

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1167

DOCKET NO. E-7, SUB 1166

In the Matter of:)	
)	
Application of Duke Energy Progress, LLC)	DUKE ENERGY PROGRESS,
and Duke Energy Carolinas, LLC Requesting)	LLC'S AND DUKE ENERGY
Approval of Solar Rebate Program Pursuant to)	CAROLINAS, LLC'S FILING
N.C. Gen. Stat. § 62-155(f))	OF ADDITIONAL
)	INFORMATION REQUESTED
)	BY COMMISSION
)	
)	

Duke Energy Progress, LLC, ("DEP") and Duke Energy Carolinas, LLC ("DEC") (collectively "Duke Energy" or "Companies"), pursuant to the North Carolina Utilities Commission's ("Commission") December 30, 2020 *Order Requiring Additional Information* ("the Order"), respectfully submit the following responses.

RESPONSES TO COMMISSION REQUESTS

- 1. Provide an evaluation of the program cost implications for the Commission's consideration should the Commission accept the tiered rebate structure proposed by Duke in its initial comments.**

Three components comprise the rebate program costs: labor, IT and rebates. The Companies do not believe there would be any change to labor expense. To ensure the new tiering functionality works correctly, the Companies would undertake additional testing to what is currently planned in the July 2021 program opening. This is estimated to be \$5,400. Future program opening testing would not be impacted by the tiered rebate change. The largest program expense, the rebate, can be difficult to project given that residential customers receive a higher rebate per watt and can access the commercial capacity. Using the residential/commercial ratio seen with the January 2021 program

opening and extrapolating it to the July 2021 opening, the residential customer rebate amount would be \$7.8 million. Using the same data, but with the tiering suggested (\$0.50/watt for the first 5kW, then \$0.40 up to 10kW), the amount is \$6 million. Commercial is held constant at \$1 million as the Companies' recommendation was to reduce the rebate to \$0.30/watt and not tier it based on size.

2. Provide a report on how the Solar Rebate Program application technology architecture performs when the application period opens on Wednesday, January 6, 2021.

Between the rebate program opening on January 6 and January 15, 3,747 applications were correctly received and processed, and customers correctly received confirmation messages. Since then, final confirmations of capacity and waitlist status have been provided as planned by January 15th. The Companies are now processing rebate payments for customers and have resources employed to answer customer questions by phone and email.

During the process above, while Information Technology (IT) resources were ensuring allocation protocols, which had been isolated to allow for testing and manual review of many applications prior to issuing final application status, erroneous emails were generated accidentally. This happened while IT was working items overnight. Emails were erroneously sent at approximately 10:00 pm on January 6 and 6:00 am on January 7 to customers and installers, approximately 2,150 applications. To quickly notify customers, just before noon on January 7 an email was sent to impacted customers and installers alerting them that the email was in error, apologizing and letting them know they would receive emails by January 15th. On January 15, per the original plans, emails with the correct status were sent. Despite the unfortunate error, the program

results were as intended per the program design; however, the Companies have enacted significant customer follow-up to address customer concerns and express our apologies for any confusion.

3. Provide a report on the number of applications received and fulfillment for the residential, commercial, and nonprofit classes for the application period opening on Wednesday, January 6, 2021.

All data is through 1.15.21

Duke Energy Carolinas				
Customer Type	Received Applications	Accepted Applications	Waitlisted Applications	Rejected Applications
Residential	1,625	366	1,052	207
Commercial	58	14	34	10
Non Profit	6	6	-	-
NC Greenpower	-	-	-	-
Totals	1,689	386	1,086	217

Duke Energy Progress				
Customer Type	Received Applications	Accepted Applications	Waitlisted Applications	Rejected Applications
Residential	1,978	413	1,400	165
Commercial	71	9	60	2
Non Profit	9	9	-	-
NC Greenpower	-	-	-	-
Totals	2,058	431	1,460	167

4. Please explain the relationship between the amount of a customers' electric bill/electricity usage and the size of their installed system.

A review of systems installed in 2020 indicates that billed usage decreased by about half when comparing 2018 and 2020. The chart below shows that normally the larger the size of the installation the greater the reduction in the customer's billed usage. There are factors besides electric usage that impact the size of the installed systems, such as tree shade, roof shape and cost.

5. Please provide additional information on the capacity and number of residential installations receiving rebates based on the updated end of year 2020 rebate recipients. Specifically, the number of installations, average size (installed AC capacity), and estimated average income for different size intervals such as: 0 to 2.50 KW, 2.51 to 2 5 KW, 5.01 to 7.5, 7.51 to 10.0 KW, 10.01 to 12.5, and greater

than 12.5 KW. Also, if available, provide the average monthly or yearly energy usage for customers falling in the different intervals.

2020 Residential Rebate Installations						
kW	# of Installations	Average Installation size	Estimated Average Income	2018 Average Yearly KWH	2020 Average Yearly KWH	KWH Reduction
0.00 - 2.50	3	2.27	\$ 131,667	4,695	3,679	22%
2.51 - 5.00	236	4.32	\$ 78,483	9,127	5,032	45%
5.01 - 7.50	314	6.08	\$ 86,267	11,000	4,776	57%
7.51 - 10.00	1,000	8.82	\$ 91,514	14,189	5,870	59%
10.01 - 12.50	174	11.31	\$ 99,625	18,999	7,678	60%
> 12.50	105	15.87	\$ 95,051	27,262	11,136	59%
Totals	1,832	8.11	\$ 97,101	14,212	6,362	55%

COMPANIES' RESPONSE TO CONSUMER INQUIRIES

The Companies are aware that two customers – Mr. Milazzo and Ms. Parkinson - filed letters expressing questions about their applications for solar rebates in the aforementioned dockets. The capacity limits for the solar rebate programs were reached in mere minutes on January 6, 2021. The Companies' responses to these consumer letters are below:

DEC's Response to Mr. Milazzo

Mr. Milazzo is a DEC customer, whose letter to the Commission was filed January 20, 2021. He submitted an application for a solar rebate on January 6, 2021. The residential customer capacity for DEC sold out at 09:02:41 a.m. on the morning of January 6; DEC received his application on 9:03:59 a.m. This timing resulted with Mr. Milazzo being placed on the wait list at number 242.

DEC received an email from Mr. Milazzo on January 7, asking why he was on the waitlist when he applied within three minutes of the opening of the application window. DEC responded on January 8 to Mr. Milazzo that his waitlist email was sent in error and

he would receive official notification of either his acceptance or wait-listing on January 15. Upon review, the Company has confirmed that Mr. Milazzo is on the waitlist at number 242, and he has received an email confirming this. The Rebates Program Manager has attempted to contact Mr. Milazzo directly, but has been unable to leave a voicemail with him, due to a full mailbox. The Company will continue to attempt to contact him.

DEP's Response to Mr. Parkinson


Mrs. Parkinson is a DEP customer whose letter to the Commission was filed on January 20, 2021. DEP received Ms. Parkinson's application at 09:03:06 am on January 6, 2021. The DEP solar rebate program reached capacity limits at 09:02:06 am, January 6, 2021. Ms. Parkinson is on the DEP waitlist at number 360. The Rebates Program Manager called Mrs. Parkinson to explain how the program capacity is allocated, why it sold out so quickly, and that the North Carolina Utilities Commission and the Public Staff conduct audits to ensure the program is administered as the NCUC approved it. A voicemail was left for the customer. At this time, the call has not been returned.

CONCLUSION

The Companies realize that meeting capacity limits so early in the application window must be disappointing to customers that submitted their applications early after the application window opened. The solar rebate program has been immensely popular, however, and, in implementing the opening of this first application window for 2021, the Companies have followed the terms and conditions of the program as publicized and as on file at the Commission. The Companies will continue to work to ensure that

customers are satisfied with their experience to the extent possible under the terms and conditions of the programs.

Respectfully submitted this 25th day of January, 2021.

By: 

Brady W. Allen
The Allen Law Offices, PLLC
4030 Wake Forest Rd, Suite 115
Raleigh, North Carolina 27609
Tel: (919) 838-5175
Brady.allen@theallenlawoffices.com

Kendrick Fentress
Associate General Counsel
Duke Energy Corporation
P.O. Box 1551, NCRH 20
Raleigh, NC 27602
Tel: (919) 546-6733
Kendrick.Fentress@duke-energy.com

ATTORNEYS FOR DUKE ENERGY PROGRESS, LLC
AND DUKE ENERGY CAROLINAS, LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of Duke Energy Progress, LLC and Duke Energy Carolinas, LLC's **FILING OF ADDITIONAL INFORMATION REQUESTED BY COMMISSION** has been served on all parties of record on the service list by either electronic mail or by deposit in the U.S. mail, postage prepaid.

This, the 25th day of January, 2021.



Brady W. Allen
The Allen Law Offices, PLLC
4030 Wake Forest Rd. Suite 115
Raleigh, North Carolina 27609
Tel: (919) 838-5175
Brady.Allen@theallenlawoffices.com

ATTORNEY FOR DUKE ENERGY
PROGRESS, LLC AND DUKE ENERGY
CAROLINAS, LLC