

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1167
DOCKET NO. E-7, SUB 1166

In the Matter of:)	
)	
Application of Duke Energy Progress, LLC)	DUKE ENERGY PROGRESS,
and Duke Energy Carolinas, LLC Requesting)	LLC'S AND DUKE ENERGY
Approval of Solar Rebate Program Pursuant to)	CAROLINAS, LLC'S JOINT
N.C. Gen. Stat. § 62-155(f))	BIANNUAL SOLAR
)	REBATE PROGRAM
)	REPORT
)	
)	

This biannual informational filing is provided to the North Carolina Utilities Commission ("Commission") in accordance with the April 3, 2018, *Order Modifying and Approving Riders Implementing the Solar Rebate Program*, the November 6, 2020 *Order Modifying Fourth Year of Solar Rebate Program and Requesting Additional Comments*, and the March 23, 2021 *Order Modifying Solar Rebate Program and Allowing Comments* in the above-captioned dockets. Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP", collectively "Duke Energy" or the "Companies") make their first biannual informational filing for the 2023 calendar year in these proceedings.

Overview of the 2022 Program Year

The goal of the Solar Rebate Program is to provide an economic incentive for residential, non-residential and non-profit customers in North Carolina to adopt solar power by reducing the upfront costs of installing solar equipment. During the 2022 program year, a total of 1,823 rebates were paid, with an associated installed capacity of approximately 16,479 kilowatts ("kW").

Participation Rates

Appendix A provides detail regarding the breakout of rebates paid as well as rates of participation by customer class, including reserved and approved installed capacity for each participant class and those for which a set-aside capacity is reserved. Appendix B provides detail regarding the average rebate awarded by kW and the average rebate reflecting payments for each customer type from 2022 as of February 10, 2023.

Program Costs

Program costs were \$ 8.0 million for calendar year ending December 31, 2022, as shown in the table below.

	DEC	DEP
Rebates Paid to Customers	\$3,380,350	\$3,960,866
Program Administrative Labor Costs	\$254,643	\$255,219
Program Administrative Expenses <i>(including marketing)</i>	\$83,005	\$83,006
Total Program Costs	\$3,717,998	\$4,299,091

Fraud

No potential instances of fraud were identified within the rebate application process.

Rejected Applications

In accordance with the program terms and conditions, applications may be rejected for several reasons if they do not meet all the criteria to be eligible for a rebate. The charts below provide detail regarding the number of applications rejected during the 2022 program year, and reasons those applications were rejected.

	DEC	DEP	Total
Residential	289	330	619
Non-residential	35	18	53

Non-Profit	9	8	17
Non-Profit (NC Greenpower)	5	2	7
Total Number of Applications Rejected	338	358	696

Reason Application was Rejected	Number Rejected
DEC	
Duplicate Application	19
Interconnection request (project ID and customer name) cannot be found	2
Interconnection request has been Withdrawn	25
Interconnection request has been Cancelled/Terminated	9
Customer did not acknowledge	4
Not a Duke Energy North Carolina customer (superseded)	2
Project was completed more than 90 days prior to application submission	173
Project was not completed by the deadline	47
Customer applied for nonprofit instead of Residential	50
Customer is not eligible because it is not a new system (transfer of ownership)	7
DEP	
Duplicate Application	21
Interconnection request (project ID and customer name) cannot be found	3
Interconnection request has been Withdrawn	18
Interconnection request has been Cancelled/Terminated	17
Customer is not on a Net Metering rate schedule	6
Customer did not increase AC size	2
Project was completed more than 90 days prior to application submission	181
Project was not completed by the deadline	50
Customer did not acknowledge	4
Customer applied for nonprofit instead of Residential	41
Customer is not eligible because it is not a new system (transfer of ownership)	13
Customer's additional install is not eligible because already received max rebate	2

Applications Cancelled at Year-End

January 2022 residential applications that did not complete installation by July 15, 2022, were cancelled. July 2022 residential applications that did not complete installation

by December 15, 2022, were cancelled pursuant to the Commission's July 8, 2021 *Order Modifying Reservation Install Period*. Non-residential applications that communicated they were not going to meet the 365-day time-frame were also cancelled. All applications on the waitlist from January 2022 were cancelled June 30, 2022, and all applications on the waitlist from July 2022 were cancelled at the end of the calendar year. As stated in DEP's Solar Rebate Rider SRR-3 and DEC's Solar Rebate Rider SRR (collectively, the "Solar Rebate Rider"), if previously accepted applications are rejected, applications will continue to be accepted after annual participation limits are achieved. The chart below provides detail regarding the number of applications cancelled at year-end.

	DEC	DEP	Total
Residential	1,959	2,535	4,494
Non-residential	103	90	193
Non-Profit	0	0	0
Non-Profit (NC Greenpower)	0	0	0
Total Number of Applications Cancelled	2,062	2,625	4,687

Early Termination

Per the Solar Rebate Rider, the contract period for service under the rider is 10 years from the date of initial participation. An early termination fee applies unless the termination is for good cause or a new customer takes over the site and assumes the previous customer's obligations under the rider. Prior to payment of the rebate, customers must be participating in the Net Metering Rider NM. On a quarterly basis, the Solar Rebate Program team performs a review to ensure all customers paid a rebate have not disconnected their service and are still participating in the Net Metering Rider NM. In 2022 sixty-four early termination fees were assessed. Forty-one DEC customers and twenty-three DEP customers disconnected service, and the succeeding new customers did not take service under the Net Metering Rider NM after approximately five to seven months. Attempts to

reach the new customers were unsuccessful; therefore, DEC and DEP invoked the fee clause under the rider. To date, none of these customers have paid the early termination fee. Program management will continue its due diligence in billing the early termination fees when it confirms the new account holder refuses to participate the Net Metering rider, or determines termination was not for good cause. Program management will continue to watch for instances like this.

2023 Rollover Allocation

The set-aside rebates that were not used by December 31, 2022, were reallocated for use by any customer who otherwise qualified. The unsubscribed capacity became available for a random selection process in January 2023. The Companies accepted applications from 9:00 AM Wednesday, January 11, 2023, through 9:00 AM Wednesday, January 18, 2023. The Companies conducted the random selection process after the close of the application window. Communication went to customers regarding the application status January 31, 2023. Based on the capacity available for this random selection process, the Companies do not plan to reopen the application in July 2023. The waitlist that was established during the random selection process will remain until all customers with rebate reservations are paid.

WHEREFORE, the Companies respectfully request that the Commission accept this first joint biannual report on the Solar Rebate Program for 2023.

Respectfully submitted this 3rd day of April, 2023.

By: _____



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of Duke Energy Progress, LLC and Duke Energy Carolinas, LLC's **JOINT BIENNIAL SOLAR REBATE PROGRAM REPORT** have been served by electronic mail (e-mail) to parties of record.

This, the 3rd day of April, 2023.



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Appendix A

Rebates Paid and Rates of Participation by Customer Class

(all values presented in kW-AC unless otherwise noted)

Note: Four large Nonprofit for DEC and Two large Non-residential projects for DEP accepted into the Rebates program in 2021 are not completed yet. Those projects are allowed 365 days to install from the executed interconnection agreement date, per rider SRR. Numbers shown above reflect payments through February 10, 2023.

JAN 2022 DEC Status as of 2.10.2023							
Customer Type	Guidelines	Capacity Rolled From 2021 program year (Annual Capacity rollover includes unused capacity from 2018 that rolled to 2019 and then rolled to 2020)	Capacity Installed for January 2022 Allocation (Applications Accepted-Connected)	Jan 2022 Reserved Capacity to Carry Forward to July 2022 (Applications Accepted - Not Connected)	Total January 2022 Capacity Assigned (Includes the 2020 Roll over Capacity)	Total Unreserved Capacity to Carry Forward to July 2022 (included 2018-Jan 2021 capacity for Nonprofit)	Number of Customers Paid Rebates for Jan 2022 Program Year
Residential	3,750 (Max 1,250 for Non- Res)	0	3163	8	3,763	0	450
Non- Residential			433	159			13
Non- Profit	1,225	5,614	347	1,151	1,498	5,341	14
Non- Profit (NC Green Power)	25	140	15	0	15	150	3

JAN 2022 DEP Status as of 2.10.2023							
Customer Type	Guidelines	Capacity Rolled From 2021 program year <i>(Annual Capacity rollover includes unused capacity from 2018 that rolled to 2019 and then rolled to 2020)</i>	Capacity Installed for January 2022 Allocation <i>(Applications Accepted- Connected)</i>	2021 Reserved Capacity to Carry Forward to Jan 2022 <i>(Applications Accepted - Not Connected)</i>	Total January 2022 Capacity Assigned <i>(Includes the 2020 Roll over Capacity)</i>	Total Unreserved Capacity to Carry Forward to July 2022 <i>(included 2018-2020 capacity for Nonprofit)</i>	Number of Customers Paid Rebates for Jan 2022 Program Year
Residential	3,750 (Max 1,250 for Non- Res)	0	2953	34	3,775	0	399
Non- Residential			372	4163			9
Non- Profit	1,225	7,033	1,839	2,033	3873	4,385	35
Non-Profit (NC Green Power)	25	165	5	0	5	160	1

JULY 2022 DEC Status as of 2.10.2023							
Customer Type	Guidelines	Capacity Rolled From January 2022 program year (Annual Capacity Amounts may be less because of the 2018-2022 Reallocation)	Capacity Installed for July 2022 Allocation (Applications Accepted- Connected)	January Reserved Capacity to Carry Forward to July 2022 (Applications Accepted - Not Connected)	Total July 2022 Capacity Assigned (Includes the Jan 2021 Roll over Capacity)	Total Unreserved Capacity to Carry Forward to July 2022 (included 2018-Jan 2022 capacity for Nonprofit)	Number of Customers Paid Rebates for July 2022 Program Year
Residential	3,750 (Max 1,250 for Non- Res)	0	2706	59	4,469	0	392
Non- Residential			388	783			12
Non- Profit	1,225	5,341	228	5,182	5,410	1,156	5
Non- Profit (NC Green Power)	25	150	30	25	55	85	5

JULY 2022 DEP Status as of 2.10.2023							
Customer Type	Guidelines	Capacity Rolled From January 2022 program year <i>(Annual Capacity Amounts may be less because of the 2018-2022 Rea/location)</i>	Capacity Installed for July 2022 Allocation <i>(Applications Accepted- Connected)</i>	Jan Reserved Capacity to Carry Forward to July 2022 <i>(Applications Accepted - Not Connected)</i>	Total July 2021 Capacity Assigned <i>(Includes the Jan 2021 Roll over Capacity)</i>	Total Unreserved Capacity to Carry Forward to July 2022 <i>(included 2018-Jan 2022 capacity for Nonprofit)</i>	Number of Customers Paid Rebates for July 2022 Program Year
Residential	3,750 (Max 1,250 for Non- Res)	0	3527	35	3,928	0	463
Non- Residential			150	216			5
Non- Profit	1,225	4,385	293	3573	3866	1744	11
on- Profit (NC Green Power)	25	160	35	25	60	125	6

Appendix B

Rebates Paid and Rates of Participation by Customer Class

JAN 2022 DEC Approved Capacity AVG Status as of 2.10.2023			
Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	450	7.03 kW	\$2,812
Commercial	13	54.13 kW	\$16,239.00
Non-Profit	17	21.29 kW	\$15,967.50

JAN 2022 DEP Approved Capacity AVG Status as of 2.10.2023			
Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	399	7.40 kW	\$2,960.00
Commercial	9	41.33 kW	\$12,399.00
Non-Profit	36	51.22 kW	\$38,415.00

JULY 2022 DEC Approved Capacity AVG Status as of 2.10.2023			
Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	392	6.90	\$2,760
Commercial	12	32.33	\$9,699.00
Non-Profit	10	25.30	\$17,475.00

JULY 2022 DEP Approved Capacity AVG Status as of 2.10.2023			
Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	463	7.62	\$3,048.00
Commercial	5	30	\$9,000.00
Non-Profit	17	19.29	\$14,467.50