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November 19, 2019

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC 27699-4300

**RE: CPRE Tranche 2 Stakeholder Meeting Report
Docket Nos. E-2, Sub 1159 and E-7, Sub 1156**

Dear Ms. Campbell:

Pursuant to Ordering Paragraph No. 3 of the Commission's July 2, 2019 *Order Modifying and Accepting CPRE Program Plan*, please find enclosed the Report of the Independent Administrator pertaining to the CPRE Tranche 2 Stakeholder Meeting that was held November 13, 2019.

Please do not hesitate to let me know if you have any questions.

Sincerely,

Jack E. Jirak

Enclosure

cc: Parties of Record

OFFICIAL COPY

Nov 19 2019



**DUKE ENERGY CAROLINAS, LLC
DUKE ENERGY PROGRESS, LLC**

**REPORT OF THE INDEPENDENT ADMINISTRATOR
RE:**

TRANCHE 2 – November 13, 2019 STAKEHOLDER SESSION

DUKE ENERGY CAROLINAS (DEC)

Competitive Procurement of Renewable Energy Program (CPRE)
Request for Proposal (RFP) – 600 MW

DUKE ENERGY PROGRESS (DEP)

Competitive Procurement of Renewable Energy Program (CPRE)
Request for Proposals (RFP) – 80 MW

November 18, 2019

ACCION GROUP, LLC
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Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP) CPRE Tranche 2 Stakeholder Meeting Compliance Report

On July 2, 2019, the North Carolina Utility Commission (“NCUC” or “Commission”) issued an order Modifying and Accepting CPRE Program Plan in Docket E-2, Sub 1159. That order requires Duke Energy Carolinas, LLC (“DEC”), and Duke Energy Progress, LLC (“DEP”) (together, “Duke”) to meet monthly with interested stakeholders to continue discussions with the IA, the Public Staff, and the market participants with the goal of reaching consensus on the documents that will be used in the Tranche 2 CPRE RFP Solicitation and of providing a forum for market participants to gain more detailed information about the solicitation process. Further, Duke is required to file reports detailing the status of these discussions on or before July 15, 2019, and every 30 days thereafter until December 15, 2019. The Independent Administrator (“IA”) provided this report to Duke with regards to the stakeholder meeting held on November 13, 2019.

I. Attendance

STAKEHOLDER SESSION PARTICIPATION November 13, 2019	
Total in Person:	14
Total on Webinar:	52
Total Identifiable Companies:	19
Total Not Identifiable by Company:	12

Attachment A is a list of the firms with representatives either in person or via the webinar for which identification was possible.

II. Subjects Discussed

Attachment B is a copy of the presentation made by Accion Group, LLC, the Independent Administrator and Duke.

III. Areas of Agreement, Disagreement, and Open for Discussion

Attachment C is a list of all questions posed during the Stakeholder session. Written responses to each will be posted on the IA Website. The meeting was conducted as an information session with an open discussion without identified issues to be agreed to by the participants. A complete recording of the meeting was posted on the IA Website on November 14, 2019.

ATTACHMENT A

Attachment A: Firms with Participants – November 13, 2019 Stakeholders Session
Accion Group, LLC
Birdseye Renewable Energy
Community Energy, Inc.
Crisp Law
Cypress Creek Renewables
Duke Energy
Ecoplexus
First Solar
Innogy Renewables
Invenergy, LLC
NC Sustainable Energy Association
NCCEBA
NCUC Public Staff
Nikola Power
Orion Renewables
Pine Gate Renewables
Revolve Power
Strata Solar
X-Elio

ATTACHMENT B

November 13, 2019 Stakeholder Session Presentation



Duke Energy
Competitive Procurement of Renewable Energy (CPRE)
Tranche 2 Stakeholders Session
November 13, 2019



Agenda

- Introduction by Independent Administrator
- Solar Integration Service Charge Discussion
- South Carolina Update
- Avoided Cost: Status Discussion by Duke
- Tranche 2 Schedule
- Proposal Security Notification Process



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Independent Administrator Introduction

- IA conducting the session as permitted by NCUC protocols
 - Duke will not have direct exchanges with bidders until > selections by IA
- To ask questions from webinar, use the “Q&A” feature on the webinar control panel
 - Do not identify yourself or company
 - Follow up written questions encouraged during webinar
 - Use Q&A on RFP website to ask questions > webinar and < bid date
- In-person questions will be answered, but w/o full discussion
- “Open mic” will occur at the end of the session
- Written responses to all questions will be posted on RFP website
 - Written responses should be used when preparing Proposals
- Webinar materials will be posted on the RFP Website
- After webinar, all communication will be through IA Website --
<https://decprerfp2019.accionpower.com>



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Solar Integration Service Charge (SISC) Discussion



4

Solar Integration Service Charge

- Pending a decision by the NCUC
- Comments filed with the NCUC by Duke, the IA, Public Staff, & interested parties



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South Carolina Update



6

South Carolina Update

- South Carolina ORS has raised questions about the CPRE grouping study and the waiver needed from the SC PSC to implement the grouping study for projects located in South Carolina.
 - South Carolina ORS has suggested that timing of decision aligning with interconnection docket to be opened pursuant to Act 62 that is not expected to commence until 2020.
- We believe the earliest possible decision date from SC PSC is December 4 but that is subject to change.



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Tranche 2 Avoided Cost

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Avoided Cost

Indicative Pricing Page on the IA Website Proposal Form

Transmission Avoided Cost
After entering decrement, save to see pricing period rates below.
 (required) Transmission Energy Price decrement from Avoided Cost: \$

All Proposals must be below Avoided Costs

Summer Premium Peak (PM) Avoided Cost \$ 42.70:	42.70 \$/Mwh
Summer On-Peak (PM) Avoided Cost \$ 42.60:	42.60 \$/Mwh
Summer Off-Peak Avoided Cost \$ 36.30:	36.30 \$/Mwh
Winter Premium Peak (AM) Avoided Cost \$ 58.20:	58.20 \$/Mwh
Winter On-Peak (AM) Avoided Cost \$ 44.00:	44.00 \$/Mwh
Winter On-Peak (PM) Avoided Cost \$ 51.20:	51.20 \$/Mwh
Winter Off-Peak Avoided Cost \$ 36.70:	36.70 \$/Mwh
Shoulder On-Peak Avoided Cost \$ 38.80:	38.80 \$/Mwh
Shoulder Off-Peak Avoided Cost \$ 27.90:	27.90 \$/Mwh

Transmission Capacity
 Any Capacity Payment will be at the following rates:

Summer On:	0.00 \$/Mwh
Winter On (AM):	133.10 \$/Mwh
Winter On (PM):	57.10 \$/Mwh
All Other Periods:	0.00 \$/Mwh

Transmission Avoided Cost
After entering decrement, save to see pricing period rates below.
 (required) Transmission Energy Price decrement from Avoided Cost: \$

All Proposals must be below Avoided Costs

Summer Premium Peak (PM) Avoided Cost \$ 42.70:	37.70 \$/Mwh
Summer On-Peak (PM) Avoided Cost \$ 42.60:	37.60 \$/Mwh
Summer Off-Peak Avoided Cost \$ 36.30:	31.30 \$/Mwh
Winter Premium Peak (AM) Avoided Cost \$ 58.20:	53.20 \$/Mwh
Winter On-Peak (AM) Avoided Cost \$ 44.00:	39.00 \$/Mwh
Winter On-Peak (PM) Avoided Cost \$ 51.20:	46.20 \$/Mwh
Winter Off-Peak Avoided Cost \$ 36.70:	31.70 \$/Mwh
Shoulder On-Peak Avoided Cost \$ 38.80:	33.80 \$/Mwh
Shoulder Off-Peak Avoided Cost \$ 27.90:	22.90 \$/Mwh

Transmission Capacity
 Any Capacity Payment will be at the following rates:

Summer On:	0.00 \$/Mwh
Winter On (AM):	133.10 \$/Mwh
Winter On (PM):	57.10 \$/Mwh
All Other Periods:	0.00 \$/Mwh

Tranche 2 Schedule

Tranche 2 Schedule

- Current schedule – Proposals due on December 15, 2019
 - Proposal form will allow submissions following a decision by the NCUC regarding the SISC implementation
 - Proposal form to remain open until COB December 16, 2019
 - The IA recommends allowing for at least 4 hours to complete the bid form prior to submission (after gathering all required materials)
- Possible delay in Proposal Date (subject to NCUC discretion)
 - Q: What would MPs prefer for a Proposal Date?
- Do MPs desire a December 12,2019 CPRE Stakeholder's Meeting?

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Tranche 2 Schedule: Proposal Security

- Proposal Security Requirement
 - Proposal Security is required to be included in Step 2 evaluations
 - Presently, MP has 10 Business Days following notification of advancement to Step 2 Evaluation to provide Proposal Security
 - IA will provide advance notice before this notification
 - Time for MP to review pro-forma Bond & provide draft for review by IA
 - Q: How much advance notice would MPs desire?

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Q&A – OPEN MIC

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Q&A

- You may continue to submit written questions through the IA Website
- Written answers to questions will be posted to the IA Website
- Responses provided during this webinar are preliminary only
 - Written responses posted on the RFP Website are to be used in preparing bids





ATTACHMENT C

November 13, 2019 Stakeholder Session - Questions and Comments

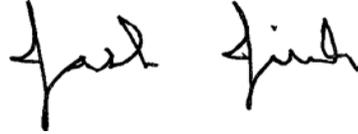
Questions Asked and Comments Proffered at November 13, 2019 Stakeholder Session	
1	If the South Carolina Commission does not approve using the grouping study, will bids be accepted in South Carolina?
2	There is a consensus within NCCEBA that a reasonable delay is necessary.
3	When will avoided cost rates be finalized?
4	The Commission's supplemental notice the decision where they addressed the solar integration charge, extended the window for reviewing the compliance filing made by Duke for 15 days. So Duke would file on November 1 st . If no objections are filed by November 16th, the rate would be effective on Monday the 18th.
5	Regarding the notice of the need to provide Proposal Security, 10 days is too tight; 15 or 20 days would be better.
6	Can you reiterate one more time, on the South Carolina projects, are we not bidding those if they are pre-system impact study or are in system impact study? Are we saying, unlike in Tranche 1, Tranche 2 will not accept South Carolina projects?
7	It's really two-part question. One is may it bid ...the project that has a formed LEO but not yet executed a PURPA PPA and then maintain that LEO if it's not selected in CPRE and the answer those questions I believe in Tranche One was yes, and yes.
8	The representative from NCCEBA informed that the consensus is that a reasonable delay is appropriate and some NCCEBA members think that a two-month delay would be appropriate based on the holidays, what is happening in South Carolina, and then getting a decision about the SISC, so two months would probably be necessary. There are some members who think it should be a little tighter than that and have it be a one month delay. NCCEBA will come up with what consensus for that delay should be one month or two months and provide that information to you after the meeting.
9	We have to just make a decision on whether to add the battery storage to our existing queue position or interconnection agreements and we cannot make that final decision until we know for sure that the SISC is going to be implemented. I guess we would, whether it's a month two months, we just want to make sure that we would have enough time once we submit the change to our queue position for Duke's transmission to acknowledge that change make that effective within position prior to the expiration of that.
10	What will be the process with the Commission of obtaining this delay? My thought would be is that it could be a joint filing of NCCEBA, Duke, the IA, and public staff, or have you thought about how we can get this before the Commission to formalize approval for the delay?
11	In the storage protocol the language states that a discharge must hold constant the output of storage over all capacity hours of a day. It's number six B of the protocols. How does that apply to the winter where there are two capacity periods each day, does the discharge need leveled output over the morning and evening hours versus only the morning or evening hours?

Questions Asked and Comments Proffered at November 13, 2019 Stakeholder Session	
12	Can Duke confirm that the utility would not consider it a material modification to add DC coupled storage prior to execution of a system impact study, as long it doesn't exceed AC capacity rating and it's done prior to the initiation of grouping study or execution of an SIS?
13	One last question is about the December Stakeholder's Meeting about whether that's going to be necessary.
14	[Regarding the December meeting], just want to bring up because it we still have a few moving Parts both with North and the South Carolina Commissions if there is anything unexpected...so we reviewed a possible scenario where we probably want to agree with [a delay] if any of these decisions come down maybe in a way that we had not anticipated.
15	[Regarding the December meeting], I think that completely makes sense to not have a set date for the meeting, but to have the meeting once we have more to discuss and we have those orders.

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's and Duke Energy Carolinas, LLC's CPRE Tranche 2 Stakeholder Meeting Report, in Docket Nos. E-2, Sub 1159 and E-7, Sub 1156, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to parties of record.

This the 19th day of November, 2019.



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