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October 18, 2022

**VIA ELECTRONIC FILING**

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

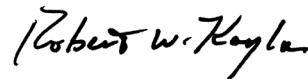
**Re: Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's  
Joint Request for Extension of NC Electric Transportation Pilot  
Phase I Electric School Bus Program  
Docket Nos. E-7, Sub 1195 and E-2, Sub 1197**

Dear Ms. Dunston:

Enclosed for filing in the above-captioned dockets is the Joint Request by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Extension of NC Electric Transportation Pilot Phase I Electric School Bus Program.

If you have any questions, please let me know.

Sincerely,



Robert W. Kaylor, P.A.

Enclosure

cc: Parties of Record

OFFICIAL COPY

Oct 18 2022

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-2, SUB 1197  
DOCKET NO. E-7, SUB 1195

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of:	)	
	)	<b>JOINT REQUEST BY DUKE ENERGY</b>
Application by Duke Energy Carolinas,	)	<b>CAROLINAS, LLC AND DUKE ENERGY</b>
LLC and Duke Energy Progress, LLC for	)	<b>PROGRESS, LLC FOR EXTENSION OF</b>
Approval of Proposed Electric	)	<b>NC ELECTRIC TRANSPORTATION</b>
Transportation Pilot	)	<b>PILOT PHASE I ELECTRIC SCHOOL</b>
	)	<b>BUS PROGRAM</b>

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NOW COME Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (“DEP”) and together with DEC, the “Companies”) by and through counsel, seeking permission to extend the term of the North Carolina Electric Transportation Pilot Phase 1 Electric School Bus Program (“Electric School Bus Program”) to ensure participation and meet tariff requirements. The Companies request that the end date of the Electric School Bus Program be extended from November 2023 until June 2025. The Companies are encouraged by the interest in electric school buses as well as future funding opportunities by state and federal sources; however, the timing of several factors has hindered program participation and limited the Companies’ ability to conduct a vehicle to grid (“V2G”) study as required by the Commission’s November 24, 2020 *Order Approving Electric Transportation Pilot, In Part*, in Docket Nos. E-2, Sub 1197 and E-7, Sub 1195 (“ET Order”) in the above-captioned dockets. These factors include:

1. Funding Gap. Schools interested in participating in the program do not have adequate funding even when state replacement funds (\$100,000 per bus) are

combined with Duke Energy program contributions (\$215,000 per bus). The combined cost for electric school buses, associated infrastructure, and installation is now upwards of \$475,000 - \$500,000. To close this funding gap, program applicants have applied for grants through the North Carolina Department of Environmental Quality (“NC DEQ”) School Bus Program under Phase 2 of the Volkswagen Mitigation Plan. Funding requests were just awarded October 18, 2022 and contract execution remains to be completed. This now allows most program participants to meet the \$475,000 - \$500,000 funding threshold. The program term extension will allow program participants time to seek other funding opportunities, if needed. For example, the federal Infrastructure Investment and Jobs Act (“IIJA”) promises electric school bus funding opportunities over the next five years. Currently, North Carolina schools have also applied for funding through the Environmental Protection Agency’s (“EPA”) Clean School Bus Rebate program.

2. Electric School Bus V2G Technology. The Companies have discovered that while the North Carolina state contract lists three electric school buses as vehicle to grid capable, none have proven V2G deployments in North Carolina. Moreover, based on Duke Energy experience with electric school bus V2G technology in other jurisdictions, the capability appears to be immature and without evidence of trouble-free deployments.
3. Supply Chain Delays. Whether it is the electric school bus, school bus charger, or transformer, all equipment required for the program has longer than expected supply chain timelines. Because the sourcing process is sequential and does not

allow for equipment to be ordered until after all funding is secured and participants' sites are reviewed for construction feasibility, there are few opportunities to mitigate supply chain delays.

4. V2G Study. Duke Energy has confidence that future funding opportunities from state and federal sources will enable participation. However, securing funding, vetting program participant sites, installing infrastructure, and commissioning V2G equipment, takes significant time, limiting the time available for the V2G study. The Companies would like to target a study duration nearing one year to encompass the diversity of environment throughout a typical school year.

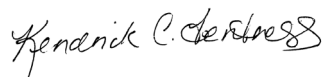
#### **CURRENT TIMELINE AND PROPOSED NEW TIMELINE**

As noted, the Electric Bus Program pilot was approved by the Commission in November 2020 for a period of three years . The application deadline for NC DEQ electric bus grant requests was June 2022. The award for expected NC DEQ Electric School Bus grant request funding secured for program participants' buses and equipment was originally set for August 2022 and was awarded October 18, 2022. Buses and equipment commissioning are now planned for August 2023. Accordingly, the Companies request that the V2G Study commence no later than March 2024 and end in March 2025, which will permit collection and analysis of data, and that the Electric School Bus Pilot conclude in June 2025 with a Report on the Electric School Bus Pilot to be issued by the Companies in conjunction with Phase I EM&V.

**CONCLUSION**

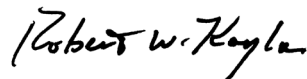
Based on the foregoing, the Companies respectfully request that the Electric School Bus Program be extended from the current end date of November 2023 until June 2025.

Respectfully submitted, this the 18<sup>th</sup> day of October 2022.



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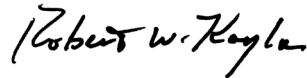
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CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's Joint Request for Extension of NC Electric Transportation Pilot Phase I Electric School Bus Program, filed in Docket Nos. E-7, Sub 1195 and E-2, Sub 1197, has been served on all parties of record either by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid.

This the 18<sup>th</sup> day of October, 2022.



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