



CUNNINGHAM LAW
PROFESSIONAL LIMITED LIABILITY COMPANY

Two Hannover Square
434 Fayetteville Street, Suite 2330
Raleigh, North Carolina 27601
www.CalCunninghamNC.com

CAL CUNNINGHAM
Direct: (919) 295-2270
Email: Cal@CalCunninghamNC.com

December 16, 2022

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4000

**Re: Letter of Support in Lieu of Legal Brief
Docket No. E-100, Sub 180, In the Matter of Investigation
of Proposed Net Metering Policy Changes**

Dear Ms. Dunston:

Please accept this Letter of Support in Lieu of Legal Brief for the Joint Proposed Order filed for consideration in the above captioned docket (the “Docket”) by Duke Energy Carolinas, LLC (“DEC”); Duke Energy Progress, LLC (“DEP”) (collectively, the “Companies”); and the Southern Alliance for Clean Energy, Vote Solar and the North Carolina Sustainable Energy Association (the “Clean Energy Advocates”, which, together with DEC and DEP are the “Joint Parties”). The Joint Proposed Order is filed in the Docket on this same date, December 16, 2022.

SEIA believes the Joint Proposed Order is the best, most holistic NEM proposal to move from the *status quo* to a sustainable customer-sited distributed solar energy future and urges the Commission to adopt it.

We are also writing separately to add SEIA’s concurrence to the Reply Comments of Sundance Power Systems, Inc, Southern Energy Management, Inc. and Yes Solar Solutions (collectively, the “Rooftop Solar Installers”). As we stated in May, SEIA believes that the Agreement and Stipulation of Settlement (the “Stipulation”) in this Docket between the Companies and the Rooftop Solar Installers is additive to the original program structure.

In particular, the Stipulation – and now, the Joint Proposed Order – have grown out of an important stakeholder process and provide a bridge rate to address the Rooftop Solar Installers’ expressed needs. The end product provides greater flexibility and consumer choice for customers seeking to adopt solar in the Companies’ North Carolina service territory.

OFFICIAL COPY

Dec 16 2022

As the national trade association of the U.S. solar energy industry, SEIA represents organizations that promote, manufacture, install and support the development of solar energy. Here in North Carolina, SEIA's members are engaged in developing solar photovoltaic projects, in providing solar energy equipment, services and expertise to retail, commercial and industrial customers and in manufacturing solar photovoltaic equipment.

These North Carolina members develop, construct, own, operate, finance, and otherwise service solar generating facilities across the State and intend to do so going forward. Within the state, SEIA members employ over six thousand (6,000) people, have performed over twenty-six thousand (26,000) solar installations and have collectively invested more than \$10 billion directly in the State.

SEIA is also a signatory to the Memorandum of Understanding ("MOU") between the Companies and the Clean Energy Advocates to advance a broad range of policies that support and expand the solar industry in North Carolina.

As we outlined in our Comments of the Solar Energy Industries Association, filed on March 29, 2022, and in our Reply Comments and Statement of Support for Joint Stipulation by the Solar Energy Industries Association, dated May 20, 2022, SEIA maintains that new NEM tariffs and cost-effective customer-sited demand-side and energy efficiency programs will advance solar adoption and have a significant role to play in helping the Commission to fulfill its decarbonization mandate.

Holistically, both the original filed program and the May Stipulation allow for a transition into a distributed generation market framework that utilizes the advanced functionality of distributed resources while providing a predictable glidepath to grow the behind-the-meter solar industry across North Carolina. The programs, in totality (including the Smart Saver Program pending in Docket Nos. E-2, Sub 1287 and E-7, Sub 1261), represent a slate of easily understandable solar programs that provide customer optionality when it comes to individual energy choices. The Joint Proposed Order is a key piece of this transition.

As we stated in May, SEIA is supportive of expanding program offerings to both electric and gas heating customers. Engaging all segments of the residential class will grow in importance as demand-side and energy efficiency offerings will be asked to act as load-bearing pillars of the Companies' Carolinas Carbon plan.

The Joint Proposed Order, arising from the Stipulation in this Docket, meets the NEM reform mandates of H.B. 589 (2017) and, along with the Smart Saver Program pending in other dockets, the carbon reduction mandates of H.B. 951 (2021). As the Commission is well-aware from its development of the carbon reduction plan, meeting the requirements of H.B. 951 will require a "no holds barred" approach to energy program development. Nowhere is this more critical than in the hands of actual energy consumers; simply put, customers should be empowered to make decisions as pertains to their energy choices, and they should be compensated appropriately for the energy and services that their systems provide to the grid.

The Commission's approval of the Joint Proposed Order would also reinforce a growing trend across the United States in which regulators embrace distributed resources not as a burden to be dealt with, but as a resource to utilize in the broader context of innovative utility

regulation. In the time between the original filing of the NEM tariffs in this Docket and the Smart Saver Program in other dockets, North Carolina and now, states such as Mississippi¹, Florida², California³ and Hawaii⁴ have all concluded in one form or another that rooftop solar will be a pillar of their states' energy futures.

While North Carolina is still in the early stages of rooftop solar adoption, the Commission's approval of grid-forming programs such as those included in the Joint Proposed Order will not only advance North Carolina but also sets important precedent for rooftop solar growth in the region.

As such, SEIA appreciates the opportunity to add its voice to this Docket. It also commends the stakeholder work of the Companies, the Clean Energy Advocates and the Rooftop Solar Installers that led to the Stipulation. As an important foundation for the future of solar adoption in North Carolina, SEIA urges the Commission to adopt the Joint Proposed Order.

Sincerely,



James C. Cunningham III

c: All Parties of Record

¹ <https://www.utilitydive.com/news/mississippi-rooftop-solar-low-income-PSC-net-metering/627245/>

² <https://energynews.us/2022/05/16/desantis-net-metering-veto-highlights-path-for-solar-in-red-states/>

³ <https://www.reuters.com/business/energy/california-rooftop-solar-proposal-incentives-target-low-income-households-2022-11-10/>

⁴ <https://www.canarymedia.com/articles/utilities/hawaii-moves-to-time-varying-smart-rates-for-most-utility-customers>