



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

May 16, 2023

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

**Re: Docket No. E-2, Sub 1311 – Application of Duke Energy Progress, LLC, for a Certificate of Public Convenience and Necessity to construct a Solar Generating Facility in Buncombe County, North Carolina**

Dear Ms. Dunston:

Enclosed for filing in the above-referenced docket are Corrections to the Testimony of Jeff Thomas, Public Staff – North Carolina Utilities Commission, filed on May 5, 2023 (Corrections), and the public version (redacted) of the corrected pages. The initial Corrections were filed on May 9, 2023, but did not contain the corrected pages.

In addition, the initial Corrections inadvertently included the word “project” in correction number two. Today’s submission corrects that error.

Please do not hesitate to contact the Public Staff should you have any questions or concerns.

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Sincerely,

PUBLIC STAFF  
Christopher J. Ayers  
Executive Director

Lucy E. Edmondson  
Chief Counsel

Electronically submitted  
/s/ Anne M. Keyworth  
Staff Attorney

cc: Parties of Record

OFFICIAL COPY

May 16 2023



**CERTIFICATE OF SERVICE**

I certify that I have served a copy of the foregoing on all parties of record in accordance with Commission Rule R1-39, by United States mail, postage prepaid, first class; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This, the 16th day of May, 2023.

Electronically submitted  
/s/ Anne M. Keyworth



1 approximately \$15.2 million, utilizing a production plant allocation  
2 factor of 62.56%. This equates to a system capital cost of \$2,468 per  
3 kW AC, excluding \$854,000 of Allowance for Funds Used During  
4 Construction (AFUDC). DEP estimates annual non-capital costs  
5 (including operating costs, property taxes, and insurance) to be  
6 **[BEGIN CONFIDENTIAL]** [REDACTED]  
7 [REDACTED] **[END CONFIDENTIAL]**. Average  
8 operational expenses over the life of the project are estimated to be  
9 **[BEGIN CONFIDENTIAL]** [REDACTED] **[END**  
10 **CONFIDENTIAL]**.

11 DEP estimates that customer rates in the first year of operation will  
12 increase by 0.02% due to the Facility. The Asheville Facility is  
13 included in rate year two of DEP's proposed Multi-Year Rate Plan  
14 (MYRP) in Docket No. E-2, Sub 1300, with an in-service date of  
15 September 2025; so whether the Facility is completed or not, its cost  
16 will be included in DEP's rates beginning in October 2024, assuming  
17 approval of DEP's proposed MYRP.<sup>5</sup>

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<sup>5</sup> In DEP's proposed MYRP, the Public Staff recommended that the in-service date of the Asheville Facility be delayed until March 2026, putting the project in rate year three – meaning that DEP ratepayers would not see the project reflected in rates until October 2026. See testimony of Public Staff witness Jeff Thomas, filed on March 27, 2023, at 16. Further, the Agreement and Stipulation of Partial Settlement between DEP and the Public Staff, filed April 26, 2023, adopts witness Thomas' recommended in-service date of March 2026, at 10.



- 1 **Q. Please elaborate on the cost premium associated with the**  
2 **Facility.**
- 3 A. The Public Staff believes that DEP could build a larger facility in DEP-  
4 East for the same cost as the Asheville Facility, which is estimated  
5 to cost approximately \$2,500 per kW and has a levelized cost of  
6 energy (LCOE) of **[BEGIN CONFIDENTIAL]** [REDACTED] **[END**  
7 **CONFIDENTIAL]** over its 35-year life. In contrast, the 2026 Solar  
8 Investment project in DEP's MYRP, which is an 80 MW winning  
9 project from the 2022 Solar Procurement<sup>11</sup> located in DEP-East and  
10 anticipated to come online in September 2025, is expected to cost  
11 \$1,694 per kW<sup>12</sup> with an approximate LCOE of **[BEGIN**  
12 **CONFIDENTIAL]** [REDACTED] **[END CONFIDENTIAL]** over its 35-  
13 year life. Absent the WCMP Order, DEP would likely procure solar  
14 capacity in its eastern region at a significant discount to the Asheville  
15 Facility.

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<sup>11</sup> See Supplemental Testimony of DEP witness LaRoche, filed on February 13, 2023, in Docket No. E-2, Sub 1300, at 4.

<sup>12</sup> See Supplemental Exhibit 1 to DEP witness LaRoche's Supplemental Testimony, filed on February 13, 2023, in Docket No. E-2, Sub 1300. The 2026 Solar Investment project in line 1 is \$135.6 million for 80 MW, which equates to \$1,694 per kW.