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May 2, 2022

**VIA ELECTRONIC FILING**

Ms. A. Shonta Dunston  
Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**RE: Final Update on Status of PPA Offer to Bid B  
Docket Nos. E-2, Sub 1159, E-7, Subs 1156 and 1262, and  
SP-13695, Sub 1**

Dear Ms. Dunston:

On March 10, 2022, the North Carolina Utilities Commission's ("Commission") issued an *Order Requiring Update on the Status of Bid B* ("Order") in the above-referenced dockets requesting Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (collectively, the "Companies") provide a status update on the Companies' offering of a Competitive Procurement of Renewable Energy ("CPRE") Tranche 1 power purchase agreement ("PPA") to the project described as "Bid B" in the Commission's November 2, 2021 *Order Granting Relief* issued in Docket No. SP-13695, Sub 1.

In response to the Commission's Order, on March 14, 2022, the Companies provided the Commission an initial status update on DEC's efforts to offer a Tranche 1 PPA to Bid B. The Companies' initial update explained that DEC was working with Bid B to progress the project toward PPA execution and towards execution of an interconnection agreement. The update stated that DEC expected to execute a Tranche 1 PPA with Bid B on or before April 14, 2022, and that DEC established April 14, 2022 as the required Tranche 1 PPA execution date because the Step 1 evaluation of CPRE Tranche 3 bids was to begin on May 1, 2022. Last, the Companies stated they would provide the Commission an additional update confirming whether or not Bid B executed a Tranche 1 PPA.

Since filing the initial March 14 update with the Commission, DEC has continued to work with Bid B in an attempt to execute the Tranche 1 PPA by the April 14, 2022 due date. Bid B did not, however, execute the Tranche 1 PPA by April 14, 2022. Instead, on April 25, 2022, Bid B requested an extension of time to sign the Tranche 1 PPA. DEC agreed to a limited extension through April 29, 2022. Despite diligent efforts by both

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parties over the past few months, Bid B informed the Company that it would not be able to execute the Tranche 1 PPA on the timeline required due to current market uncertainty, the need to reconfigure the project (because the design submitted for the CPRE RFP in 2018 is now several years old and the equipment specified no longer available), and other factors. DEC officially terminated negotiations with Bid B for a Tranche 1 PPA as of April 29, 2022. However, DEC has communicated to Bid B that it may elect to submit the project in to the upcoming 2022 Solar Procurement Program opening in June, if approved by the Commission.

If you have any questions, please do not hesitate to contact me. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ladawn S. Toon". The signature is fluid and cursive, with the first name being the most prominent.

Ladawn S. Toon

cc: Parties of Record