



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

August 22, 2023

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

Re: Docket No. E-100, Sub 101
Duke Energy Carolinas, LLC's Petition for Limited Waiver to the
North Carolina Interconnection Agreement

Dear Ms. Dunston:

On July 28, 2023, Duke Energy Carolinas, LLC (DEC), filed a Petition for Limited Waiver and Authorization to Modify the North Carolina Interconnection Agreement to Accommodate Interconnection Customer Requirements, requesting to modify certain sections of the North Carolina Interconnection Agreement (NCIA) in an effort to accommodate an interconnection customer. DEC included a redlined version of the proposed revisions to the NCIA as Attachment B to its petition.

In its petition, DEC states that on June 16, 2014, DEC and the United States executed an areawide contract that governs the provision of electric, natural gas, and/or energy management services provided to the United States by DEC (Federal Contract), which was included in DEC's petition as Attachment A. DEC's petition also states that the Environmental Protection Agency (EPA) is a DEC retail customer operating a 1.2 million square foot campus in Research Triangle Park, that the EPA notified DEC that it completed a re-install of a 100kW solar facility its campus and is working with DEC to enter into an NCIA. DEC explains that as a federal entity, the EPA identified certain provisions of the NCIA which require modification to ensure consistency with federal statutes and regulations including the Federal Acquisition Regulation that contains the uniform policies and procedures that govern acquisition of goods or services by all executive agencies. The EPA requested DEC to petition the Commission to modify the NCIA as to provisions related to pre-payment obligations, ongoing financial security requirements, indemnification, cost allocation, right of access to EPA premises, and disputes. DEC notes that Section 12.2 of the NCIA provides that parties may

Executive Director
(919) 733-2435

Accounting
(919) 733-4279

Consumer Services
(919) 733-9277

Economic Research
(919) 733-2267

Energy
(919) 733-2267

Legal
(919) 733-6110

Transportation
(919) 733-7766

Water/Telephone
(919) 733-5610

Ms. A. Shonta Dunston
Page Two
August 22, 2023

amend the agreement if both parties agree to the amendment in writing. DEC concludes by requesting guidance from the Commission for future requests for modifications to the NCIA by federal agency customers of DEC.

In support of its petition in this case, DEC notes that the Commission's July 11, 2022 Order Granting Limited Waiver and Authorization to Modify North Carolina Interconnection Agreement between Duke Energy Progress, LLC, and the United States Army in this same docket similarly accommodates a federal agency interconnection customer, which it asserts largely mirrors the modifications proposed here. The most significant modification in this petition is the requirement that only the "contracting officer" obligate the Interconnection Customer (EPA) to requirements under the NCIA, which the petitions states is necessary to meet the requirements under the Federal Anti-Deficiency Act, 31 U.S.C. §§ 1341(a)(1)(B) and 3324.

The Public Staff has reviewed DEC's petition and the proposed modifications to the NCIA between DEC and the EPA in Attachment B and does not have any objections to the modifications proposed. In particular, the Public Staff agrees with DEC that Section 12.2 of the NCIA authorizes parties to amend the NCIA in unique circumstances such as those raised in the present case, so long as parties mutually agree to the changes in writing. The Public Staff also agrees that it is reasonable for DEC to make similar amendments to the NCIA to accommodate other federal agency interconnection customers, pursuant to Section 12.2 of the NCIA. The Public Staff recommends that the Commission direct DEC to file proposed modifications to the NCIA for other federal agency customers for Commission review to the extent the revisions vary from the amendments filed in this petition.

I certify that a copy of this letter has been served on the parties shown below by e-mail.

Sincerely,

PUBLIC STAFF
Christopher J. Ayers
Executive Director

Lucy E. Edmondson
Chief Counsel

Electronically submitted
/s/ Robert B. Josey
Staff Attorney
robert.josey@psncuc.nc.gov

cc: Parties of Record

OFFICIAL COPY

Aug 22 2023