



March 20, 2023

**FILED VIA ELECTRONIC MAIL**

Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
430 North Salisbury Street  
Dobbs Building  
Raleigh, North Carolina 27603-5918

**Re:      Docket No. SP-5640, Sub 0**  
**North Carolina Electric Membership Corporation's Notice of Termination of the**  
**Renewable Energy Certificates Transaction Agreement**

Dear Ms. Dunston:

Enclosed for filing is North Carolina Electric Membership Corporation's Notice of Termination of the Renewable Energy Certificates Transaction Agreement entered into on April 25, 2017 in the above referenced docket.

Should you have any questions, please do not hesitate to contact me at 919-875-3111.

Sincerely,

/s/ Tim R. Dodge

Tim R. Dodge  
Regulatory Counsel

TRD/sc  
cc:      As per Notice of Termination  
Enclosure

**CERTIFICATE OF SERVICE**

I certify that a copy of North Carolina Electric Membership Corporation's Notice of Termination of the Renewable Energy Certificates Transaction Agreement in Docket No. SP-5640, Sub 0, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the parties of record.

This is the 20th day of March, 2023.

/s/ Timothy R. Dodge

Timothy R. Dodge

OFFICIAL COPY

Mar 20 2023

March 15, 2023

**VIA Electronic Delivery and Overnight Mail**

North Carolina Renewable Power-Lumberton, LLC

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**NOTICE OF TERMINATION**

To Whom it May Concern:

Please be advised that North Carolina Electric Membership Corporation ("NCEMC" or "Buyer") is hereby providing notice of termination of the Renewable Energy Certificates Transaction Agreement entered into on April 25, 2017, by and between North Carolina Renewable Power-Lumberton, LLC ("Seller") and GreenCo Solutions, LLC ("GreenCo"), as assigned by GreenCo to NCEMC with the consent of Seller on February 27, 2018; and further amended on June 11, 2018, and April 10, 2019 (the "REC Agreement").

REFERENCE IS MADE to Section 2.3 of the REC Agreement, which provides in pertinent part:

***Notwithstanding anything to the contrary herein, this Agreement shall terminate if the Renewable Energy Agreement terminates, and Buyer shall be entitled to damages under this Agreement if the Renewable Energy Agreement was terminated***

***due to a Seller event of default or failure to perform under the Renewable Energy Agreement.***

REFERENCE IS FURTHER MADE to the February 3, 2023 Notice of Termination and Demand for Payment served by Duke Energy Progress, LLC ("DEP") on Seller and filed with the North Carolina Utilities Commission in Docket No. SP-5640, Sub 0, of DEP's notice of termination of the Fifth Restated and Amended Renewable Power Purchase Agreement dated June 21, 2016 ("Renewable Energy Agreement").

NOTICE IS HEREBY GIVEN that DEP in its Notice of Termination and Demand for Payment, noted the Seller's continuing and uncured Events of Default. DEP therefor exercised its right and remedies under the Renewable Energy Agreement and provided notice of an Early Termination Date, which was the next Business Day following the Date of Termination, or February 6, 2023.

NOTICE IS HEREBY GIVEN that the REC Agreement, by matter of termination of the Renewable Energy Agreement, is terminated. Pursuant to Section 2.3 of the REC Agreement, Buyer is entitled to damages under this Agreement if the Renewable Energy Agreement was terminated due to a Seller Event of Default or failure to perform under the Renewable Energy Agreement.

NOTICE IS FURTHER GIVEN that Buyer, as the Non-Defaulting Party pursuant to Section 8.1 of the REC Agreement, hereby exercises its rights and remedies under Article 8 of the REC Agreement and provides notice of an Early Termination Date, which Early Termination Date shall be the Business Day following the date of this Notice of Termination.

REFERENCE IS FURTHER MADE to Section 8.2 of the REC Agreement, which provides in pertinent part:

If the Non-Defaulting Party establishes an Early Termination Date, then the Non-Defaulting Party shall in a Commercially Reasonable Manner calculate its Gains or Losses and Costs resulting from the termination of each terminated transaction as of the Early Termination Date, aggregate such Gains or Losses and Costs with respect to all terminated transactions and any other amounts due under this Agreement and any other agreement between the parties into a single net amount (the "Net Settlement Amount"), and then notify the Defaulting Party of the Net Settlement Amount owed or owing. The Net Settlement Amount shall be a net present value calculation determined in a Commercially Reasonable Manner. Payment of the Net Settlement Amount shall be due within two (2) Business Days after the later of the Early Termination Date and the Defaulting Party's receipt of notice of the Net Settlement Amount. The Non-Defaulting Party will not be obligated to pay any Net Settlement Amount to, or otherwise compensate for the economic value of a termination, the Defaulting Party under any circumstances. The Non-Defaulting Party shall not be required to pay to the Defaulting Party any disputed amount until the Non-Defaulting Party receives confirmation satisfactory to it in its reasonable discretion (which may include an opinion of Its counsel) that all other obligations of the Defaulting Party to make payment to the Non-Defaulting Party under this Agreement or otherwise have been fully performed.

NOTICE IS HEREBY GIVEN that Buyer is not at this time calculating or demanding a Net Settlement Amount.

NOTICE IS FURTHER GIVEN that this notice is without prejudice to and not in limitation of any and all rights and remedies of Buyer under the REC Agreement or otherwise, and does not in any respect waive any other remedies under the REC Agreement for any period for any purpose.

Please call me at 919-872-0800 should you have any questions regarding this termination of the REC Agreement.

Very truly yours,

NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION



Amadou Fall,  
Chief Operating Officer  
North Carolina Electric Membership Corporation