



Ladawn S. Toon  
Associate General Counsel

NCRH 20 / P.O. Box 1551  
Raleigh, NC 27602

o: 919.546.7971

Ladawn.Toon@duke-energy.com

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**VIA ELECTRONIC FILING**

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

**RE: Update on Status of PPA Offer to Bid B  
Docket Nos. E-2, Sub 1159, E-7, Subs 1156 and 1262, and  
SP-13695, Sub 1**

Dear Ms. Dunston:

In accordance with the North Carolina Utilities Commission's ("Commission") *Order Requiring Update on the Status of Bid B* ("Order") issued on March 10, 2022, in the above-referenced dockets, Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (collectively, the "Companies") hereby provide the Commission a status update on the Companies' offering of a Competitive Procurement of Renewable Energy ("CPRE") Tranche 1 power purchase agreement ("PPA") to Bid B.

On November 2, 2021, in Docket No. SP-12695, Sub 1, the Commission issued an *Order Granting Relief*, directing DEC to offer a CPRE Tranche 1 PPA to Bid B and, if below the CPRE Avoided Cost Cap, a CPRE Tranche 1 PPA to Bid A. Shortly thereafter, and in compliance with the *Order Granting Relief*, DEC held a call with Bid B on November 15, 2021, to make the offer directed by the Commission and to begin working toward execution of a Tranche 1 PPA.

On December 20, 2021, in Docket Nos. E-2, Sub 1159 and E-7, Sub 1157, the Commission issued an *Order Determining Adjusted CPRE Program Procurement Solicitation, Approving Resource Solicitation Cluster, and Requiring Response to Commission Questions Regarding Pro Forma PPA* concluding that the Companies should target 596 MW in CPRE Tranche 3 in accordance with N.C. Gen. Stat. § 62-110.8. The Commission recognized, however, that the 596 MW Tranche 3 target amount was subject to reduction as a result the Commission's *Order Granting Petition for Relief* by up to 52.6 MW, the aggregate capacity of Bid A and Bid B, if such projects elected to execute Tranche 1 PPAs. Following the Commission's CPRE Tranche 3 determination, on January 5, 2022, DEC issued the CPRE Tranche 3 Request for Proposal.

Since DEC's mid-November call with Bid B, DEC has worked with Bid B to move the project forward toward PPA execution and interconnection. On February 9, 2022, DEC provided a full copy of the Tranche 1 PPA to Bid B for review. DEC expects to execute a Tranche 1 PPA with Bid B for a 30 MW project on or before April 14, 2022. DEC has communicated to Bid B that the Tranche 1 PPA must be executed on or before April 14, 2022, to meet the Commission's directive in the Order that the Bid B Tranche 1 PPA "be resolved before the final Tranche 3 PPAs [are] awarded."<sup>1</sup> DEC has chosen April 14, 2022, as the Tranche 1 PPA execution date because the Step 1 evaluation of CPRE Tranche 3 bids begins May 1, 2022.

As noted in DEC's CPRE Compliance Report filed in Docket No. E-7, Sub 1262 as well as in the Commission's Order, Bid A has since declined a Tranche 1 PPA offer. The Companies continue to evaluate the CPRE Program requirements in accordance with N.C. Gen. Stat. § 62-110.8, and plan to update the Commission on the status of Bid B on or about April 25, 2022.

If you have any questions, please do not hesitate to contact me. Thank you for your attention to this matter.

Sincerely,



Ladawn S. Toon

cc: Parties of Record

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<sup>1</sup> Order at 2.