

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

**STAFF CONFERENCE [AGENDA](#)  
July 12, 2021**

***IMPORTANT NOTE: STAFF CONFERENCE  
WILL BE CONDUCTED VIA WEBEX.  
INSTRUCTIONS FOR PARTICIPATION AND A LINK TO VIEW  
THE MEETING WILL BE POSTED ON THE COMMISSION'S  
WEBSITE, NCUC.NET***

**COMMISSION STAFF**

NO AGENDA ITEMS

**PUBLIC STAFF**

**D. ELECTRIC**

- P1. APPLICATION FOR CERTIFICATES OF PUBLIC CONVENIENCE AND  
NECESSITY TO CONSTRUCT SOLAR FACILITIES
- P2. DOCKET NO. E-34, SUB 52 – NEW RIVER LIGHT AND POWER COMPANY –  
PETITION FOR APPROVAL OF RENEWAL ENERGY RIDER **EXHIBIT NO. P-1**

TO: Agenda – Commission Conference – July 12, 2021

FROM: PUBLIC STAFF – North Carolina Utilities Commission

## **D. ELECTRIC**

### **P1. APPLICATION FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES**

EXPLANATION: The following applications are for amended certificates of public convenience and necessity for construction of solar photovoltaic (PV) electric generating facilities, pursuant to N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

#### Duke Energy Carolinas:

- Docket No. SP-8774, Sub 0 – Application of Aquadale Solar, LLC, for an amended certificate of public convenience and necessity to construct a 50-MW solar PV generating facility in Rutherford County, North Carolina. An amendment is requested because (i) land has been added to the facility and (ii) control of the project changed on December 29, 2020. (registration statement issued previously)

#### Duke Energy Progress:

- Docket No. SP-8056, Sub 0 – Application of Homer Solar, LLC, for an amended certificate of public convenience and necessity to construct a 70.2-MW solar PV generating facility in Richmond and Montgomery Counties, North Carolina. An amendment is requested because (i) land has been added to the facility, (ii) the size of the project has been reduced from 75-MW to 70.2-MW, and (iii) control of the project changed on April 13, 2021. (amended registration statement)

The Public Staff has reviewed the applications and determined that they comply with the requirements of N.C.G.S. § 62-110.1 and Commission Rule R8-64.

The original CPCNs were issued on April 18, 2017 (SP-8774, Sub 0) and September 19, 2016 (SP-8056, Sub 0), and expire five years thereafter if construction has not begun unless they are revoked, pursuant to Commission Rule R8-64(d)(1), or renewed, pursuant to Commission Rule R8-64(d)(2). The requested amendments will not extend, or otherwise alter, the term of the CPCNs.

RECOMMENDATION: (Metz) That the Commission issue orders approving the applications and issuing the requested amended certificates for the facilities. Proposed orders have been provided to the Commission Staff.

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P2. DOCKET NO. E-34, SUB 52 – NEW RIVER LIGHT AND POWER COMPANY –  
PETITION FOR APPROVAL OF RENEWAL ENERGY RIDER

EXPLANATION: On July 6, 2021, Appalachian State University, d/b/a New River Light and Power Company (NRLP), filed a petition requesting approval of a Renewable Energy Rider (Rider RER). In support of its petition, NRLP states that it has received multiple requests from its customers to provide an option for the purchase of renewable energy. In 2020, NRLP conducted a survey that indicated 76% of residential customers and 30% of commercial customers were willing to pay a premium for NRLP to purchase renewable energy, and 65% of the residential customers were willing to pay \$5.00 more a month for 30% of their monthly energy consumption to be provided by renewable energy. NRLP further states that, as part of its new power supply contract with Carolina Power Partners beginning on January 1, 2022, it will have the ability to purchase on the wholesale market designated quantities of energy from renewable energy resources as part of its overall energy supply.

Rider RER will allow NRLP to offer all of its retail customers an option to purchase blocks of energy from renewable energy resources (Blocks). This option would cost participating customers an additional \$5.00 per month for each Block purchased. A single Block for the initial offering year is anticipated to equate to 250 kWh per month. Participation in the Rider RER program will be voluntary and will not change NRLP's base rates and charges approved by the Commission, which will continue to be paid by all customers. The renewable energy purchased pursuant to Rider RER will displace energy that would have otherwise been purchased pursuant to NRLP's power supply contract.

NRLP will maintain a deferred account for the aggregate incremental difference between the cost of energy purchased from renewable energy resources by NRLP to be provided pursuant to Rider RER (and the direct cost of administering the Rider RER program) and the actual cost of energy purchased pursuant to its power supply contract for all other load to customers served by NRLP. Any difference between the revenues received and the actual costs paid for renewable energy resources will be applied as an annual true-up at the end of each calendar year to adjust the size of the Block for the following year. The annual true-up process will ensure that only revenue received from participating customers under Rider RER will be used to pay the actual renewable energy resources cost differential incurred by NRLP. The true-up will not result in annual bill adjustments for customers.

NRLP states that it proposes to begin marketing the Rider RER program when it is approved by the Commission and for Rider RER to be effective and available to participating customers on and after July 15, 2021. This will enable new customers opening accounts prior to the beginning of the academic year of Appalachian State University to be eligible to participate in the program.

NRLP will file in this docket as part of the annual true-up process reports of participation in the Rider RER program, including the number of participants and number of Blocks purchased, the status of the deferred account and adjustment to the Block size, and information regarding NRLP's wholesale purchases under the Rider RER program to meet the demand.

The Public Staff notes that NRLP will calculate the actual Block size at true-up by dividing the amount of renewable energy purchased for the year by the number of Blocks purchased by participating customers for the year. The Public Staff further notes that due to the possible variability in the number of Blocks purchased throughout the year, the actual Block size may differ from the expected Block size. The Public Staff recommends that any marketing materials NRLP provides to its customers for Rider RER that references an expected Block size value clearly indicate that the expected Block size may vary from the actual Block size calculated in the true-up. The Public Staff further recommends that NRLP include in any marketing materials and on its website information on the type of generation source of renewable energy resource that it intends to purchase for Rider RER. The Public Staff shared these recommendations with NRLP and it has reviewed these recommendations and stated that it does not have any objections.

EXHIBIT: A proposed order is attached as [Exhibit No. P-1](#).

RECOMMENDATION: (Saillor/Lawrence/Holt) That the Commission issue the proposed order approving the Renewable Energy Rider as filed, subject to the recommendations discussed above.

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**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-34, SUB 52

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Petition of Appalachian State University,            )  
d/b/a New River Light and Power Company        )  
for Approval of Renewable Energy Rider            )

ORDER APPROVING  
RENEWABLE ENERGY RIDER

BY THE COMMISSION: On July 6, 2021, Appalachian State University, d/b/a New River Light and Power Company (NRLP), filed a petition requesting approval of a Renewable Energy Rider (Rider RER). In support of its petition, NRLP stated that it has received multiple requests from its customers to provide an option for the purchase of renewable energy. In 2020, NRLP conducted a survey that indicated 76% of residential customers and 30% of commercial customers were willing to pay a premium for NRLP to purchase renewable energy, and 65% of the residential customers were willing to pay \$5.00 more a month for 30% of their monthly energy consumption to be provided by renewable energy. NRLP further stated that, as part of its new power supply contract with Carolina Power Partners beginning on January 1, 2022, it will have the ability to purchase on the wholesale market designated quantities of energy from renewable energy resources as part of its overall energy supply.

Rider RER will allow NRLP to offer all of its retail customers an option to purchase blocks of energy from renewable energy resources (Blocks). This option would cost participating customers an additional \$5.00 per month for each Block purchased. A single Block for the initial offering year is anticipated to equate to approximately 250 kWh per month. Participation in the Rider RER program will be voluntary and does not change NRLP's base rates and charges approved by the Commission, which will continue to be paid by all customers. The renewable energy purchased pursuant to Rider RER will displace energy that would have otherwise been purchased pursuant to NRLP's power supply contract.

NRLP will maintain a deferred account for the aggregate incremental difference between the cost of energy purchased from renewable energy resources by NRLP to be provided pursuant to Rider RER (and the direct cost of administering the Rider RER program) and the actual cost of energy purchased pursuant to its power supply contract for all other load to customers served by NRLP. Any difference between the revenues received and the actual costs paid for renewable energy resources will be applied as an annual true-up at the end of each calendar year to adjust the size of the Block for the following year. The annual true-up process will ensure that only revenue received from

participating customers under Rider RER will be used to pay the actual renewable energy resources cost differential incurred by NRLP. The true-up will not result in annual bill adjustments for customers.

NRLP stated that it proposes to begin marketing the Rider RER program when it is approved by the Commission and for Rider RER to be effective and available to participating customers on and after July 15, 2021. This will enable new customers opening accounts prior to the beginning of the academic year of Appalachian State University to be eligible to participate in the program.

NRLP will file in this docket as part of the annual true-up process reports of participation in the Rider RER program, including the number of participants and number of Blocks purchased, the status of the deferred account and adjustment to the Block size, as well as information regarding NRLP's wholesale purchases under the Rider RER program to meet the demand.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on July 12, 2021. The Public Staff noted that NRLP will calculate the actual Block size at true-up by dividing the amount of renewable energy purchased for the year by the number of Blocks purchased by participating customers for the year. The Public Staff further noted that due to the variations in the number of Blocks purchased throughout the year, the actual Block size may differ from the expected Block size. The Public Staff recommended that any marketing materials NRLP provides to its customers for Rider RER that references an expected Block size value clearly indicate that the expected Block size may vary from the actual Block size calculated in the true-up. The Public Staff further recommended that NRLP include in any marketing materials and on its website information on the type of generation source of renewable energy resource that it intends to purchase for Rider RER. The Public Staff stated that NRLP has reviewed these recommendations and does not have any objection.

Based on the foregoing, the Commission finds good cause to approve Rider RER as filed by NRLP, subject to the Public Staff's recommendations noted above.

IT IS, THEREFORE, ORDERED as follows:

1. That NRLP's Renewable Energy Rider shall be, and is hereby, approved as filed;
2. That NRLP shall file an annual true-up for the Rider RER at the same time it files for a purchased power adjustment, starting in 2023; and
3. That any marketing materials NRLP provides to its customers for Rider RER that references an expected Block size value shall clearly indicate that the expected Block size may vary from the actual Block size calculated in the true-up.

4. That NLRP shall include information on the type of generation source of the renewable energy that it intends to purchase in any marketing materials and on its website.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of July, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Interim Chief Clerk

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