

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 194

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Biennial Determination of Avoided Cost)	ORDER ESTABLISHING BIENNIAL
Rates for Electric Utility Purchases from)	PROCEEDING, REQUIRING
Qualifying Facilities – 2023)	DATA, AND SCHEDULING
)	PUBLIC HEARING

BY THE CHAIR: This is the 2023 biennial proceeding held by this Commission pursuant to the provisions of Section 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA) and the Federal Energy Regulatory Commission (FERC) regulations, which delegated to this Commission responsibilities for determining each utility’s avoided costs with respect to rates for purchases from qualifying facilities, as defined in federal law. This proceeding is also being held pursuant to N.C. Gen. Stat. § 62-156, which requires this Commission to determine the rates to be paid by electric utilities for power purchased from small power producers as defined in N.C. Gen. Stat. § 62-3(27a).

To facilitate the determination of avoided cost rates, the Chair finds good cause to issue this order establishing a schedule for the 2023 biennial proceeding. The Commission further finds that Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP, and together with DEC, Duke), Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC), Western Carolina University (WCU), and Appalachian State University, d/b/a New River Light and Power Company (New River) should be made parties to this proceeding.

For the purposes of this 2023 proceeding, DEC, DEP, DENC, WCU, and New River shall be required to make their initial filings on or before Monday, November 1, 2023.

Given the recurring nature of the issues and decisions which have traditionally arisen in these proceedings, the Commission has determined that it will attempt to resolve all issues arising in this docket based on a record developed through public witness testimony; statements, exhibits, and avoided cost schedules verified by persons who would otherwise be qualified to present expert testimony in a formal hearing; and written comments on the statements, exhibits, and schedules rather than a full evidentiary hearing for the purpose of receiving expert testimony. The Commission nonetheless retains the right to convene an evidentiary hearing to receive oral testimony as to one or more issues and with respect to one or more witnesses in the event the Commission concludes from the written filings that such hearing would be useful to the Commission’s final determination of the issues.

IT IS, THEREFORE, ORDERED as follows:

1. That DEC, DEP, DENC, WCU, and New River are hereby made parties to this proceeding;
2. That DEC, DEP, DENC, WCU, and New River shall file the statements and exhibits specified below on or before Wednesday, November 1, 2023;
3. That DEC's, DEP's, DENC's, WCU's, and New River's initial filings shall include the following:
 - a. A set of proposed rates for purchases from qualifying facilities, showing all calculations for deriving said proposed rates, including inflation rates and discount rates used; and
 - b. Proposed standard form(s) of contract between qualifying facilities and the utility, describing any differences between said proposed standard form(s) of contract and the currently approved standard contract, including the reasons for such differences;
4. That other persons desiring to become formal parties to this proceeding shall petition the Commission for leave to intervene on or before Wednesday, February 7, 2024;
5. That the Public Staff and intervenors may file initial comments and exhibits on or before Wednesday, February 7, 2024;
6. That all parties may file reply comments addressing any substantive or procedural issue raised by any other party on or before Wednesday, March 13, 2024;
7. That deadlines for filing any additional comments, additional reply comments, and proposed orders will be established by further order of the Commission;
8. That a public hearing solely for the purpose of taking nonexpert public witness testimony is hereby scheduled to begin on Tuesday, February 6, 2024, at 7:00 p.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. A link to view the hearing will also be posted on the Commission's website, www.ncuc.gov; and
9. That DEC, DEP, Dominion, WCU, and New River shall publish, at their own expense, in newspapers having general circulation in their respective North Carolina service areas, the "Notice of Public Hearing" attached hereto as Appendix A once a week

for two successive weeks, beginning with the week of January 1, 2024, and shall submit Affidavits of Publication to the Commission no later than the date of the hearing.

ISSUED BY ORDER OF THE COMMISSION.

This the 7th day of August, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Tamika D. Conyers". The signature is written in a cursive style with a large, looped initial 'T'.

Tamika D. Conyers, Deputy Clerk

**STATE OF NORTH CAROLINA
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DOCKET NO. E-100, SUB 194

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Biennial Determination of Avoided Cost)
Rates for Electric Utility Purchases from) NOTICE OF PUBLIC HEARING
Qualifying Facilities – 2023)

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission (Commission) has scheduled a public hearing in this docket which will commence on Tuesday, February 6, 2024, at 7:00 p.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of taking nonexpert public witness testimony as a part of its 2023 biennial determination of avoided cost rates for purchases of electricity by the electric utilities who are parties to this docket from qualifying cogeneration and small power production facilities. The electric utilities who are parties to this docket are Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP), Virginia Electric and Power Company d/b/a Dominion Energy North Carolina (Dominion), Western Carolina University (WCU), and Appalachian State University, d/b/a, New River Light and Power Company (New River).

The Public Utility Regulatory Policies Act of 1978 (PURPA) requires electric utilities to offer to purchase electric energy from cogeneration and small power production facilities which obtain qualifying facility status under PURPA. The rates for such purchases shall be set by the state regulatory authority, shall be just and reasonable to the ratepayers of the electric utility and in the public interest, shall not discriminate against qualifying cogenerators or qualifying small power producers, and shall not exceed the incremental cost to the electric utility of acquiring alternative electric energy. As a part of its responsibility in these matters, the Commission determines on a biennial basis the avoided cost rates and conditions for the purchase of electricity by electric utilities from qualifying cogeneration and small power production facilities in North Carolina.

In addition to the requirements of PURPA, N.C. Gen. Stat. § 62-156 requires the Commission to determine the rates and contract terms to be observed by electric utilities in purchasing power from small power producers as defined in N.C.G.S. § 62-3(27a). The rates established pursuant to N.C.G.S. § 62-156 shall not exceed, over the term of the purchase power contract, the incremental cost to the electric utility of the electric energy which, but for the purchase from a small power producer, the utility would generate or purchase from another source.

The purpose of the hearing cited in this Notice is to consider revision of the avoided cost rates and contract terms previously set by the Commission for the purchase of

electricity by the electric utilities who are parties to this proceeding from qualifying cogeneration and small power production facilities in North Carolina.

The Public Staff is required by statute to represent the using and consuming public in proceedings before the Commission. Written statements to the Public Staff should include any information which the writer wishes to be considered by the Public Staff in its investigation of the matter, and such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff – North Carolina Utilities Commission, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General of North Carolina, c/o Utilities Section, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001.

Written statements are not evidence unless those persons submitting such statements appear at a public hearing and testify concerning the information contained in their written statements.

Any person desiring to intervene in the matter as a formal party of record should file a motion under Commission Rules R1-5 and R1-19 no later than Wednesday, February 7, 2024. All such motions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4325. The comments and exhibits to be presented in this proceeding by formal parties other than DEC, DEP, Dominion, WCU, and New River must be filed with the Commission no later than Wednesday, February 7, 2024.

ISSUED BY ORDER OF THE COMMISSION.

This the 7th day of August, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Tamika D. Conyers". The signature is written in black ink and is positioned above the printed name of the signatory.

Tamika D. Conyers, Deputy Clerk

NOTE TO PRINTER: Cost of Advertising will be paid by the Applicant. It is required that an Affidavit of Publication be submitted to the Commission by the Applicant.