

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-100, SUB 101

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	ORDER REQUESTING PERIODIC
Generator Interconnection Standards	)	REPORTING REGARDING
	)	COMPREHENSIVE COMPLIANCE
	)	WITH NCIP SECTION 6.5

BY THE PRESIDING COMMISSIONER: On June 14, 2019, the Commission issued an Order Approving Revised Interconnection Standard and Requiring Reports and Testimony (Order Approving NCIP Revisions) which, among other things, modified the North Carolina Interconnection Procedures (NCIP) to authorize Dominion Energy North Carolina (DENC), along with Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP, together with DEC, Duke) to conduct post-commissioning inspections of Interconnected Generating Facilities that were not inspected prior to commencing parallel operation and to perform periodic inspections on all Interconnected Generating Facilities.<sup>1</sup> Ordering Paragraph 3 provided for annual reports including “information on the number of inspections conducted pursuant to new Sections 6.5.2, 6.5.3, and 6.5.4, an explanation of the related costs, and the revenues billed to and collected from the Interconnection Customers for these inspections.”

After further proceedings and pursuant to the Commission’s September 23, 2019 Order Authorizing Utilities to Require Production Profiles and Requiring Compliance filings, DENC and Duke filed a Joint Compliance Filing of Approved North Carolina Interconnection Procedures on October 23, 2019 (Joint Compliance Filing). Attachment A of the Joint Compliance Filing constituted the then-current North Carolina Interconnection Procedures (NCIP), including the modifications in NCIP Section 6.5 provided by the Order Approving NCIP Revisions that authorize Duke and DENC to conduct inspections of Interconnected Generating Facilities; these provisions are still current.

NCIP Section 6.5 is entitled “Commissioning and Post-Commissioning Inspections” and includes the following three subsections:

6.5.2 In the case of any Generating Facility that was not inspected prior to commencing parallel operation, the Utility shall be authorized to conduct an inspection of the medium voltage AC side of each Generating Facility (including assessing that the anti-islanding process is operational). The

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<sup>1</sup> Capitalized terms that are not defined herein are defined in the North Carolina Interconnection Procedures.

Interconnection Customer shall pay the actual cost of such inspection within 30 Business Days after the Utility provides a written invoice for such costs.

6.5.3 The Utility shall also be entitled, on a periodic basis, to inspect the medium voltage AC side of each Interconnected Generating Facility on a reasonable schedule determined by the Utility in accordance with the inspection cycles applicable to its own distribution system. The Interconnection Customer shall pay the actual cost of such inspection within 30 Business Days after the Utility provides a written invoice for such costs.

6.5.4 The Utility shall also be entitled to inspect the medium voltage AC side of an Interconnected Generating Facility in the event that the Utility identifies or becomes aware of any condition that (1) has the potential to either cause disruption or deterioration of service to other customers served from the same electric system or cause damage to the Utility's System or Affected Systems, or (2) is imminently likely to endanger life or property or cause a material adverse effect on the security of, or damage to the Utility's System, the Utility's Interconnection Facilities or the systems of others to which the Utility's System is directly connected. The Interconnection Customer shall pay the actual cost of such inspection within 30 Business Days after the Utility provides a written invoice for such costs.

On October 8, 2021, the Commission issued an Order Clarifying Generator Interconnection Standards, Requesting Comments, and Requiring Filing of Remediation Information (Clarifying Order). The Clarifying Order emphasized that the post-commissioning inspection provisions in Sections 6.5.2, 6.5.3, and 6.5.4 of the NCIP apply to all Generating Facilities, regardless of the date of their Interconnection Agreement. Subsequent filings in this docket have outlined Duke's compliance with the requirements of Subsection 6.5.2 regarding facilities that were not inspected prior to commencing parallel operation (Uninspected Facilities).

On April 27, 2022, the Commission issued an Order Requesting Comments Regarding Comprehensive Compliance with NCIP Section 6.5 (Order Requesting Comments). The Commission directed Duke and DENC to include an explanation of any criteria the utilities use to determine which facilities to inspect and when. The Order Requesting Comments required Duke to describe its plan to comply with NCIP subsections 6.5.3 and 6.5.4 and required DENC to describe its plan to comply with the entirety of Section 6.5 of the NCIP.

On May 26, 2022, Duke and DENC each filed comments pursuant to the Order Requesting Comments. Duke explained that NCIP sections 6.5.3 and 6.5.4 are both permissive, granting the Utility the right to exercise actions described in those sections but not requiring the Utility to do so. Duke stated its inspections activities up to that time had been focused on Section 6.5.2 and had involved developing and implementing procedures to conduct initial and subsequent periodic inspections of previously Uninspected Facilities. Duke further stated that with the plans for Uninspected Facilities

in place, it planned to continue discussions with stakeholders regarding implementation of Section 6.5.3, beginning with the Duke Energy Distributed Energy Resource Interconnection Technical Standards Review Group (TSRG) meeting scheduled for July 20, 2022. With respect to NCIP Section 6.5.4, Duke stated that it has and will continue to determine on a case-by-case basis how to address conditions causing potential or identified safety, power quality, and/or reliability risks associated with the operation of an Interconnection Generating Facility.

DENC, for its part, similarly explained that it interprets NCIP Section 6.5.1 as a mandatory requirement, with NCIP Sections 6.5.2, 6.5.3, and 6.5.4 providing DENC discretionary authority. DENC stated that while it reserved the right to utilize this authority, it had chosen so far not to do so. DENC then provided a comprehensive description of its commissioning process employed under Section 6.5.1, and it went on to explain that Articles 1 and 3 of the Interconnection Agreement were DENC's primary method of addressing the impact to the grid from an Interconnection Generating Facility.

On June 29, 2022, the Public Staff filed a letter in lieu of comments, stating that it took no issues with the submittals filed by Duke and DENC and that it was the view of the Public Staff that Duke's and DENC's submittals appropriately outlined the criteria for and plans for implementation of NCIP Section 6.5.

On June 30, 2022, Intervenor Carolinas Clean Energy Business Association (CCEBA) filed a letter in lieu of comments expressing support for Duke's administration of the self-inspection process that Duke and CCEBA negotiated. CCEBA also corrected an error in a chart in Duke's filing from May 26, 2022, noting that 296 of 298 Uninspected Facilities had opted for self-inspection.

Based on the record as a whole, the Commission now finds that Duke and DENC have developed appropriate criteria and plans for implementation of NCIP Section 6.5. The Commission further finds good cause to require that Duke and DENC annually report, for each calendar year, information regarding activities and status regarding NCIP Section 6.5, as follows:

- All activities undertaken during the prior calendar year to maintain compliance with NCIP Sections 6.5.2, 6.5.3, and 6.5.4;
- The status of all plans and programs associated with NCIP Section 6.5.2, if any, along with an updated timeline for planned completion of inspection of the total population of Uninspected Facilities, if any; and
- The status of all plans and programs associated with NCIP Section 6.5.3, along with a description of the inspection program(s), inspection cycles, and other pertinent information.

The Commission finds good cause to require this information to be submitted in a special one-time report for calendar year 2022 and annually thereafter as part of the annual report required by Ordering Paragraph 3 of the Order Approving NCIP Revisions.

IT IS, THEREFORE, ORDERED as follows:

1. That within 60 days of the date of this Order, Duke and DENC shall file, for the 2022 calendar year (a) a list of all activities undertaken to maintain compliance with NCIP Sections 6.5.2, 6.5.3, and 6.5.4; (b) the status of all plans and programs associated with NCIP Section 6.5.2, if any, along with an updated timeline for planned completion of inspection of the total population of Uninspected Facilities, if any; and (c) the status of any and all plans and programs associated with NCIP Section 6.5.3, along with a description of the inspection program(s), inspection cycles, and other pertinent information;

2. That for the 2023 calendar year and all subsequent years, Duke and DENC shall file in the annual report required by Ordering Paragraph 3 of the Commission's June 14, 2019 Order Approving Revised Interconnection Standard and Requiring Reports and Testimony the same information, namely (a) a list of all activities undertaken to maintain compliance with NCIP Sections 6.5.2, 6.5.3, and 6.5.4; (b) the status of all plans and programs associated with NCIP Section 6.5.2, if any, along with an updated timeline for planned completion of inspection of the total population of Uninspected Facilities, if any; and (c) the status of any and all plans and programs associated with NCIP Section 6.5.3, along with a description of the inspection program(s), inspection cycles, and other pertinent information; and

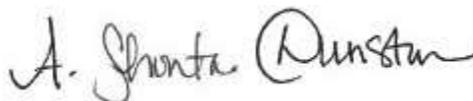
3. That the reports required by this Order and by any other order issued in this docket shall be filed in Docket No. E-100, Sub 101R.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 6th day of March, 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