STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. SP-8741, SUB 2
DOCKET NO. SP-8748, SUB 1
DOCKET NO. E-7, SUB 1156

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. SP-8741, SUB 2 DOCKET NO. SP-8748, SUB 1 In the Matter of Joint Petition of Cool Springs Solar LLC and Lick Creek Solar LLC for Declaratory Ruling and Other Relief DOCKET NO. E-7, SUB 1156 In the Matter of Petition of Duke Energy Carolinas, LLC, for Approval of Competitive Procurement of Renewable Energy Program	))))))))))))))	ORDER DENYING PETITION FOR DECLARATORY RULING AND OTHER RELIEF

BY THE COMMISSION: On March 30, 2020, Cool Springs Solar LLC (Cool Springs) and Lick Creek Solar LLC (Lick Creek or Petitioner; together with Cool Springs, Petitioners) filed a joint petition in Docket Nos. SP-8741, Sub 2, SP-8748, Sub 1, and E-7, Sub 1156 seeking a declaratory ruling from the Commission that Market Participants (MPs) shall not be required to terminate existing power purchase agreements (PPAs) as a condition of bidding into the Competitive Procurement of Renewable Energy (CPRE) Program. Further, Petitioners request that the Commission direct the CPRE Program Independent Administrator, Accion Group, Inc. (Accion or IA), to reverse its disqualification of Petitioners' proposals from Tranche 2 of the CPRE Program.

On April 8, 2020, Duke Energy Carolinas, LLC (DEC; together with Duke Energy Progress, LLC (DEP), Duke), filed a response in opposition to the petition in Docket No. E-7, Sub 1156.

On April 17, 2020, Petitioners filed a reply in support of the petition.

On May 15, 2020, Petitioners filed a statement and amended petition noting that Cool Springs "no longer seeks to participate in CPRE Tranche 2 and no longer seeks

relief from the Commission in this proceeding." The amended petition is identical in all respects to the original petition save for the removal of Cool Springs.[1]

SUMMARY OF THE PLEADINGS

Amended Petition of Lick Creek

In its petition Lick Creek identifies itself as a special-purpose entity organized for the development of a solar photovoltaic (PV) generating facility in Stokes County, North Carolina, with a nameplate capacity of 50 MW_{AC} (the Project). The Project is a qualifying facility (QF) pursuant to Title II of the federal Public Utility Regulatory Policies Act of 1978, Pub. L. No. 95-617, 92 Stat. 3134 (PURPA), and has been granted a certificate of public convenience and necessity under Commission Rule R8-64. Lick Creek further has a signed Interconnection Agreement with DEC, pursuant to which it is already making payments for "Interconnection Facilities and Upgrades," and Lick Creek notes that the Project does not require significant upgrades in order to interconnect safely and reliably to DEC's system.

Lick Creek states that the Project has a five-year avoided cost PPA with DEC pursuant to PURPA which was executed on or around September 6, 2019 (PURPA PPA). The PURPA PPA "requires Duke to purchase the Project's energy and capacity at avoided cost rates calculated as of the date the Project established a Legally Enforceable Obligation (LEO) under PURPA, and implementing regulations." Amended Petition at 3-4. Lick Creek further notes that the PURPA PPA "requires it to pay substantial liquidated damages to DEC if the Project fails to achieve commercial operation and commence delivering power under the contract." *Id*. at 4. Finally, Lick Creek advises that "[t]he Liquidated Damages provisions of the PPA state that these damages are reasonably calculated to compensate the utility for any damages that would result from the Project failing to deliver energy and capacity as required under the contract." *Id*.

The CPRE Program obligates Duke to procure energy and capacity from renewable energy facilities at a cost not to exceed the utility's current forecast of its avoided cost calculated over the term of the PPA. Bids to participate in the CPRE Program are evaluated by the independent third-party administrator, Accion.

Lick Creek observes that for both Tranche 1 and 2 of CPRE, Accion allowed a project with a noncontractual LEO to submit a CPRE bid. However, Lick Creek asserts that starting with the Tranche 2 RFP, projects with contractual LEOs are distinguished and excluded from participation in the CPRE bidding process. Lick Creek explains, "[t]his restriction on eligibility was not part of the Tranche 1 RFP and was not discussed in Duke's Program Plan for Tranche 2." *Id*. at 6. Lick Creek also states that "[i]n written and verbal comments provided during the stakeholder engagement process, [Lick Creek] requested that the IA reconsider this requirement, arguing that it is unreasonable,

[1] On September 25, 2020, Lick Creek filed a Motion for Expedited Consideration, and on September 30, 2020, Accion filed a Response. These pleadings raise no new substantive issues and are noted here for completeness.

anticompetitive, and not in the best interest of ratepayers." *Id*. Lick Creek additionally recounts that it "further clarified to the IA that it would commit in writing to terminate its existing PPA and pay liquidated damages if awarded a CPRE PPA." *Id*. at 6-7. However, reports Lick Creek, Accion "declined to reconsider this requirement, responding that 'The Soliciting Entity [*i.e.*, Duke] has determined that the proposed arrangement requiring default on an existing legal obligation is not in the best interests of its ratepayers, and therefore, respectfully disputes the position taken by the prospective bidder.'" *Id*. at 7 (alteration in original).

Lick Creek states that it then submitted a PPA proposal to the CPRE Tranche 2 on March 9, 2020 (Tranche 2 proposal). Lick Creek notes that because the Project has a signed Interconnection Agreement with Duke, pursuant to which it is already making payments for Interconnection Facilities and Upgrades, the Project qualifies as an "Advanced Stage Project" under the Request for Proposals for Tranche 2 published by Accion on October 15, 2019 (Tranche 2 RFP). Accordingly, Lick Creek states that it elected to make its bid as an Advanced Stage Project and "submitted a bid substantially below avoided cost" and below "analogous pricing under the Project's [PURPA PPA]." *Id*. at 4. Also, Lick Creek advises that because it is an Advanced Stage Project, it has no upgrade costs, and its bid on the Tranche 2 RFP "fully accounts for the cost of all Upgrades assigned to the Project, which will not otherwise be assigned to ratepayers." *Id*. Finally, Lick Creek opines that "its bids will be highly competitive in Tranche 2. The Project bid at a significant decrement to avoided cost, even after accounting for integration costs . . . ." *Id*. However, states Lick Creek, on March 11, 2020, Accion notified it that its Tranche 2 proposal was "ineligible to participate in CPRE" due to its existing offtake agreement, the PURPA PPA, and Accion eliminated Lick Creek's CPRE Tranche 2 bid from consideration. *Id*. at 7.

Lick Creek contends that

> requiring projects with existing PPAs to terminate their contracts with Duke in order to bid into CPRE serves no legitimate policy purpose and would discourage such projects from participating in CPRE, reducing the pool of potential CPRE projects and depriving ratepayers of the possible benefits of contracting for energy and capacity from Petitioner's Project at rates below avoided cost.

Id. at 2. In contrast, Lick Creek asserts that if allowed to bid into Tranche 2 of the CPRE Program, (1) the likelihood that DEC will meet its procurement target will increase, (2) ratepayers will benefit from lower aggregated Tranche 2 procurement costs if its Project is selected, and (3) ratepayers will further benefit from the replacement of an avoided cost-based PPA with a CPRE PPA priced "significantly below avoided cost." *Id*. Lick Creek further argues that "[t]he disqualification of Petitioner's proposal from CPRE Tranche 2 at the behest of [DEC] (the counter-party to Petitioner's PPA) is unreasonable, anticompetitive, and not in the best interest of ratepayers." *Id*. at 7.

Also, Lick Creek argues that if its Project were selected for a Tranche 2 CPRE PPA, it would be more advantageous to ratepayers than its existing PURPA PPA with DEC for a number of reasons, including:

> (1) the Project's CPRE bid is significantly below the avoided cost rates approved in the E-100 Sub 158 docket, inclusive of solar integration costs, and below the avoided cost rates in Petitioner's existing PURPA PPA; (2) CPRE PPAs give Duke limited curtailment rights that are not available under Petitioner's existing PURPA PPA; (3) CPRE PPAs, unlike Petitioner's existing PURPA PPA, transfer renewable energy certificates to Duke; [and] (4) CPRE PPAs, unlike Petitioner's existing PURPA PPA, account for solar integration costs . . . .

Id. at 8.

Next, Lick Creek asserts that the

> decision not to allow projects with existing PPAs to bid into Tranche 2 lacks any rational policy justification. It is also inconsistent with the IA's decision to allow projects with existing LEO's to bid into Tranche 2 without compromising those LEOs. A PPA is a form of LEO under PURPA, and it is arbitrary and capricious to treat PPAs and non-contractual LEO's differently for purposes of determining CPRE eligibility.

Id. (footnote omitted). Further, Lick Creek opines "that this decision was intended to force Petitioner to cancel its existing PPA or be excluded from CPRE Tranche 2." *Id*. at 8-9. Lick Creek asserts that DEC may be motivated to discourage Lick Creek from bidding into Tranche 2 so as to bolster "the prospects of success of Duke's own Proposals." *Id*. at 9. In addition, Lick Creek argues that given DEC's eligibility to bid into Tranche 2, it should not be permitted to have a voice in limiting the participation of its competitors. Finally, Lick Creek contends that "[i]t is also inappropriate for DEC to use its influence over CPRE policy decisions to pressure Petitioner to terminate its PPA as a condition of participating in CPRE." *Id*.

Accordingly, Lick Creek requests that the Commission enter an order directing Accion to reinstate its Tranche 2 Proposal and issue a declaratory order "clarifying that Projects with existing offtake agreements may bid into CPRE." *Id*.

DEC Response

In its April 8 response DEC states that while it does not dispute the basic facts set forth in Lick Creek's petition, it opposes Lick Creek's petition. DEC notes that Lick Creek's PURPA PPA "expressly requires" that it sell "one hundred percent (100%) of the Capacity, output of Energy (including stored Energy) produced by the Facility . . . ." DEC Response at 2. DEC adds that prior to executing the PURPA PPA, Lick Creek at no time indicated its intent to submit a proposal to CPRE Tranche 2 or that it believed its obligations

pursuant to the PURPA PPA to be contingent on the outcome of the Tranche 2 RFP process.

Next, DEC recounts that Accion made the Tranche 2 RFP available for comment on its website on August 15, 2019, in accordance with Commission Rule R8-71(f) and that the initial draft contained the following language: "[a]lso for the avoidance of doubt, [a Market Participant] may not submit a Proposal for a Facility that has an existing offtake agreement" (RFP Off-Take Restriction). *Id*. (alteration in original). DEC further states that "[t]his unambiguous statement was never amended in any way and was included in the final Tranche 2 RFP posted to the IA's website on October 15, 2019 in accordance with Commission Rule R8-71(f)." *Id*.

DEC argues that the structure of House Bill 589, S.L. 2017-192 (HB 589), which enacted the CPRE requirement, among other solar initiatives, supports the RFP Off-Take Restriction: "Nothing in HB 589 contemplated that QFs should be permitted to enter into a Full Avoided Cost PPA or [Green Source Advantage (GSA)] PPA but then attempt to obtain a CPRE PPA in parallel." *Id*. at 3. DEC explains that "N.C. Gen. Stat. § 62-110.8(a) establishes a CPRE procurement target that is adjusted based on the number of QFs that have executed both Full Avoided Cost PPAs and [interconnection agreements]." *Id*. Further, "N.C. Gen. Stat. § 62-110.8(b)(1) mandates that if a QF has executed both a Full Avoided Cost PPA and an [interconnection agreement], then the total CPRE procurement target is adjusted." *Id*. DEC concludes that "[i]n establishing this structure, the CPRE Statute thus clearly contemplated that executing a Full Avoided Cost PPA or participating in a CPRE RFP are mutually exclusive." *Id*. at 4.

DEC also contends that the RFP Off-Take Restriction is reasonable as a matter of policy, arguing that having a PURPA PPA as a backstop will result in less aggressive and competitive bids and create inequity between those MPs with alternative offtakes and those without. Additionally, DEC opines that "if future avoided costs decline substantially from the current projections," then the shorter term of the PURPA PPA may deliver greater savings to ratepayers than a CPRE PPA. *Id*. at 6. Further, DEC states concern that if Lick Creek's petition is granted, then MPs with GSA PPAs may also attempt to bid into the CPRE Program, introducing uncertainty into the GSA Program. Finally, DEC argues that it "did agree to allow projects with a LEO established pursuant to the Commission-approved [Notice of Commitment (NOC) form] to bid into CPRE without losing such LEO in order to not unnecessarily discourage participation. But contrary to Petitioners' assertion, there is a substantial difference between a LEO established through a NOC and an executed PPA." *Id*. at 7.

Further, DEC asserts that the RFP Off-Take Restriction is necessary for the efficiency of administering the CPRE Program:

> Allowing projects with pre-existing off-take arrangements to bid into CPRE also introduces greater uncertainty into the overall procurement process, as Duke and the IA have no way of being certain that a Market Participant will in fact terminate such existing PPA and pay any applicable liquidated

> damages if selected as a winner. The CPRE evaluation process is complex and involves evaluation of a large number of projects over a short period of time. Allowing a project with an existing off-take agreement into the process introduces yet another element of uncertainty into an already complex and contingent evaluation process. Finally, if a Market Participant with an existing off-take agreement were selected as a winner and then refused to execute CPRE PPA, other projects could be impacted (even if Duke was able to recover the Step 2 Proposal Security amount).

Id. at 7-8.

In addition, DEC criticizes Lick Creek, stating that it could have raised this issue substantially sooner and avoided introducing uncertainty into the Tranche 2 evaluation process. DEC notes that as of the date of its comments, April 8, 2020, Accion "is currently proceeding with its Tranche 2 evaluation with Petitioners' projects excluded[,] and a modification to the RFP Off-Take Restriction would likely necessitate revaluation and could result in a delay in Tranche 2 completion." *Id*. at 8.

DEC charges that Lick Creek's allegations that DEC may have improper motivations behind the RFP Off-Take Restriction are misleading for several reasons, including that "the RFP Off-Take Restriction is, based on all available evidence, only impacting Petitioners' projects and, if it is conferring any meaningful benefit on other Market Participants, is doing so for all other Market Participants equally." *Id*. at 9. DEC also notes that Lick Creek's allegations ignore the communication restrictions imposed by the CPRE rule, which mandate that no communications are permitted between DEC employees involved in "assisting the IA in the CPRE evaluation" and the separate DEP/DEC or DER Proposal Teams within Duke. *Id*. at 10. Finally, DEC avers that "decisions concerning the contents of the RFP are made by the members of the Duke Evaluation Team (who have no insight into the plans of the DEP/DEC or DER Proposal Teams) in collaboration with the IA." *Id*.

DEC also dismisses Lick Creek's claims that its elimination from Tranche 2 will likely lead to higher CPRE contract prices or make it more difficult for DEC to achieve its Tranche 2 procurement goals as "pure speculation." *Id*. at 11.

With regard to the liquidated damages referenced by Lick Creek, DEC states that "[s]uch liquidated damage provisions are a standard term in each of Duke's negotiated QF PPAs. For the avoidance of doubt, any liquidated damages received under such PPAs will not benefit Duke but are instead credited to customers through fuel rates." *Id*.

Finally, DEC affirms that "there is no evidence or factual basis to suggest that the RFP Off-Take Restriction was imposed specifically to target Petitioners." *Id*. at 12.

DEC requests that the Commission deny Lick Creek's petition.

Reply Comments of Lick Creek

In its April 17 reply Lick Creek contends that DEC's arguments that eliminating the RFP Off-Take Restriction is inconsistent with the CPRE statute (1) will result in less competitive bids, (2) will make administration of the CPRE Program less efficient, and (3) "have no basis in HB 589, in the Commission's CPRE Rules, or in sound public policy." Lick Creek Reply at 1. Lick Creek further asserts that DEC's position is "inconsistent with rational decision-making by potential CPRE [MPs]." *Id*. Finally, Lick Creek reasons that the relief it seeks is "in the interest of ratepayers and would not disrupt the administration of CPRE Tranche 2." *Id*. at 2.

Lick Creek asserts that the following facts are undisputed: (1) that the RFP Off-Take Restriction is DEC's policy, not Accion's, (2) that the RFP Off-Take Restriction necessitates that to bid into the CPRE Program, a QF with an existing PPA must first terminate that PPA in order to be eligible for CPRE, and (3) that Lick Creek's CPRE proposal offers energy and capacity at prices below the avoided cost rates in its existing PURPA PPA.

Lick Creek disagrees that DEC's RFP Off-Take Restriction is consistent with HB 589, noting that "such a restriction is nowhere to be found in the text of the statute," and contends that "[i]f such a restriction did exist, it would also bar a project with an executed PURPA PPA from terminating that PPA and subsequently bidding into CPRE — which Duke says is perfectly fine." *Id*. Lick Creek argues that pursuant to HB 589 it is permissible to shift from "one form of offtake authorized under HB 589 to another." *Id*. at 3.

Lick Creek dismisses DEC's concern that the total volume of CPRE procurement is dependent on the volume of PURPA PPAs and would have to be adjusted if Petitioner were to terminate its existing PURPA PPA in favor of a CPRE PPA. Lick Creek reasons that as the program is "only in Tranche 2 now, . . . any adjustment to the total volume of CPRE procurement will not happen until Tranche 3 or later." *Id*. Further, Lick Creek argues that "[e]ven in the final tranche of CPRE, the [IA] could simply adjust the awarded amount to account for the number of selected projects with existing PURPA PPAs (or a different rule could be established for the final tranche)." *Id*.

Also, Lick Creek expresses skepticism at DEC's stated concern that if Petitioner prevails in its request, the GSA program could be impacted if participants were able to terminate their GSA PPAs in favor of CPRE PPAs. Lick Creek notes that it is not requesting that GSA participants be permitted to bid into CPRE and argues that "it would be entirely reasonable for the Commission to allow projects with PURPA PPAs to bid into CPRE while not allowing projects with GSA Contracts to do so." *Id*. at 4. Finally, Lick Creek states its belief that GSA suppliers would be unlikely to breach their GSA PPAs for monetary and reputational reasons.

Next, Lick Creek contends that the CPRE Program is not intended to pressure MPs into bidding as low as possible:

> HB 589 requires that PPA pricing under CPRE be set competitively, and that the resources procured be "cost-effective." The "cost-effectiveness" of a CPRE Proposal, according to the General Assembly and this Commission, is judged by whether the proposal pricing (inclusive of the cost of upgrades) is at or below avoided cost — not whether the pricing is as low as possible.

Lick Creek Reply at 4 (citations omitted).

Lick Creek also responds to DEC's allegation that allowing projects with preexisting PPAs to bid into CPRE will introduce "greater uncertainty into the overall procurement process," based upon the possibility that an MP may elect to honor its existing PURPA PPA even if it is offered a CPRE PPA. *Id*. at 5. Lick Creek criticizes DEC's argument stating:

> [T]his assumes irrational behavior on the part of MPs. A QF with an executed PURPA PPA would only make the substantial commitment to participate in CPRE (including the posting of sizable Proposal Security if it selected for the competitive tier) if it decided that a CPRE PPA, at the bid price, would be more favorable than its existing PPA. Such an MP has no more reason not to sign a CPRE PPA than any other MP.

Id. (footnote omitted). For these reasons, Lick Creek states that if granted by the Commission, its request will not create uncertainty or otherwise complicate administration of the CPRE Program.

In addition, Lick Creek disputes DEC's claim that the five-year PURPA PPA could be more beneficial to ratepayers than a CPRE PPA. Lick Creek contends that "[i]t is also entirely speculative to assume that avoided costs six years from now will be even lower than the Petitioners' bid prices, which are already below avoided cost, even after accounting for solar integration costs." *Id*. at 6. Lick Creek also notes that "under CPRE, the utility and the ratepayer would have the benefits of limited dispatchability and REC acquisition for the *entire* 20-year term of the PPA." *Id*.

Lick Creek further argues that DEC "misstates the facts concerning the timeliness of Petitioners' request." *Id*. It disputes DEC's claim that the draft Tranche 2 RFP posted on Accion's website on August 15, 2019, contained the express RFP Off-Take Restriction. Lick Creek contends:

> [T]]he Draft RFP made available for comment on August 15, 2019 . . . did *not* include any statement about the RFP Off-Take Restriction. The restriction first appeared in the final RFP published on October 15, 2019 (the date on which Tranche 2 opened for bids), tacked on to the end of a footnote discussing CPCN requirements. . . . To the best of Petitioners' knowledge,

> the restriction was not discussed in stakeholder meetings or other guidance provided prior to the opening of Tranche 2, and was not added in response to any comments by stakeholders . . . . And the comment period for the Draft RFP closed on September 5, 2019. So potential MPs had no opportunity [to] comment on the restriction prior to it being included in the Final RFP. The addition of the RFP Off-Take Restriction to the RFP at the eleventh hour therefore violated Commission Rule R8-71(f), which requires publication of a draft RFP setting forth the "guidelines and documents, including RFP procedures, [and] evaluation factors" that will guide the process.

Id. at 6-7 (final alteration in original). Lick Creek also notes that it "made repeated attempts to resolve this issue with the IA after it was revealed for the first time in the Final RFP in October 2019," including raising the issue of the RFP Off-Take Restriction via a comment on Accion's website on January 23, 2020, at a stakeholder meeting on February 6, 2020, through comment on Accion's website on February 26, 2020, and again on March 5, 2020. *Id*. at 8.

Lastly, Lick Creek argues that if the Commission decides in its favor, there will be no prejudice or delay because the Project qualifies as Advanced Stage and, therefore, may forego the Step 2 interconnection study. Further, Lick Creek states that as an Advanced Stage project, it can be ranked and evaluated solely on the basis of its bid pricing, then, once evaluated by Accion, "simply be 'slotted in' to the final ranked list of proposals to be delivered by the IA to the Evaluation Team at the conclusion of the Step 2 process, in keeping with Rule R8-77(f)(iv)." *Id*. at 9. Lick Creek concludes, "[s]o long as a decision is rendered in time for Petitioners' proposals to be ranked before that list is prepared at the end of Step 2, granting the requested relief should not cause any delay or disruption." *Id*.

DISCUSSION AND CONCLUSIONS

The CPRE statute, N.C.G.S. § 62-110.8(a), does not directly answer the question at issue in this proceeding: should an MP have to cancel its existing avoided cost contract to participate in the CPRE Program and submit a proposal in response to a utility's RFP. The Commission, therefore, must interpret the statute in the context of the entirety of HB 589 to answer this question. After careful consideration the Commission concludes that Duke[2] was reasonable in excluding bidders with existing PPAs from CPRE Tranche 2 and finds good cause to deny the relief requested by Lick Creek and to dismiss the petition.

Pursuant to N.C.G.S. § 62-110.8(a), the legislative purpose of the CPRE Program is that of "adding renewable energy to the State's generation portfolio in a manner that allows the State's electric public utilities to continue to reliably and cost-effectively serve customers' future energy needs." Under the bill, Duke is required to "issue requests for proposals to procure and shall procure, energy and capacity from renewable energy

[2] As envisioned by the statute, N.C.G.S. § 62-110.8(b), Duke filed a petition on behalf of DEC and DEP for approval of a joint CPRE Program, and the decisions herein apply equally to bidders submitting proposals in response to a CPRE RFP for facilities in either the DEC or DEP service territories.

facilities" in the aggregate amount of 2,660 MW over a term of 45 months after Commission approval. However, the procurement target established in the legislation for this program adjusts automatically based on a number of conditions, including the amount of renewable energy procured under other programs.

The CPRE Program is only one of the programs established or modified in HB 589. For example, in Part I of the bill, the legislature amended N.C.G.S. § 62-156 and the terms and conditions of future standard and negotiated avoided cost contracts, while grandfathering certain facilities eligible for the standard offer rate schedules and power purchase agreement terms and conditions approved by the Commission in prior avoided cost proceedings. Also, in Part III of the bill the General Assembly authorized a revised Green Source Advantage program to allow Duke to procure renewable energy resources on behalf of North Carolina's major military installations, the University of North Carolina system, and large nonresidential customers. The amount of renewable energy capacity contracted for under these other provisions impacts the amount of capacity required to be procured under the CPRE Program. N.C.G.S. § 62-110.8(b)(1).

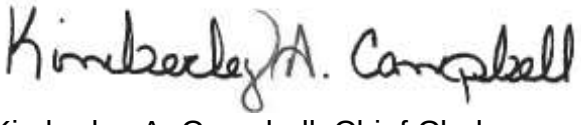
The Commission is persuaded that to allow generators already under contract for the sale of their output to Duke to submit proposals to the CPRE Program would thwart the explicit legislative purpose of the CPRE Program. The Commission further agrees with Duke that excluding bidders with existing PPAs is reasonable for administrative efficiency of the CPRE Program. The CPRE evaluation process is complex and involves the evaluation of a large number of projects over a short period of time. Allowing projects with preexisting off-take arrangements that may not execute a CPRE PPA even if selected as a winning competitive bid to participate in the CPRE Program introduces greater uncertainty into the overall procurement process. To reiterate, the purpose of the CPRE Program is to add new renewable energy generation, and the selection of capacity already under contract and the additional effort required to evaluate such proposals does nothing to further this purpose. Therefore, for the foregoing reasons the Commission is persuaded that Duke acted reasonably in excluding bidders with existing PPAs from participating so as to effectuate the purpose of and efficiently administer the CPRE Program.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 20th day of October, 2020.

NORTH CAROLINA UTILITIES COMMISSION



Kimberley A. Campbell, Chief Clerk