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February 17, 2021

VIA ELECTRONIC FILING

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

> RE: Docket No. G-9, Sub 728 Docket No. SP-13243, Sub 0

Dear Ms. Campbell:

Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (collectively the "Duke Utilities") are not parties to these dockets; however, the purpose of this letter is to advise the North Carolina Utilities Commission ("Commission") that certain statements contained in GESS RNG Biogas USA, LLC ("GESS RNG") Second Supplemental and Amended Requests for Declaratory Rulings in Docket No. SP-13243, Sub 0 are inaccurate and require clarification by the Duke Utilities.

In its filing, GESS RNG states that it is successor in interest to GESS International North Carolina, Inc. ("GESS International") and that GESS International has assigned and transferred all its rights and interest in this matter in Docket No. G-9, Sub 728. The Duke Utilities advise the Commission that in November 2019 DEC terminated two DEC contracts with GESS International due to failure to meet contract adequate assurances. The two contracts were part of GESS International's previously approved pilot program projects in Wilson and Union Counties, North Carolina. GESS International or its successor in interest GESS RNG owes DEC substantial monetary damages from the two failed projects, and there has been no communication from GESS International or GESS RNG to DEC since November 2019.

Regarding the Second Supplemental and Amended Requests for Declaratory Rulings recently filed in this docket, GESS RNG asserts in paragraph 3 that it has "plans to sell and deliver to Duke Energy Carolinas, LLC ...a portion of its Alternative Gas." DEC has not been contacted by GESS RNG regarding any purchase by DEC of biogas or Alternative Gas and, as previously stated, GESS RNG still owes DEC substantial monetary damages from failed contracts in Wilson and Union Counties, North Carolina.

With regard to the statements by GESS RNG in paragraph 4, DEC and DEP are not likely to use the GESS RNG Alternative Gas since the prior contracts with GESS International have been terminated due to failure to perform, and contracts with other reliable developers have been secured to help meet DEC and DEP's animal waste compliance goals.

Regarding the statements by GESS RNG in paragraph 7, DEC and DEP's business developers in charge of animal waste compliance goals have not been contacted by GESS RNG regarding this filing.

Regarding the statements by GESS RNG in paragraph 19, neither DEC nor DEP have options or have bargained to purchase the output from the GESS RNG proposed facilities.

Accordingly, prior to the Commission ruling on GESS RNG's request in this proceeding, the Duke Utilities contend that GESS RNG should be required to bring current their past due accounts for their Wilson and Union County contracts to deliver biogas to the Duke Utilities which have been in arrears since November 2019.

Sincerely,

Robert W. Kaylor, P.A.

Robert W. Koyla

cc: Alexander Elkan, Attorney for GESS RNG Biogas USA, LLC Dianna Downey, Chief Counsel Public Staff, North Carolina Utilities Commission

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Clarification of GESS Statement, in Docket Nos. G-9, Sub 728 and SP-13243, Sub 0, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1st Class Postage Prepaid, properly addressed to parties of record.

This the 17th day of February, 2021.

Robert W. Kaylor

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