:23:45 PM

**Proposal 129-01 Message from IA**

The IA identified this proposal for additional evaluation on the primary competitive tier. The bid security is required to be provided in seven (7) days. To expedite the process, kindly *reply by COB Friday, February 22, 2019* as to whether the MP is prepared to post bid security for this proposal.

Thank you.

Tim Lasocki  
Market Participant ID: 129  
1/16/2019 3:01:19 PM

**Proposal 129-01 Proposal 129-01 Step 2 Security Posting**

Understood. Thank you.

Tim

Independent Administrator  
1/16/2019 2:57:01 PM

**Proposal 129-01 Reply of the IA**

The step 2 process is an iterative process and still underway. The information you identified is expected to be included in the next IA report.

Tim Lasocki  
Market Participant ID: 129  
1/16/2019 12:37:50 PM

**Proposal 129-01 Step 2 Security Posting**

Thanks for your reply and the update about the competitive tier.

The "CPRE IA SECOND STATUS REPORT AT STEP 1 CONCLUSION 12212018" mentions 17 DEC NC projects in the Primary Comp. Tier and Comp. Tier Reserve. Did all these post the Step 2 Security of \$20/kW? Or was there some attrition of projects that were selected after Step 1, but failed to post security going into Step 2?

Is the Median bid price based on the bidders who posted this security? Or is the median based on the group selected prior to Step 2 security postings?

Thanks,  
Tim

Independent Administrator 1/16/2019 11:52:48 AM	<b>Proposal 129-01 Reply of the IA</b> We understand your inquiry to be you are curious as to the prospect of your proposal being moved to the competitive tier from the reserve list. At present, the ongoing evaluation of proposals in the competitive tier has not resulted in the need to supplement the original competitive tier with projects from the reserve list.
Tim Lasocki Market Participant ID: 129 1/15/2019 7:50:40 PM	<b>Proposal 129-01 Step 2 Security Posting</b> Of the DEC proposals selected at the completion of Step 1, can you tell us how many posted the \$20/kW security to enter Step 2? For example, did all 17 of the selected NC projects make this posting? Thanks, Tim Lasocki
Independent Administrator 1/9/2019 9:32:53 AM	<b>Proposal 129-01 Reply from the IA</b> In response to the request of the MP on 1/8/2019, the IA has updated the status of proposal 129-01 from "release" to "competitive tier reserve". No other action is needed from the MP at this time.
Tim Lasocki Market Participant ID: 129 1/8/2019 4:31:43 PM	<b>Proposal 129-01 Tranche 1 Reserve List</b> We would like to be included in the Tranche 1 Reserve List. Could you let us know what the next steps are in that process? Thanks, Tim Lasocki
Independent Administrator 12/6/2018 3:28:59 PM	<b>Proposal 129-01 Message from the IA</b> Please go to the cure folder within your bid book to access the status change for this proposal.
Tim Lasocki Market Participant ID: 129 12/4/2018 5:06:29 PM	<b>Proposal 129-01 Step 1 Evaluation</b> Announcement received. Thank you.
Independent Administrator 12/4/2018 5:05:37 PM	<b>Proposal 129-01 Reply of the IA</b> Please see the announcement sent by the IA on December 14, 2018.
Tim Lasocki Market Participant ID: 129 12/3/2018 5:37:03 PM	<b>Proposal 129-01 Step 1 Evaluation</b> Dear DEC - Has the Step 1 Evaluation process now been completed?  Thanks, Tim
Independent Administrator 11/22/2018 11:29:34 AM	<b>Proposal 129-01 Clarification Received</b> Thank you for the clarification
Tim Lasocki Market Participant ID: 129 11/15/2018 5:48:30 PM	<b>Proposal 129-01 Bid Clarification Question</b> The maximum capability of the aggregate generators is 80 MVA in the Interconnection Request and in the RFP bid response. The expected maximum net output at the POI is between 72.5 MW at 0.93 lagging power factor and 77.6 MW at unity power factor. The 8760 in the RFP bid response is based on a typical 74.4 MW limitation at the POI.
Independent Administrator 11/14/2018 4:11:24 PM	<b>Proposal 129-01 Bid Clarification Question</b> This bid has a maximum capacity of 74.4 MW, and a generating capacity of 74.4 MW. The interconnection application that was filed with Duke Energy was for 80 MW. Please tell us what MW value you used in generating your 8760 production profile and what MW value you used as the generating capacity of this project.
Tim Lasocki Market Participant ID: 129 11/6/2018 2:29:25 PM	<b>Proposal 129-01 Permit Approval Update</b> Dear DE Administrator - We are pleased to let you know that on November 5, 2018 the Stanly County Commission approved the petition for an Overlay District for Misenheimer Solar.

Best wishes,  
Tim Lasocki

Tim Lasocki

**Proposal 129-01 Confirm Letter**

Market Participant ID: 129  
10/17/2018 2:43:53 PM

Dear DE Administrator - We are writing to confirm that the bid details are correct in the October 16, 2018 letter.

Thanks,  
Tim Lasocki

Independent Administrator

**Proposal 129-01 Message From IA**

10/16/2018 5:09:24 PM

Please go to your bid book and respond to the memo created by the IA. You will find it in the cure folder within your bid book.

**Attachment A**

The Independent Administrator (“IA”) has completed the evaluation of proposals in Tranche 1 of the Competitive Procurement of Renewable Energy Program (“CPRE”). The IA determined that your proposal DEC\_129-01 was not selected and has been released from consideration. If you provided Proposal Security for the proposal, it has been released. Thank you for submitting your proposal and it is hoped that you will participate in future CPRE Tranches.

After Duke completes the PPA execution process for the successful proposals, the IA will be available to discuss the ranking of this proposal. If you would like to have such a discussion, please use the confidential Message Board on the IA website to make the request.

**Attachment B**

**From:** [dukeia@acciongroup.com](mailto:dukeia@acciongroup.com)  
**To:** [Tim Lasocki](#)  
**Subject:** Duke Energy 2019 - Message Submitted by Accion Group  
**Date:** Monday, August 19, 2019 1:44:37 PM

---

Please do not reply to this auto-generated email.

You have received a message from Accion Group on the Duke Energy 2019 website. Please log on to the website and click the 'Messages' tab to view and respond to the message.

Subject: Message from the IA - Tranche 1 feedback

Body:

Message from Independent Administrator

Debrief Data for CPRE Tranche 1 Proposal: DEC\_129-01

Market Participant	Tim Lasocki
Contracting Party	Orion Renewable Resources LLC
Transmission Queue Number	170907-1535
Project size	74.4 MW
Price Decrement submitted & confirmed by MP (1)	1.00
Initial Step One Ranking	Fourth Quartile
Located in predefined constrained area	No
Distribution factor of greater than 3 % (2)	No

Analysis Comments: Step 1 analysis determined that Net Energy Benefit Calculation (Energy Benefit less Proposal Cost) was negative.

(1) During the cure period, immediately after the Proposal period closed, the IA provided a summary of the Proposal and the MP confirmed decrement.

(2) The Distribution factor is a measure of the percentage of a facility's output that flows on a transmission element. Three percent (3%) is a commonly accepted threshold in the industry for assessing whether generators, loads, or transfers may materially impact the flow on a line or transformer.

<https://decprerfp2019.accionpower.com>

**Attachment C**

## ORION RENEWABLE RESOURCES LLC

c/o Orion Renewable Energy  
Group LLC  
155 Grand Avenue, Suite 706  
Oakland, CA 94612  
Phone: 510-267-8921  
Fax: 510-267-8911

October 25, 2019

CONFIDENTIAL

Tim R. Dodge, Staff Attorney  
Public Staff, North Carolina Utilities Commission  
4326 Mail Service Center  
Raleigh, NC 27699-4300  
email: [tim.dodge@psncuc.nc.gov](mailto:tim.dodge@psncuc.nc.gov)

Dear Mr. Dodge,

This letter summarizes the concerns of Orion Renewable Resources LLC ("Orion") regarding the Duke Energy Carolinas ("DEC") Competitive Procurement of Renewable Energy Program - Tranche 1 Request for Proposals ("RFP") as it relates to Orion's Proposal 129-01 for a 74.4 MW project ("ORR Proposal").

The background is as follows:

- Orion submitted the ORR Proposal on October 9, 2018. Pricing in the ORR Proposal was below the avoided cost thresholds stated in Section IV of the RFP.
- Orion was never notified, either by DEC or the Independent Administrator ("IA") that the ORR Proposal had been released from consideration because it was a non-conforming bid.
- On January 9, 2019, according to the IA's Tranche 1 message board, the status of the ORR Proposal was changed from "release" to "competitive tier reserve".
- On February 21, 2019, the message board stated that the IA had identified the ORR Proposal "for additional evaluation on the primary competitive tier".
- On February 21, 2019, the IA notified Orion that it was required to post Step 2 Bid Security, and on March 1, 2019, Orion posted Step 2 Bid Security in the amount of \$1,488,000.
- On April 9, 2019, Orion received a Final Notification Letter stating that the IA had completed the evaluation of proposals in Tranche 1 and "The IA determined that [the ORR Proposal] was not selected and has been released from consideration."
- On April 9, 2019, Orion requested a debriefing from the IA on the ranking of the ORR Proposal, and on April 9, 2019, the IA stated that the debriefing would be within 60 days. On August 19, 2019, the IA scheduled the debriefing for August 21, 2019.
- On August 19, 2019, two days before the debriefing, the IA sent Orion an email stating: "Analysis Comments: Step 1 analysis determined that Net Energy Benefit Calculation (Energy Benefit less Proposal Cost) was negative."
- At the August 21, 2019 debriefing, the IA informed Orion of the following:
  - DEC conducted the Net Energy Benefit ("NEB") calculation for the ORR Proposal.
  - DEC had told the IA that although pricing in the ORR Proposal was below DEC's avoided cost in all three avoided cost periods specified in the RFP, in the "8760" NEB calculation, there were hours when ORR Proposal pricing was above DEC's hourly avoided cost and hours when ORR Proposal pricing was below DEC's hourly avoided cost.

- Because the NEB calculation was negative, DEC did not include the ORR Proposal in the Step 2 Transmission and Distribution Upgrade Cost Analysis and they directed the IA to release the ORR Proposal from consideration.
- DEC did not provide a copy of the NEB calculation to the IA for review.

Orion's concerns are as follows:

- *Irregularities in the evaluation process*
  - The RFP states that calculation of net benefit of each proposal will be used to establish the *ranking* of proposals, not to *disqualify* proposals. (See, for example, "Conclusion of Step 2 Evaluation and Selection of Proposals".)
  - When Orion posted Step 2 Bid Security, we were not informed that our bid could be rejected solely on the basis of the NEB calculation. Rather, the RFP stated that proposals would be rejected if their proposed pricing exceeded the avoided cost in the three avoided cost periods in RFP Section IV, pp.11-12. (Orion ensured that its bid met this criterion.) No hourly avoided costs were disclosed as part of the RFP.
  - Aside from the fact the RFP did not state the NEB calculation would be used to disqualify proposals but merely to rank them, the determination in Step 1 that the NEB calculation of the ORR Proposal was negative is inconsistent with the following:
    - Upgrade of the status of our bid to "*competitive tier reserve*" in Jan.
    - Upgrade of the status of our bid to "*primary competitive tier*" in Feb.
    - Ranking of our bid in the Step 1 rankings.
    - Requiring Orion to post Step 2 security of \$1,488,000 in March.
  - NCUC rules require the IA to evaluate bids and "eliminate proposals that fail to meet the CPRE RFP Solicitation evaluation factors", and DEC's RFP documents state that the IA will have "final decision-making authority" and make the "final determination" about proposals. Instead, DEC alone did the NEB calculation which eliminated our proposal.
- *DEC's failure to procure 600 MW*: NCUC rules and the RFP itself state that the IA is to deliver the final Step 2 rankings to DEC, and DEC is to select bids in rank order until the total capacity sought in the RFP is satisfied. Here, the total capacity sought in the RFP was 600 MW but DEC procured only 464.5 MW. DEC should have selected our 74.4 MW proposal as part of its 600 MW procurement.

In October, Orion reached out to the IA regarding these concerns, and requested more information on the process and standards by which the ORR Proposal was eliminated from consideration. The IA's complete response was as follows: "The information provided in the Tranche 1 final report, as filed with the NCUC, and the debrief provided to this MP is the extent of what will be shared regarding the Tranche 1 evaluation process. We urge you to review those materials."

We look forward to discussing with you the next steps available to Orion to advance these concerns with NCUC Staff, DEC, and the IA.

Sincerely,



Nicholas Hiza  
Vice President

**Attachment D**

## ORION RENEWABLE RESOURCES LLC

c/o Orion Renewable Energy  
Group LLC  
155 Grand Avenue, Suite 706  
Oakland, CA 94612  
Phone: 510-267-8921  
Fax: 510-267-8911

Via email, to [tim.dodge@psncuc.nc.gov](mailto:tim.dodge@psncuc.nc.gov)

December 2, 2019

CONFIDENTIAL

Tim R. Dodge, Staff Attorney  
Public Staff, North Carolina Utilities Commission  
4326 Mail Service Center  
Raleigh, NC 27699-4300

Dear Tim,

Thank you for meeting with us on November 22. During our meeting, what we heard is that Orion's Proposal 129-01 was eliminated from the Duke Energy Carolinas (DEC) Competitive Procurement of Renewable Energy Program - Tranche 1 Request for Proposals (RFP) because of \$455,000 of estimated T&D System Upgrade costs. Specifically, we heard that this \$455,000 estimate of upgrade costs resulted from a "high level" analysis by DEC, and that this amount was determined by the Independent Administrator, Accion Group, Inc. (IA), to have caused Orion's bid price to exceed DEC's Avoided Cost.

Based on this information, we have some follow-up questions for the IA about our disqualification:

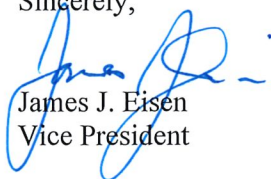
1. In Figure 9 of the IA's April 9, 2019 CPRE Step 2 Report, in which row is Orion's proposal included?

**Figure 9**

DEC: Summary of Eliminated Bids Progression		
Reason for Disposition	Proposals	MW AC
MP Failed to Post Proposal Security	20	865
T&D System Upgrade Costs Resulted in Proposal Above Avoided Cost	15	794
Result of Step 1 Analysis – Proposal is Above Avoided Cost	3	127

2. In its April 9, 2019 CPRE Step 2 Report (at p.3), the IA states that system upgrade costs were to be evaluated in Step 2, not Step 1: "Proposals were evaluated and ranked by system benefit, first at the conclusion of Step 1. The Step 2 evaluation of system upgrade costs, and the imputing of those costs to associated proposals, and proposals were then re-ranked." (p.3). Was DEC's analysis of T&D system upgrade costs for Orion's project in Step 1 or Step 2?
3. If Orion's proposal was not included in DEC's Step 2 T&D System Upgrade Cost analysis used for ranking other proposals, why was it not?
4. Describe the steps used and provide the calculations which concluded that \$455,000 of T&D upgrade costs caused Orion's proposal to exceed DEC's Avoided Cost. We do not believe this is mathematically possible given the project size and its expected annual energy production.

Sincerely,

  
James J. Eisen  
Vice President

**Attachment E**



## MEMORANDUM

TO: CPRE Tranche 2 Files  
FROM: Accion Group, Independent Administrator  
DATE: February 28, 2020  
RE: DUKE CPRE TRANCHE 2 SCREENING AND SELECTION PROCESS

---

This memorandum responds to requests made during the Stakeholder process that the Independent Administrator ("IA") provide additional information regarding the evaluation process.

Duke and Accion agree as follows:

1. The ranking and selection of Proposals will continue to be based on the IA Evaluation Methodology using Accion's detailed evaluation model;
2. The initial Step 1 evaluation will rank Proposals as in the "Competitive Tier" or "Reserve List" based on the economic and non-economic criteria indicated in the CPRE Tranche 2 RFP;
3. If the IA must evaluate Proposals assigned to the Reserve List in order to meet the goals of the Tranche, the Market Participant ("MP") will be advised of the Proposal's ranking relative to the initial Competitive Tier, using the iterative process set forth in the RFP;
4. All Proposals will be considered for inclusion in the Step 2 evaluation based on their net benefit ranking, provided that the Tranche procurement targets are not met with better ranked Proposals, and The MP provides Proposal security in accordance with the terms of the RFP.
5. The Step 2 evaluation will include a calculation of the maximum allowable T&D upgrade costs, based on the Proposal's price decrement below the 20-year levelized Avoided Cost rates identified in the RFP. No Proposal will be eliminated from further consideration if the assigned upgrade costs do not exceed the maximum allowable T&D upgrade costs, even if it has a negative benefit in the IA evaluation. The allowable T&D system upgrade cost will be calculated by present valuing the Proposal's price decrement savings on an hourly basis across the 20-year PPA term using the Proposal's hourly production as provided by the MP, applied to Duke's levelized avoided cost prices posted in the RFP.
6. The IA will include in the Final Report submitted to the North Carolina Utilities Commission ("NCUC") at the conclusion of each Tranche the identity of all projects that were selected and the identity of all projects that withdrew. In addition, the report shall confidentially identify the ranking of all Proposals based on their net benefit, as calculated using the IA evaluation methodology.
7. The IA's Project Sufficiency evaluation team will review the PVSyst information and related workpapers for completeness as submitted by the MP for each Proposal. The

IA's review of the PVSyst data is part of the "reasonableness checks" related to load profile, capacity factor, etc. in evaluating the technical viability of each proposal. The PVSyst information will be provided to Duke for Proposals that are identified as finalists.

Duke evaluation personnel believe that the Company is required under the terms of N.C. Gen. Stat. 62-110.8(b)(2) to contract with Proposals that bid at or below the 20 year levelized Avoided Cost (in each pricing period) identified in the RFP, notwithstanding a determination of net benefit under the IA Evaluation Methodology, if doing so is necessary to achieve the procurement targets established for each tranche during the 45 month CPRE procurement period. The IA understands that the Company continues to support the IA Evaluation Methodology as the appropriate approach to ranking all proposals.