

August 11, 2023

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

Re: Docket Nos. E-2, Sub 1314 and E-7, Sub 1289

Petition of Duke Energy Progress, LLC, and Duke Energy Carolinas, LLC, Requesting Approval of Green Source Advantage Choice Program

and Rider GSAC

Docket Nos. E-2, Sub 1315 and E-7, Sub 1288

Petition of Duke Energy Progress, LLC, and Duke Energy Carolinas,

LLC, Requesting Approval of Clean Energy Impact Program

## Dear Ms. Dunston:

The Carolinas Clean Energy Business Association ("CCEBA") provides this letter in further response to the proposals in the above dockets, as well as the June 23, 2023 Request for Procedural Relief and Reply Comments of CIGFUR II and III (hereinafter "CIGFUR") and the August 1, 2023 response to that Request filed by Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP" and together with DEC, "Duke").

On April 25, CCEBA joined with the Southern Alliance for Clean Energy ("SACE") and the North Carolina Sustainable Energy Association ("NCSEA") in filing Joint Initial Comments in these dockets. On June 23, in lieu of reply comments, CCEBA filed correspondence noting the nearly unanimous criticism of interested parties regarding the need for regulatory surplus in commercial and industrial customer programs, and suggesting:

the proposed Green Source Advantage Facility PPA option could be increased by at least 250 MW to a total of 500 MW (or more) with the understanding that any variable rate bill credit projects under this program do *not* get subtracted from the HB951procurement volume.

Under such a structure, customers could propose their own variable rate project for interconnection. If approved and ultimately interconnected, such a program would impose no burden on other ratepayers, would impose no additional costs on Duke Energy, and would accelerate the deployment of additional clean energy that otherwise would not have been brought online through Duke Energy's own HB951 Procurement process.

In its Request for Procedural Relief, CIGFUR sought a "limited, time-certain" stay for further discussions in the GSAC dockets to allow discussion and resolution of outstanding issues, followed by a right to file sur-replies on any issues that remain outstanding after those discussions. The Public Staff, in its Reply Comments, supported CIGFUR's request and further requested a stay in the CEI program dockets as well. On August 1, Duke responded by "partially" objecting to the relief requested, urging the Commission to approve the CEI programs as they were proposed and to approve the proposed 4,000 MW GSAC CEEA Purchase Track. Duke then proposed a stay only on what it termed the "Regulatory Surplus Tracks," meaning the GSAC Power Purchase Agreement Track ("PPA Track") and the GSAC Request for Proposals Track ("RFP Track").

In its June 23 letter, CCEBA did not oppose CIGFUR's request for a stay for further discussions on the GSAC programs and requested that its proposal be included in those further discussions. CCEBA still regards its proposal for the GSAC PPA track as a workable approach to adding true regulatory surplus megawatts over and above those anticipated in Duke's annual procurement. Participation in such a program would assure large customers that they are meeting their own renewable energy requirements with megawatts additional to those which would otherwise have been developed through Duke's procurements. This is an attribute that, as noted by SACE and NCSEA as well as the Public Staff, would not be shared by the 4,000 MW GSAC CEEAs purchased under Duke's proposal.

While it is true that, eventually, full compliance with House Bill 951 in future decades will remove the possibility of such additionality as North Carolina's power system achieves net-zero generation, until such compliance is achieved voluntary customer programs should incentivize additional and more rapid adoption of non-carbon generation consistent with House Bill 951's requirements of least cost and reliability. Further discussion of how best to do that is warranted, as Duke's current proposals do not achieve it.

CCEBA shares the concerns of SACE and NCSEA that approval of Duke's proposed GSAC CEEA Purchase Track in a piecemeal approach before such additional

comprehensive discussions occur would not address the additionality/regulatory surplus concerns with that program. CCEBA has taken no position on a stay of the CEI dockets and takes no position here. However, CCEBA believes development of the GSAC programs merits further comprehensive effort by all parties – as is evident by the multiple proposals of the Public Staff, CIGFUR, SACE and NCSEA, and CCEBA itself.

CCEBA therefore urges the Commission to grant CIGFUR's request for procedural relief as to the GSAC dockets and order Duke to continue discussions with Intervenors until a date certain, with all parties to address any unresolved issues through final sur-replies.

Respectfully submitted, this 11th day of August 2023.

\_\_\_\_\_/s/ John D. Burns
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## **CERTIFICATE OF SERVICE**

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing document by hand delivery, first class mail, deposited in the U.S. Mail, postage pre-paid, or by email transmission with the party's consent.

This, the 11th day of August 2023.

\_\_/s/ John D. Burns John D. Burns General Counsel, CCEBA 811 Ninth Street Suite 120-158 Durham, NC 27705 NC Bar No. 24152 (919) 306-6906 counsel@carolinasceba.com