

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1197
DOCKET NO. E-7, SUB 1195

In the Matter of		
Application by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Approval of Proposed Electric Transportation Pilot))))	ORDER APPROVING EXTENSION OF TIME FOR COMPLETION OF ELECTRIC VEHICLE SCHOOL BUS PILOT PROGRAM

BY THE COMMISSION: On March 29, 2019, Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP, collectively Duke), filed an application in the above-captioned dockets pursuant to N.C. Gen. Stat. § 62-140 and various Commission rules requesting approval of seven proposed electric transportation pilot (ET Pilot) programs to obtain additional information about electric transportation (ET) and electric vehicles (EVs), and to support the adoption of EVs in North Carolina.

After receiving comments and reply comments, and holding a hearing, on November 24, 2020, the Commission issued an Order Approving Electric Transportation Pilot Programs, In Part (ET Pilot Order). In summary, the ET Pilot Order approved in full Duke’s proposed Public Level 2 Fast Charging pilot and approved on a modified scale Duke’s proposed Electric Vehicle School Bus (EVS), Direct Current Fast Charging, and Multi-Family Dwelling Charging pilots (collectively, Phase I Pilots). As requested by Duke, the Phase I Pilots were approved for a three-year duration.

On October 18, 2022, Duke filed a motion requesting that the end date of the EVS Pilot be extended from November 2023 until June 2025. In summary, Duke stated that several factors have hindered program participation and limited Duke’s ability to conduct the vehicle to grid (V2G) study required by the Commission’s ET Pilot Order, as follows.

Funding Gap

The combined cost for electric school buses, associated infrastructure, and installation is now about \$475,000 - \$500,000. As a result, schools do not have adequate funding when state replacement funds, \$100,000 per bus, are combined with Duke’s EVS funding of \$215,000 per bus. To close this funding gap schools have applied for grants through the North Carolina Department of Environmental Quality (NC DEQ) School Bus Program under Phase 2 of the Volkswagen Mitigation Plan. Funding requests were awarded on October 18, 2022, but contract execution remains to be completed. Duke’s requested extension would allow EVS participants sufficient time to seek other funding opportunities, such as the federal Infrastructure Investment and Jobs Act and the Environmental Protection Agency’s Clean School Bus Rebate program.

EVSB V2G Technology

Although the North Carolina state contract lists three electric school buses as V2G capable, Duke stated that none of these have proven track records in V2G deployments in North Carolina. Moreover, based on Duke Energy's experience with electric school bus V2G technology in other jurisdictions, it appears to Duke that the capability is immature and lacking evidence of trouble-free deployments.

Supply Chain Delays

The equipment required for the EVSB Program has longer than expected supply chain timelines. In addition, the sourcing process is sequential and does not allow for equipment to be ordered until after all funding is secured and participants' sites are reviewed for construction feasibility. Therefore, there are few opportunities to mitigate supply chain delays.

Duke stated that the above factors are limiting the time available for the V2G study. Duke would prefer to have a study duration of about one year in order to encompass a typical school year. As a result, it would plan for the V2G study to commence no later than March 2024 and end in March 2025, which would permit collection and analysis of data and conclusion of the EVSB Program in June 2025. Finally, Duke stated that a report on the EVSB Program would be issued by DEC and DEP in conjunction with the evaluation, measurement and valuation of the Phase I Pilots.

Based on the foregoing and the record, the Commission concludes that there is good cause to extend the duration of the EVSB Pilot Program to June 30, 2025.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of January, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "A. Shonta Dunston". The signature is written in a cursive, flowing style.

A. Shonta Dunston, Chief Clerk