

Kendrick C. Fentress Associate General Counsel

NCRH 20 / P.O. Box 1551 Raleigh, NC 27602

> o: 919.546.6733 c: 919.546.2694

Kendrick.Fentress@duke-energy.com

April 26, 2019

VIA ELECTRONIC FILING

M. Lynn Jarvis, Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

RE: Duke Energy Progress, LLC and Duke Energy Carolinas, LLC's

Compliance Tariffs

Docket Nos. E-2, Sub 1169 and E-7, Sub 1168

Dear Ms. Jarvis:

Pursuant to the Commission's *Order Approving Revised Community Solar Program Plan and Riders*, issued April 4, 2019, please find enclosed for filing Duke Energy Progress, LLC's and Duke Energy Carolinas, LLC's final approved tariffs for the Community Solar Program in the above-referenced dockets.

If you have any questions, please let me know.

Sincerely,

Kendrick C. Fentress

Enclosures

cc: Parties of Record

SHARED SOLAR RIDER SSR-3

AVAILABILITY

Available on a voluntary basis, at the Company's option, to customers receiving service from the Company under a metered residential or nonresidential rate schedule who contract for the purchase of Shared Solar. This program is not available for customers concurrently served under a net metering rider or purchased power agreement.

The Company shall solicit participant interest and establish solar photo-voltaic renewable generation sites within its service territory to provide the Shared Solar service. The generation capacity of each individual site shall be a maximum of 5,000 kW. Each site shall have a minimum of 5 subscribers, with no individual subscriber acquiring in excess of 40% of the site capacity. The aggregate capacity of all sites shall not exceed 20,000 kW. Program availability is limited to customers located within, or in the county immediately adjacent to, the county where the supporting renewable generation source is located. Customers located up to 75 miles from the site may also participate upon specific Commission approval.

APPLICATION PROCESS

Applicants must submit a request for service under the Rider through the Shared Solar portal or other means of communication and identify the requested quantity of Shared Solar blocks. Participation is available on a "first-come-first served basis" based upon the date and time of receipt of the Customer's request.

The generation resource may be acquired either from a dedicated Company asset for use solely by this program or from a Purchase Power Agreement. Energy purchased and/or produced from a Shared Solar facility will not be delivered specifically to the individual Customer contracting for the service under this Rider. Pricing parameters shall be developed based upon the estimated date of first production and a project life of 20 years. An Initial Subscription Charge per Shared Solar customer shall be determined to fully recover program development and other costs to establish each site. A Monthly Subscription Charge per Shared Solar Block shall recover the estimated revenue requirement of the generation over the 20-year generating asset life and related ongoing program cost. The Initial and Monthly Subscription Charges shall be unique to each site. Additionally, a Shared Solar Credit rate for each block at a project site shall be determined based upon the Company's corresponding fixed 20-year long-term avoided cost rate and shall not change during the contract term. The Initial Subscription Charge is not refundable, unless the solar facility is not built; however, cancellation of the project is unlikely once the Company has decided to move forward with a project. A reduced Initial Subscription Charge may apply to new applicants acquiring cancelled subscriptions since fewer than 20 years remain in the contract term. The Shared Solar Credit will be paid to participating customers for 20 years following commercial operation of the generation.

CUSTOMER SUBSCRIPTION

A Shared Solar block shall be 1000 watts_{AC} which is expected to produce an average of 159 kWh per month over the generating asset life. The number of Shared Solar blocks available to a Customer shall not exceed one hundred percent (100%) of the Customer's maximum annual demand.

MONTHLY RATES

The Monthly Subscription Charge shall be the contracted number of blocks times a fixed rate per block that is specific to the generation site. The Monthly Subscription Charge shall be applicable for the 20-year contract term.

The Shared Solar Credit shall be the contracted number of blocks times a fixed long-term avoided energy and capacity rate that is specific to the generation site. The amount of the monthly Shared Solar Credit received by the participant will be variable based on the actual production of the solar facility. The Shared

Rider SSR-3 Sheet 1 of 2 Solar Credit is only payable upon receipt of the Initial Subscription Charge by the Company. The Shared Solar Credit shall be payable for 20 years, unless terminated by the Customer.

RENEWABLE ENERGY CREDITS

All environmental attributes, including but not limited to "renewable energy certificates" (RECs), "renewable energy credits" or "green tags," associated with the solar photovoltaic (PV) generation system shall be retired by the Company for each site on the Customer's behalf. Alternatively, the Customer may elect to own any RECs produced by their subscription, provided that the Customer informs the Company in writing and applies to create, and pays all registration fees associated with, a REC tracking account with the North Carolina Renewable Energy Tracking or a similar system.

GENERAL PROVISIONS

The Customer shall notify the Company in writing at least 30 days prior to discontinuing electric service. The Customer may relocate to an alternate location in the Company's North Carolina service territory and keep their subscription. The subscription ends when the Customer leaves the Company's service territory. Customers may be removed from the program for non-payment of the Monthly Subscription Charge.

CONTRACT PERIOD

The Contract Term for each Shared Solar site shall be twenty (20) years from the date of the first Shared Solar Credit payment under the Rider. Following the expiration of the twenty-year period, the Rider will terminate for all participants under contract for the Shared Solar site with no residual value to participants.

Effective on and after April 4, 2019 NCUC Docket No. E-2, Sub 1169

Rider SSR-3 Sheet 2 of 2

RIDER SSR SHARED SOLAR RIDER (NC)

AVAILABILITY

Available on a voluntary basis, at the Company's option, to customers receiving service from the Company under a metered residential or nonresidential rate schedule who contract for the purchase of Shared Solar. This program is not available for customers concurrently served under a net metering rider or purchased power agreement.

The Company shall solicit participant interest and establish solar photo-voltaic renewable generation sites within its service territory to provide the Shared Solar service. The generation capacity of each individual site shall be a maximum of 5,000 kW. Each site shall have a minimum of 5 subscribers, with no individual subscriber acquiring in excess of 40% of the site capacity. The aggregate capacity of all sites shall not exceed 20,000 kW. Program availability is limited to customers located within, or in the county immediately adjacent to, the county where the supporting renewable generation source is located. Customers located up to 75 miles from the site may also participate upon specific Commission approval.

APPLICATION PROCESS

Applicants must submit a request for service under the Rider through the Shared Solar portal or other means of communication and identify the requested quantity of Shared Solar blocks. Participation is available on a "first-come-first served basis" based upon the date and time of receipt of the Customer's request.

The generation resource may be acquired either from a dedicated Company asset for use solely by this program or from a Purchase Power Agreement. Energy purchased and/or produced from a Shared Solar facility will not be delivered specifically to the individual Customer contracting for the service under this Rider. Pricing parameters shall be developed based upon the estimated date of first production and a project life of 20 years. An Initial Subscription Charge per Shared Solar customer shall be determined to fully recover program development and other costs to establish each site. A Monthly Subscription Charge per Shared Solar Block shall recover the estimated revenue requirement of the generation over the 20-year generating asset life and related ongoing program cost. The Initial and Monthly Subscription Charges shall be unique to each site. Additionally, a Shared Solar Credit rate for each block at a project site shall be determined based upon the Company's corresponding fixed 20-year long-term avoided cost rate and shall not change during the contract term. The Initial Subscription Charge is not refundable, unless the solar facility is not built; however, cancellation of the project is unlikely once the Company has decided to move forward with a project. A reduced Initial Subscription Charge may apply to new applicants acquiring cancelled subscriptions since fewer than 20 years remain in the contract term. The Shared Solar Credit will be paid to participating customers for 20 years following commercial operation of the generation.

CUSTOMER SUBSCRIPTION

A Shared Solar block shall be 1000 watts_{AC} which is expected to produce an average of 159 kWh per month over the generating asset life. The number of Shared Solar blocks available to a Customer shall not exceed one hundred percent (100%) of the Customer's maximum annual demand.

MONTHLY RATES

The Monthly Subscription Charge shall be the contracted number of blocks times a fixed rate per block that is specific to the generation site. The Monthly Subscription Charge shall be applicable for the 20 year contract term.

The Shared Solar Credit shall be the contracted number of blocks times a fixed long-term avoided energy and capacity rate that is specific to the generation site. The amount of the monthly Shared Solar Credit received by the participant will be variable based on the actual production of the solar facility. The Shared Solar Credit is only payable upon receipt of the Initial Subscription Charge by the Company. The Shared Solar Credit shall be payable for 20 years, unless terminated by the Customer.

RENEWABLE ENERGY CREDITS

All environmental attributes, including but not limited to "renewable energy certificates" (RECs), "renewable energy credits" or "green tags," associated with the solar photovoltaic (PV) generation system shall be retired by the Company for each site on the Customer's behalf. Alternatively, the Customer may elect to own any RECs produced by their subscription, provided that the Customer informs the Company in writing and applies to create, and pays all registration fees associated with, a REC tracking account with the North Carolina Renewable Energy Tracking or a similar system.

GENERAL PROVISIONS

The Customer shall notify the Company in writing at least 30 days prior to discontinuing electric service. The Customer may relocate to an alternate location in the Company's North Carolina service territory and keep their subscription. The subscription ends when the Customer leaves the Company's service territory. Customers may be removed from the program for non-payment of the Monthly Subscription Charge.

North Carolina Original Leaf 113 Effective on and after April 4, 2019 NCUC Docket No. E-7, Sub 1168 Order dated April 4, 2019

RIDER SSR SHARED SOLAR RIDER (NC)

CONTRACT PERIOD

The Contract Term for each Shared Solar site shall be twenty (20) years from the date of the first Shared Solar Credit payment under the Rider. Following the expiration of the twenty year period, the Rider will terminate for all participants under contract for the Shared Solar site with no residual value to participants.

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's and Duke Energy Carolinas, LLC's Compliance Tariffs, in Docket Nos. E-2, Sub 1169 and E-7, Sub 1168, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1st Class Postage Prepaid, properly addressed to parties of record.

This the 25th day of April, 2019.

Kendrick C. Fentress

Associate General Counsel

Duke Energy Corporation

P.O. Box 1551 / NCRH 20

Raleigh, NC 27602

Tel 919.546.6733

Fax 919.546.2694

Kendrick.Fentress@duke-energy.com