

## NORTH CAROLINA PUBLIC STAFF UTILITIES COMMISSION

July 1, 2022

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 Progress, LLC's Petition for Limited Waiver to the North

Carolina Interconnection Agreement

Dear Ms. Dunston:

On May 27, 2022, Duke Energy Progress, LLC (DEP), 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. DEP included a redlined version of the proposed revisions to the NCIA as Attachment A to its petition.

In its petition, DEP notes that it was awarded a contract by the United States Department of the Army (the Army) in 2020 for development, construction, and ultimately, transfer of ownership and operational control of a 1.1 MW floating solar photovoltaic generating facility at Camp Mackall within Fort Bragg. DEP's petition explains that as a federal entity, the Army identified certain provisions of the NCIA which require modification to ensure consistency with laws and regulations applicable to federal executive branch agencies, including provisions related to pre-payment obligations, ongoing financial security requirements, indemnification, insurance, disputes, and conflict of laws. DEP further states that the proposed modifications would not adversely impact power quality and reliability on its system, unduly shift commercial risk to the utility, or require the North Carolina Interconnection Standard to be revised on a permanent basis. DEP notes that Section 12.2 of the NCIA provides that parties may amend the agreement if both parties agree to the amendment in writing. DEP concludes by requesting guidance from the Commission for future requests for modifications to the NCIA by federal agency customers of DEP.

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In support of its petition in this case, DEP notes that the Commission's April 21, 2020 Order Granting Limited Waiver and Authorization to Modify North Carolina Interconnection Agreement between Dominion Energy North Carolina and the United States Coast Guard in this same docket similarly accommodates a federal agency interconnection customer, which it asserts largely mirrors the modifications proposed here.

The Public Staff has reviewed DEP's petition and the proposed modifications to the NCIA between DEP and the Army in Attachment A and does not have any objections to the modifications proposed. In particular, the Public Staff agrees with DEP 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 DEP 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 DEP 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,

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Electronically submitted
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cc: Parties of Record