

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-2, SUB 1167
DOCKET NO. E-7, SUB 1166

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC,)
and Duke Energy Carolinas, LLC, Requesting)
Approval of Solar Rebate Program Pursuant)
to N.C. Gen. Stat. § 62-155(f))

**COMMENTS OF THE
PUBLIC STAFF**

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, and pursuant to the Commission’s April 24, 2019, *Order Allowing Comments*, respectfully submits comments on the first annual Solar Rebate Program Report (“Report”) filed by Duke Energy Carolinas, LLC, and Duke Energy Progress, LLC, (collectively, “Duke”) in the above-captioned dockets on March 27, 2019.

The Public Staff has reviewed the Report and finds that it includes the information requested by the Commission in its April 3, 2018, *Order Modifying and Approving Riders Implementing Solar Rebate Program* and the September 20, 2018, *Order Modifying First Year of Solar Rebate Program* (“September 20 Order”). The Public Staff also provides the following comments for the Commission’s consideration.

Reasonableness of Incentives

In its Report, Duke indicated that it evaluated whether revisions are needed to the solar rebate incentive amounts for the three years of the Solar Rebate

Program remaining, but found that it did not believe that changes to the rebate incentive amounts were necessary at this time. Duke specifically noted that residential, non-residential, and non-profit customers do not face the same total costs with acquiring solar, and particularly that non-profits are more disadvantaged from participating due to their inability to capture tax credits associated with renewable energy facilities, as well as longer sales cycles. This disparity was reflected in the fact that despite the capacity limits for the residential and non-residential customers being reached very quickly, the non-profit segment was not fully subscribed in 2018, and is unlikely to be fully subscribed in 2019. Duke stated that it is planning additional marketing efforts to raise awareness of the rebate program among non-profit customers.

The Public Staff anticipates that, similar to 2018 and 2019, the residential and non-residential capacity limits in 2020 will be reached very quickly, but the non-profits may not meet their capacity limit. If that is the case, the Public Staff believes it would be appropriate for Duke to re-evaluate and adjust the rebate incentive amounts prior to the 2021 rebate window (for years four and five of the Solar Rebate Program) to reduce the rebate incentive amount for residential and non-residential customers, and to increase the rebate incentive amount for non-profit customers, but in no case should the overall program revenue be increased.

Weekly Rebate Status Updates

Duke also indicated that it has continued posting weekly status updates for the Solar Rebate Program on its website since the 2019 program year launched in

January, consistent with the requirement set by the Commission in its September 20 Order. Since the residential and nonresidential capacity limits were reached very early in the initial launch period, Duke indicated that it intends to only continue with monthly updates for the remainder of the year, and will resume weekly updates for the launch of the 2020 program year. The Public Staff does not oppose this reduced status update schedule being used for the remainder of 2019 and once the capacity limits for the residential and non-residential categories are reached in future years.

Respectfully submitted, this the 6th day of June, 2019.

PUBLIC STAFF
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Electronically submitted
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CERTIFICATE OF SERVICE

I certify that a copy of these Comments have been served on all parties of record or their attorneys, or both, by United States mail, first class or better; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 6th day of June, 2019.

Electronically submitted
/s/ Tim R. Dodge