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August 5, 2021

Ms. A. Shonta Dunston  
Interim Chief Clerk  
North Carolina Utilities Commission  
430 N. Salisbury Street  
Raleigh, NC 27603

**Re: Reply Comments  
In the Matter of Petition for Approval of Revisions to Generator  
Interconnection Standards  
NCUC Docket No. E-100, Sub 101**

Dear Ms. Dunston:

On behalf Strata Solar Development, LLC (“Strata”), we hereby submit Reply Comments in Regard to Inspections for Legacy Solar Generating Facilities in the above referenced docket.

Should you have any questions concerning this filing, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads 'Karen M. Kemerait'.

Karen M. Kemerait

pbb

cc: All parties of record

Enclosures

A Pennsylvania Limited Liability Partnership

California Colorado Delaware District of Columbia Florida Georgia Illinois Minnesota Nevada  
New Jersey New York North Carolina Pennsylvania South Carolina Texas Virginia Washington

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-100, SUB 101

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	REPLY COMMENTS OF STRATA
Petition for Approval of Revisions to	)	SOLAR DEVELOPMENT, LLC IN
Generator Interconnection Standards	)	REGARD TO INSPECTIONS FOR
	)	LEGACY SOLAR GENERATING
	)	FACILITIES

NOW COMES Strata Solar Development, LLC (“Strata”), pursuant to the North Carolina Utilities Commission’s (“Commission”) March 9, 2021 *Order Seeking Comments Regarding Generator Inspection Provisions of the North Carolina Generator Interconnection Standards* (“Order Seeking Comments”) and the Commission’s July 26, 2021 *Order Granting Further Extension of Time* issued in the above-captioned docket, and hereby submits these Reply Comments for the Commission’s consideration.

I.

INTRODUCTION

Strata shares Duke Energy Progress, LLC’s (“DEP”) and Duke Energy Carolinas, LLC’s (“DEC”) (collectively, “Duke”) commitment to ensuring the safety and integrity of Duke’s grid, as well as the safe and reliable interconnection and parallel operation with Interconnection Customers,<sup>1</sup> such as the Strata Interconnection Customers.<sup>2</sup> In addition to

<sup>1</sup> See Memorandum of Agreement § 1.a.

<sup>2</sup> Strata Interconnection Customers are defined in Section 2.b of the Memorandum of Agreement as: “Interconnection Customers affiliated with Strata Solar with fully executed Interconnection Agreements (“NC IA”) prior to June 14, 2019 that agree in writing to operate under this MOA by being included on Attachment A to the MOA and adhere to the Self-Administered Compliance Program requirements.”

the substantial commitments made by Strata Interconnection Customers that are described herein, Strata has had—and continues to have—a comprehensive inspection regime for all of its Generating Facilities to ensure the safe and reliable operation of its facilities.

Beginning in January, 2020 in the Technical Standards Review Group (“TSRG”), Duke, Strata, and other stakeholders began developing procedures to implement inspection and commissioning processes for Generating Facilities. As part of the TSRG discussions, a dispute between Duke and other stakeholders arose about whether Duke has the authority to require a self-inspection regime upon Generating Facilities (“Legacy Facilities”) with fully executed Interconnection Agreements that predate the Commission’s June 14, 2019 *Order Approving Revised Interconnection Standard and Requiring Reports and Testimony* (“June 14, 2019 Order”) implementing the revised North Carolina Interconnection Procedures (“NCIP”).

As discussed in Strata’s Initial Comments filed on March 29, 2021, Strata believes—and continues to believe—that Sections 6.5.2 and 6.5.3 of the NCIP (that provide for inspections of Generating Facilities that were not inspected prior to commencing parallel operation with Duke’s systems) do not apply to Legacy Facilities. While Strata does not waive its position that Legacy Facilities are not subject to Sections 6.5.2 and 6.5.3 of the NCIP, Strata has endeavored to find an appropriate and reasonable solution to resolve its and Duke’s differences with respect to the inspection of Legacy Facilities. In early April, 2021, Strata proposed to Duke that Strata and Duke work together to create an appropriate self-administered inspection procedure that would meet the objectives of Sections 6.5.2 and 6.5.3 of the NCIP.

Like Strata, Duke was interested in finding an appropriate solution for inspection of the Legacy Facilities that would be representative of Good Utility Practice.<sup>3</sup> To that end, Strata and Duke have spent countless hours working together—from early April, 2021 until the end of July, 2021—to create the framework for a reasonable self-administered regime to implement periodic medium voltage safety and reliability inspection standards. The culmination of these efforts was the preparation of the Memorandum of Agreement on Optional Procedure to Implement Periodic Medium Construction Safety and Reliability Inspection Requirements under NCIP Sections 6.5.2 and 6.5.3 (“Memorandum of Agreement”) between Duke and Strata Interconnection Customers. The executed Memorandum of Agreement is attached to these Reply Comments. The Memorandum of Agreement serves as the structure for the various documents that will make up Strata Interconnection Customers’ Self-Administered Compliance Program. The Memorandum of Agreement contains the specific terms for Strata Interconnection Customers’ Self-Administered Compliance Program.

Duke believes that the Strata Interconnection Customers’ Self-Administered Compliance Program will satisfy compliance with the Initial Inspection and Periodic Inspection requirements in Sections 6.5.2 and 6.5.3 of the NCIP, and that the program will ensure the safe and reliable operation of the Legacy Facilities.<sup>4</sup> Duke submits that the Self-Administered Compliance Program is representative of Good Utility Practice for Legacy Facilities.<sup>5</sup>

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<sup>3</sup> See Memorandum of Agreement § 1.e.

<sup>4</sup> See Memorandum of Agreement §§ 3.a and 3.b.

<sup>5</sup> See Memorandum of Agreement § 1.e.

Strata shares Duke's belief that the Strata Interconnection Customers' Self-Administered Compliance Program will provide Duke with assurance of the continued safe and reliable operation of Legacy Facilities interconnected to Duke's distribution systems.<sup>6</sup> The Memorandum of Agreement contains detailed requirements and safeguards for inclusion in the Self-Administered Compliance Program, which will ensure the appropriate operation of the Legacy Facilities.

## II.

### SELF-ADMINISTERED COMPLIANCE PROGRAM

The Memorandum of Agreement describes the Initial Inspections and Periodic Inspections that are part of the Strata Interconnection Customers' Self-Administered Compliance Program. The Memorandum of Agreement also details the documents that will be developed by Strata and Duke and will comprise the Self-Administered Compliance Program. The documents that will be developed in accordance with the terms and conditions of the Memorandum of Agreement include: the Self-Administered Compliance Program; the DER Functional Settings Guidance Document; the Comprehensive Construction Specifications for Point of Interconnection ("POI") Facilities; the Critical Components List; and the Right-of-Way Maintenance Guidance Document. Not only does the Memorandum of Agreement dictate the contents of the documents to be prepared, but it describes which party (Strata or Duke) is responsible for preparing the documents and the time period for preparation of the documents.

The Memorandum of Agreement provides that Strata Interconnection Customers are responsible for developing the Self-Administered Compliance Program that meets the

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<sup>6</sup> See Memorandum of Agreement § 3.b.

objectives and requirements of the Memorandum of Agreement within 180 Calendar Days after execution of the Memorandum of Agreement.<sup>7</sup> Once the Self-Administered Compliance Program is finalized, Duke will work with Strata Interconnection Customers to implement the Self-Administered Compliance Program.<sup>8</sup> The Memorandum of Agreement provides for notice and a remedial period should Duke identify any deficiencies in Strata Interconnection Customers' execution and administration of the Self-Administered Compliance Program, and termination of the Self-Administered Compliance Program if Strata Interconnection Customers fail to remedy the noticed deficiencies.<sup>9</sup>

**A. Initial Inspections**

The Initial Inspections by Strata Interconnection Customers as part of the Self-Administered Compliance Program involve inspections of the inverter and interconnection device settings for the Legacy Facilities.<sup>10</sup> Specifically, Section 6.a of the Memorandum of Agreement requires Strata Interconnection Customers to perform Initial Inspections of inverter and interconnection device settings for all Legacy Facilities, as soon as practicable, with a target completion timeframe of three years after execution of the Memorandum of Agreement. Strata Interconnection Customers shall provide documentation to Duke of compliance with the applicable inverter and interconnection device settings set forth in the North Carolina Interconnection Agreement ("NC IA") within 30 Calendar Days of completion of the Initial Inspections.

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<sup>7</sup> See Memorandum of Agreement § 3.b. Further, unless otherwise specified, each period of time mentioned subsequently herein is measured in Calendar Days from the date of execution of the Memorandum of Agreement.

<sup>8</sup> See Memorandum of Agreement § 3.b.

<sup>9</sup> See Memorandum of Agreement § 3.b.

<sup>10</sup> See Memorandum of Agreement § 6.

Also as part of the Initial Inspection process, Duke, in good faith collaboration with Strata Interconnection Customers, will develop a list of the critical components to be validated on the single-line diagrams (“SLDs”) (“Critical Components List”). Duke and Strata Interconnection Customers will complete the Critical Components List within 120 days. Strata Interconnection Customers will then validate the SLDs of all Legacy Facilities, and document the Duke POI right-of-way access for Duke personnel.<sup>11</sup> When validating the SLDs of all Legacy Facilities, Strata Interconnection Customers may consider installed critical components which differ from what is shown on the SLDs, but for which the difference in specifications from what is indicated on the SLD does not constitute a material impact on the safety or reliability of Duke’s system, to be in compliance with the NCIP.

#### **B. Periodic Inspections**

After completion of the Initial Inspections, Strata is required to perform Periodic Inspections for the Outside-the-Fence Facilities at least once every five years.<sup>12</sup> Outside-the-Fence Facilities are defined in the Memorandum of Agreement as:

Interconnection Facilities and related equipment which are owned by Strata Interconnection Customers and are located in areas accessible to the general public or local landowners. This does not include Strata Interconnection Customers’ facilities located inside fenced or controlled areas.<sup>13</sup>

The purpose of the Periodic Inspections is to ensure that the Outside-the-Fence Facilities continue to meet Duke’s construction specifications for the Strata Interconnection

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<sup>11</sup> See Memorandum of Agreement § 6.b.

<sup>12</sup> See Memorandum of Agreement § 7.a.

<sup>13</sup> See Memorandum of Agreement § 2.d.

Customers' POI Outside-The-Fence Facilities and requirements for maintenance of rights-of-way access for Duke POI facilities.<sup>14</sup>

1. Adherence to DER Functional Settings Compliance Document

Strata Interconnection Customers are required to adhere to the DER Functional Settings Compliance Document in completing the Periodic Inspections, including confirming the settings of the Legacy Facilities' inverters, relays, and grid control devices. Strata Interconnection Customers are also required to perform "cease-to energize tests" (*i.e.*, "anti-islanding tests") as part of the scope of their Periodic Inspections of Outside-The-Fence Facilities.

2. Adherence to Duke's Comprehensive Construction Specifications

Duke will provide, within 120 days, comprehensive construction specifications (a subset of the Duke Energy Distribution Standards Manual) in effect as of July 1, 2021 to Strata Interconnection Customers for the Legacy Facilities' POI Outside-The-Fence Facilities. Strata Interconnection Customers will evaluate whether the Outside-the-Fence Facilities adhere to these specifications and identify any needed corrective actions in their inspections. Strata Interconnection Customers are required to perform Outside-The-Fence Facility inspections as soon as practicable, with a target completion timeframe of five years.

3. Maintenance of Right-of-Way Access for Duke POI Facilities

Duke will provide to Strata Interconnection Customers, within 120 days, guidance documentation for right-of-way access and maintenance for Duke POI

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<sup>14</sup> See Memorandum of Agreement § 7.a.

facilities. Strata Interconnection Customers will then provide information to Duke about Strata Interconnection Customers' preventive maintenance for rights-of-way access for which they have legal control of Duke POI facilities. Strata Interconnection Customers must provide this information to Duke within 120 Calendar Days after the date that Duke provides its guidance documentation to them.<sup>15</sup> In addition, Strata Interconnection Customers are required to provide photographic documentation to Duke that right-of-way access for Duke POI facilities is being properly maintained in a manner consistent with Duke's standards and requirements. Strata Interconnection Customers will complete the validation process of their maintenance of right-of-way access for Duke POI facilities within five years.<sup>16</sup>

### **C. Compliance Audit Rights**

Duke has the right to require a compliance audit of any Outside-the-Fence Facilities for Strata Interconnection Customers in the event of any adverse operating effects or customer complaints based on adverse operating effects.<sup>17</sup> Strata Interconnection Customers must fully cooperate with Duke to resolve any identified deficiencies in the Strata Interconnection Customers' Self-Administered Inspection Program within 30 Calendar Days of written notice from Duke, and they will be responsible for Duke's costs of any compliance audit.<sup>18</sup>

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<sup>15</sup> See Memorandum of Agreement § 8.c.

<sup>16</sup> See Memorandum of Agreement § 8.b.

<sup>17</sup> See Memorandum of Agreement § 9.

<sup>18</sup> See Memorandum of Agreement § 9.

### III.

#### CONCLUSION

As stated above, Strata remains committed to continuing to provide safe, high-quality, and reliable power to North Carolina's consumers from its Generating Facilities, including its Legacy Facilities. Strata's and Duke's extensive work to develop a reasonable Self-Administered Compliance Program—that will meet the objectives of Sections 6.5.3 and 6.5.4 of the NCIP—will ensure the continued safe and reliable operation of Legacy Facilities for years to come.

Strata respectfully requests that the Commission take note of the Self-Administered Compliance Program that Strata and Duke created for Strata Interconnection Customers as an appropriate and reasonable mechanism for achieving the aims of Sections 6.5.3 and 6.5.4 of the NCIP and, further, as a responsible result in resolving this dispute between Strata and Duke and avoiding the need for further proceedings.

Strata's counsel shared the Memorandum of Agreement with counsel for the Public Staff and Carolinas Clean Energy Business Association ("CCEBA"), and has had several discussions with them to explain the Memorandum of Agreement and answer their questions. Both Strata and Duke believe that the Self-Administered Compliance Program is an important program for compliance with the Initial Inspection and Periodic Inspection requirements in Sections 6.5.2 and 6.5.3 of the NCIP, and that the program will ensure the safe and reliable operation of the Legacy Facilities. Due to the importance of the Strata Interconnection Customers' Self-Administered Compliance Program, Strata

respectfully requests the opportunity to file brief supplemental reply comments, if necessary, to address any comments made by other parties in their reply comments.

Respectfully submitted this 5th day of August, 2021.

/s/ Karen M. Kemerait  
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*Attorneys for Strata Solar Development, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing **REPLY COMMENTS** by first class mail deposited in the U.S. mail, postage pre-paid, or by email transmission to all parties of record.

This the 5th day of August, 2021.

/s/ Karen M. Kemerait  
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*Attorneys for Strata Solar Development, LLC*

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Aug 05 2021

August 3, 2021

Memorandum of Agreement on Optional Procedure to Implement Periodic Medium Voltage Construction Safety and Reliability Inspection Requirements under NCIP Sections 6.5.2 and 6.5.3

This Memorandum of Agreement is entered into and agreed to by and between Duke Energy Carolinas, LLC ("DEC"), Duke Energy Progress, LLC ("DEP" and collectively with DEC, "Duke" or "Utilities"), and Strata Interconnection Customers as defined herein and listed on Attachment A, and together with Duke (the "Parties") (the "MOA"). The MOA memorializes the Parties' agreement regarding a reasonable optional self-administered procedure to implement periodic medium voltage construction safety and reliability inspection requirements under Sections 6.5.2 and 6.5.3 of the North Carolina Interconnection Procedures effective on June 14, 2019 ("NCIP").

**1. Background**

- a. Duke is responsible for ensuring safe and reliable power system operations, including ensuring reliable power delivery to retail customers as well as reliable interconnection and parallel operation with Interconnection Customers. This includes overseeing the Generating Facility commissioning inspection as well as certain periodic post-commissioning inspections of interconnected Generating Facilities' medium voltage equipment under NCIP Sections 6.5.2 and 6.5.3.
- b. NCIP Section 6.5.2 provides that the Utilities are authorized to conduct an initial inspection of the medium voltage AC side of each Generating Facility (including assessing that the anti-islanding process is operational) that was not inspected prior to commencing parallel operation ("Initial Inspection"). NCIP Section 6.5.3 provides that the Utilities shall also be entitled, on a periodic basis, to inspect the medium voltage AC side of each interconnected Generating Facility on a reasonable schedule determined by the Utility in accordance with the inspection cycles applicable to its own distribution system ("Periodic Inspections"). Interconnection Customers are responsible for Duke's costs of implementing Initial Inspection and Periodic Inspection requirements of the NCIP.<sup>1</sup>
- c. Duke believes that Sections 6.5.2 and 6.5.3 apply to Legacy Facilities, as further defined herein, whereas Strata Interconnection Customers believe that Sections 6.5.2 and 6.5.3 do not apply to Generating Facilities that have executed Interconnection Agreements prior to June 14, 2019, the effective date of the NCIP. Despite those differences of opinion, the Parties wish to enter into this MOA to resolve the issues between the Parties.
- d. Since January 2020, Duke, Strata Solar, LLC ("Strata Solar") on behalf of Strata Interconnection Customers, and other Technical Standards Review Group ("TSRG") participants have been developing procedures to implement the inspection and commissioning processes. Technical representatives of Duke and Strata Solar on behalf of Strata Interconnection Customers have engaged in further discussions

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<sup>1</sup> These provisions were incorporated into the NCIPs as of June 14, 2019. See *Order Approving Revised Interconnection Standard and Requiring Reports and Testimony*, Docket No. E-100, Sub 101 (June 14, 2019).

outside of the TSRG regarding an optional self-administered procedure to meet the objectives and requirements of NCIP Sections 6.5.2 and 6.5.3. The Parties agree that a properly implemented “Self-Administered Compliance Program” designed to ensure the operational integrity of Legacy Facilities will meet the Initial Inspection and Periodic Inspection requirements of the NCIP.

- e. The Utilities support the optional Self-Administered Compliance Program agreed to with Strata Interconnection Customers in this MOA as representative of Good Utility Practice for Legacy Facilities. Through the TSRG, Duke will inform other Interconnection Customers of the option to commit to a Self-Administered Compliance Program substantially similar to, but in no event with lesser requirements than that agreed to in and pursuant to this MOA.

## 2. Definitions

- a. Terms used in this MOA that are not defined herein shall be interpreted consistent with Attachment 1 of the NCIP.
- b. “Strata Interconnection Customers” – Interconnection Customers affiliated with Strata Solar with fully executed Interconnection Agreements (“NC IA”) prior to June 14, 2019 that agree in writing to operate under this MOA by being included on Attachment A to the MOA and adhere to the Self-Administered Compliance Program requirements. Strata Interconnection Customers will provide Attachment A to Duke within 10 Calendar Days after the date that the Parties execute the MOA. The Parties agree that Strata Interconnection Customers can update Attachment A in the event that the list of Legacy Facilities is incomplete or incorrect.
- c. “Legacy Facilities” – Distribution-connected Generating Facilities owned by Strata Interconnection Customers.
- d. “Outside-The-Fence Facilities” – Interconnection Facilities and related equipment which are owned by Strata Interconnection Customers and are located in areas accessible to the general public or local landowners. This does not include Strata Interconnection Customers’ facilities located inside fenced or controlled areas.

## 3. General Principles of Agreement

- a. Adherence to NCIP Sections 6.5.2 and 6.5.3. Duke and the Strata Interconnection Customers agree that the terms of this MOA will satisfy compliance with NCIP Sections 6.5.2 and 6.5.3.
- b. Self-Administered Compliance Program. Duke agrees that a reasonable Periodic Inspection program for Outside-The-Fence Facilities, as proposed by Strata Interconnection Customers and upon written acceptance by Duke, can provide the Utilities with reasonable assurance of the continued safe and reliable operations of medium voltage equipment at Legacy Facilities interconnected to the DEC and DEP distribution systems. Strata Interconnection Customers agree to develop a Self-Administered Compliance Program meeting the objectives and requirements

described in Sections 4 through 8 of this MOA within 180 Calendar Days, and Duke agrees to continue to work with Strata Interconnection Customers to implement the Self-Administered Compliance Program. The Self-Administered Compliance Program will provide that in the event that Duke identifies any deficiencies in the execution and administration of the Self-Administered Compliance Program, Duke will provide Strata Interconnection Customers with written notice and a reasonable period of not less than 30 Calendar Days to cure any such deficiencies before terminating Duke's acceptance of this Self-Administered Compliance Program as meeting the requirements of NCIP Sections 6.5.2 and 6.5.3.

- c. Interconnection Agreements not modified. Duke and Strata Interconnection Customers agree that the terms and conditions of each Strata Interconnection Customer's NC IA shall remain in full force and effect and shall not be modified or superseded by the terms of this MOA. The Utilities reserve all rights under the NC IA to disconnect the Generating Facility should DEC or DEP determine, at any time consistent with Good Utility Practice, that disconnection is warranted to address an Emergency Condition or an adverse operating effect, as those terms are defined or used in the NC IA.

#### **4. DER Functional Settings Guidance Document**

- a. Within 120 Calendar Days after the date that the Parties execute this MOA, Duke, in good faith collaboration with Strata Interconnection Customers, will develop a distributed energy resource ("DER") inverter and interconnection devices functional settings compliance document ("DER Functional Settings Guidance Document") to establish minimum acceptable standards for purposes of DER functional settings compliance as a subset of the overall Self-Administered Compliance Program. This DER Functional Settings Guidance Document shall encompass the following elements:
  - i. Detail generally applicable requirements for settings of inverters and other interconnection devices as specified in the NC IA for purposes of Initial Inspections and Periodic Inspections.
  - ii. Define the Interconnection Customer's responsibility for (a) maintaining proper settings in inverters and other interconnection devices in accordance with the DER Functional Settings Guidance Document's requirements, (b) reporting setting changes, and (c) maintaining data or evidence of compliance.
  - iii. Define minimum standards for DER functional settings inspections as a component of an acceptable Self-Administered Compliance Program monitoring and assessment process.

#### **5. Adherence to Duke Construction Specifications for POI Facilities**

- a. Within 120 Calendar Days after the date that the Parties execute this MOA, Duke will provide comprehensive construction specifications in effect on July 1, 2021 to Strata Interconnection Customers for the Legacy Facilities' points of interconnection

("POI") Outside-The-Fence Facilities, which is a subset of the Duke Energy Distribution Standards Manual.

- b. Strata Interconnection Customers will evaluate adherence to Duke's comprehensive construction specifications and identify any needed corrective actions in its Outside-The-Fence Facilities inspections. In adhering to Duke's specifications, Strata Interconnection Customers may use components from any manufacturer which meet or exceed the specifications of Duke-specified components. Strata Interconnection Customers will perform Outside-The-Fence Facility inspections as soon as practicable, with a target completion timeframe of 5 years after the date that the Parties execute this MOA.

#### **6. Initial Inspections under Self-Administered Compliance Program**

- a. Strata Interconnection Customers will perform Initial Inspections of applicable inverter and interconnection device settings for all Legacy Facilities, as soon as practicable, with a target completion timeframe of 3 years after the date that the Parties execute this MOA. Within 120 Calendar Days after the date that the Parties execute this MOA, Strata Interconnection Customers shall provide to Duke an initial schedule for these Initial Inspections during the target 3-year timeframe and shall issue updates on the status of the Initial Inspections to Duke twice annually until the Initial Inspections have been completed. For each Legacy Facility, the Strata Interconnection Customer shall provide reasonable written supporting documentation, attested to by the Strata Interconnection Customer, to Duke of compliance with the applicable inverter and interconnection device settings set forth in the NC IA within 30 Calendar Days of completion of the Initial Inspection.
- b. As part of the Initial Inspection process, Strata Interconnection Customers will perform a one-time effort to (a) validate the single-line diagram ("SLD") of all Legacy Facilities, and (b) document the Duke POI right-of-way access for Duke personnel. When validating the SLD of all Legacy Facilities, Strata Interconnection Customers shall consider installed critical components which differ from what is shown on the SLD, but for which the difference in specifications from what is indicated on the SLD do not constitute a material impact on safety or reliability of the Utility's system, in compliance with the NCIP. Duke, in good faith collaboration with, Strata Interconnection Customers will define a list of the critical components to be validated on the SLDs ("Critical Components List"). Duke and Strata Interconnection Customers commit to completion of this Critical Components List within 120 Calendar Days after the date that the Parties execute this MOA.

#### **7. Periodic Inspections under Self-Administered Compliance Program**

- a. Periodic Inspections shall be completed after the Initial Inspections for the Outside-The-Fence Facilities at least once every 5 years. Strata Interconnection Customers will perform Periodic Inspections to ensure that the Outside-the-Fence Facilities continue to meet Duke construction specifications for Strata Interconnection

Customers' POI Outside-The-Fence Facilities and requirements for maintenance of rights-of-way access for Duke POI facilities, as otherwise provided in this MOA.

- b. Strata Interconnection Customers will adhere to the DER Functional Settings Compliance Document in completing Periodic Inspections, including confirming through remote query or direct field acquisition, settings of the Legacy Facility's inverters, relays, and grid control devices.
- c. Strata Interconnection Customers will perform a "cease-to energize test" (aka an "anti-islanding test") as part of the scope of its Periodic Inspection of Outside-The-Fence Facilities. Duke and Strata Interconnection Customers will work together to further identify the best approach of requiring and performing this anti-islanding test. Duke and Strata Interconnection Customers commit to completion of such best approach within 120 Calendar Days after the date that the Parties execute this MOA.

#### **8. Maintenance of Right-Of-Way Access for Duke POI facilities**

- a. Within 120 Calendar Days after the date that the Parties execute the MOA, Duke shall provide Strata Interconnection Customers with guidance documentation for right-of-way access and maintenance for Duke POI facilities. The right-of-way guidance documentation shall be consistent with the access and maintenance requirements applicable to Duke facilities and rights-of-way for Duke facilities.
- b. Strata Interconnection Customers will provide one-time photographic documentation to Duke that right-of-way access for Duke POI facilities is being properly maintained in a manner consistent with Duke standards and requirements. Strata Interconnection Customers will complete the validation process within 5 years after the date that the Parties execute this MOA.
- c. As part of Strata Interconnection Customers' Self-Administered Compliance Program, Strata Interconnection Customers will include information about preventive maintenance for rights-of-way access for which Strata Interconnection Customers have legal control for Duke POI facilities, consistent with Duke's standards and requirements set forth in the guidance documentation to be provided pursuant to Section 8.a. above. Strata Interconnection Customers commit to completion of this task within 120 Calendar Days after the date that Duke provides its guidance documentation pursuant to Section 8.a. above.

#### **9. Compliance Audit Procedures under Self-Administered Compliance Program**

In addition to all rights under the NC IA, Duke has the right to require a compliance audit of any Outside-the-Fence Facilities for Strata Interconnection Customers participating in the Self-Administered Inspection Program in the event of adverse operating effects or customer complaints based on adverse operating effects, as that term is used in Section 3.4.4 of the NC IA. Strata Interconnection Customers shall fully cooperate with Duke to resolve any identified deficiencies in Strata Interconnection Customers' Self-Administered Inspection Program within 30 Calendar Days of written notice from Duke. Strata Interconnection Customers will be

responsible for Duke’s costs of any compliance audit required under this Section, as provided for in NCIP Sections 6.5.3 and 6.5.4.

**10. Enforceability**

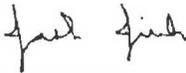
This MOA requires several executory tasks to fully implement the terms and conditions of this MOA, including (a) Strata Interconnection Customers to develop the Self-Administered Compliance Program subject to Duke’s review and acceptance, (b) Duke to develop the DER Functional Settings Guidance Document in good faith collaboration with Strata Interconnection Customers, (c) Duke to provide comprehensive construction specifications in effect on July 1, 2021 to Strata Interconnection Customers for Outside-The-Fence Facilities, (d) Duke to develop the Critical Components List in good faith collaboration with Strata Interconnection Customers, (e) Duke and Strata Interconnection Customers to work together to identify the best approach to performing anti-islanding testing, and (f) Duke to provide Strata Interconnection Customers with guidance documentation for right-of-way access and maintenance of Duke POI facilities. In the event that the Parties are unable to reach agreement, where agreement is required, or the resulting document or requirement is not acceptable to the recipient party, where agreement is not required, either party may, by written notice to the other party, terminate this MOA, and the Parties will be released from all obligations thereunder.

**11. Limitation**

This MOA is limited to meeting the objectives and requirements of NCIP Sections 6.5.2, 6.5.3, and 6.5.4 and shall not be used or cited for any other purpose. For the avoidance of doubt, nothing in this MOA or in any document or agreement contemplated by this MOA shall be deemed to subject Strata Interconnection Customers or any Legacy Facilities to the 2019 NCIP or any portion thereof to which such Legacy Facility has not otherwise been made subject as provided for in this MOA.

IN WITNESS WHEREOF, the Parties have signed, executed, and agreed to the foregoing Memorandum of Agreement on this 3<sup>rd</sup> day of August, 2021.

Duke Energy Carolinas, LLC and Duke Energy Progress, LLC

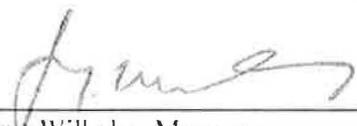
By:   
\_\_\_\_\_  
Jack E. Jirak  
Deputy General Counsel

Strata Solar, LLC, in its authorized capacity on behalf of the Strata Interconnection Customers identified in Attachment A

By: Strata Manager, LLC, the Manager of each

August 3, 2021

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By:   
\_\_\_\_\_  
Markus Wilhelm, Manager

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Aug 05 2021

ATTACHMENT A

Strata Interconnection Customers Participating in Self- Administered Compliance Program

<u>Interconnection Customer:</u>	<u>Interconnecting Utility:</u>	<u>Queue Number:</u>	<u>Target Date for Initial Inspection</u>