

Kendrick C. Fentress Associate General Counsel Mailing Address: NCRH 20 / P.O. Box 1551 Raleigh, NC 27602

o: 919.546.6733

Kendrick.Fentress@duke-energy.com

September 23, 2022

## VIA ELECTRONIC FILING

Ms. A. Shonta Dunston Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

Re: Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Notice of Additional SEEM Participant
Docket Nos. E-7, Sub 1245 and E-2 Sub 1268

Dear Ms. Dunston:

Pursuant to the Commission's February 5, 2021 Order Dismissing Protest issued in the above-captioned dockets, I write to notify the Commission of an additional participant of the Southeast Energy Exchange Market ("SEEM" or "Southeast EEM") platform agreement ("Platform Agreement"). Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP", collectively, the "Companies") filed the Platform Agreement with the Commission in their respective Company folders on December 11, 2020, indicating that they intended to file the Platform Agreement for approval under Section 205(c) of the Federal Power Act, 16 U.S.C. 824(c), as an agreement relating to jurisdictional transmission services. This filing reflects the addition of Duke Energy Florida, LLC ("DEF") to the Platform Agreement. The Companies make this filing to comply with the Order Dismissing Protest, allowing the Commission adequate time to review the addition of DEF to the Platform Agreement and confirm that it does not "implicate or trigger the Commission's approval authority under either N.C.G.S. § 62-153 or under any applicable Regulatory Conditions" before the revised Platform Agreement would be executed by the Companies filed at the Federal Energy Regulatory Commission ("FERC") or deemed effective. Furthermore, the SEEM platform is expected to launch in mid-November for all current participants.

## **Background**

In its *Order Dismissing Protest*, the Commission agreed with the Companies that neither N.C.G.S. § 62-153 nor the Companies' Regulatory Conditions required the Commission to approve the Platform Agreement prior to its execution or its filing with the FERC. The Commission further directed that the Companies "shall file in these dockets any substantive revisions, amendments, or other modifications to the Platform Agreement before they are executed, become effective, or are acted on in any way so that the Commission may timely determine whether such amendments or modifications implicate or trigger the Commission's approval authority under either N.C.G.S. § 62-153 or under any applicable Regulatory Conditions." *Order Dismissing Protest* at p. 4.

The Southeast EEM members, including DEC and DEP, filed the Platform Agreement at the FERC on February 12, 2021. On May 4, 2021, the FERC staff issued a Deficiency Letter to the filing parties, including DEC and DEP, that requested additional support and clarification of the Southeast EEM proposal. The Southeast EEM members proposed certain changes to the Platform Agreement intended to increase transparency and demonstrate further that SEEM would operate to the benefit of customers. Consistent with the *Order Dismissing Protest*, DEC and DEP filed the proposed changes to the Platform Agreement prior to them becoming effective for the Commission's information in the above-captioned dockets on June 7, 2021. The Commission was required to take no action with respect to these proposed modifications.

Pursuant to Section 205 of the Federal Power Act, the Platform Agreement was accepted at the FERC by operation of law and became effective on October 12, 2021. During the pendency of the FERC proceeding, the SEEM Members also made certain other commitments in addition to those outlined in the Companies' June 7, 2021 letter. After the Platform Agreement went into effect, the Southeast EEM Members modified it to reflect both the changes described in the Companies' June 7, 2021 letter to the Commission and additional commitments made in subsequent filings at the FERC. These proposed additional amendments to the Platform Agreement included certain clarifications outlined in the Companies' November 17, 2021 Letter to Commission. The amendments did not result in the Platform Agreement providing for joint dispatch, joint operation, joint planning, or any transfer of ownership or operation of generation or transmission assets between and among DEC and DEP. Nor did any of the amendments change the fact that DEC and DEP cannot and will not transact with each other under the Platform Agreement.

## Addition of Duke Energy Florida, LLC to Platform Agreement

Recently, DEF determined that joining SEEM is projected to provide benefits to its customers and has elected to join. Thus, DEF intends to sign onto the Platform Agreement and become a Southeast EEM member, effective January 1, 2023. DEF's actual participation in SEEM will likely commence mid-2023. The Companies believe notifying the Commission at this time of this addition complies with the directives in the Commission's Order Dismissing Protest, allowing the Commission adequate time to review the proposed modifications and confirm that they do not "implicate or trigger the Commission's approval authority under either N.C.G.S. § 62-153 or under any applicable Regulatory Conditions" before the revised Platform Agreement would be executed by the Companies or deemed effective. As with the previous amendments to the Platform Agreement put before the Commission, the addition of DEF in no way implicates or triggers the Commission's approval authority under N.C.G.S. § 62-153 or any of the applicable Regulatory Conditions. DEF's addition to the Platform Agreement does not result in the Platform Agreement providing for joint dispatch, joint operation, joint planning, or any transfer of ownership or operation of generation or transmission assets between and among DEF, DEC and DEP. Additionally, neither DEC nor DEP will transact with DEF as Southeast EEM participants under the Platform Agreement; thus, the addition of DEF will not result in any affiliate transactions. Accordingly, the Companies file this notification for the Commission's information and do not believe that the Commission is required to take any action.

Prior to making this filing, the Companies provided the Public Staff - North Carolina Utilities Commission ("Public Staff") the Platform Agreement for review, and the Public Staff did not have any objections to the Companies' filing. Please do not hesitate to contact me if you have any questions.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Kendrick C. Fentress

Kendrick C. derstoes

/s/ Brady Allen, Allen Law Offices

c: Parties of Record

## **CERTIFICATE OF SERVICE**

I certify that a copy of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Notice of Additional SEEM Participant, in Docket Nos. E-7, Sub 1245 and E-2, Sub 1268, has been served on all parties of record either by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid.

This the 23<sup>rd</sup> of September, 2022.

Kendrick C. Fentress

Kendrick C. derstoes

Associate General Counsel

Duke Energy Corporation P.O. Box 1551/ NCRH 20

Raleigh, North Carolina 27602

Tel: 919.546.6733

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