

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH
STAFF CONFERENCE AGENDA
February 5, 2024
Commission Hearing Room 2115, 10:00 a.m.**

ELECTRIC

CUSTOMER BILLING PROGRAM

Duke Energy Progress, LLC, and Duke Energy Carolinas, LLC

1. Docket No. E-2, Sub 1326, and Docket No. E-7, Sub 1293 – Applications of DEP and DEC for approval of My Energy Bill+ programs (*D. Williamson/Felling*)

CERTIFICATE OF ENVIRONMENTAL COMPATABILITY AND PUBLIC CONVENIENCE AND NECESSITY

Duke Energy Progress, LLC

2. Docket No. E-2, Sub 1335 – Application for Certificate of Environmental Compatibility and Public Convenience and Necessity to Construct New Tap Line in Chatham County, North Carolina (*Thomas/Creech*)

CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

Duke Energy Progress, LLC

3. Docket No. SP-60462, Sub 0 – Application of Oates Solar, LLC, for a certificate of public convenience and necessity and registration statement for a 4.99 MW solar photovoltaic electric generating facility in Sampson County, North Carolina (*D. Williamson/Keyworth*)

The Public Staff recommends approval of these agenda items as described above and reflected in proposed orders provided to the Commission Staff.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**DOCKET NO. E-2, SUB 1326
DOCKET NO. E-7, SUB 1293**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Duke Energy Carolinas, LLC,)	ORDER APPROVING MY ENERGY BILL PLUS PILOT PROGRAM
and Duke Energy Progress, LLC, for Approval)	
of My Energy Bill Plus Program)	

BY THE COMMISSION: On June 22, 2023, Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP and, together with DEC, Duke or the Companies), filed a joint application (Application) requesting approval of Duke's My Energy Bill+ program (MEB+ or the Program). Duke stated that the Program is designed in response to customer and stakeholder feedback to provide an enhanced bill certainty option for residential customers with several features that aim to help participants manage their bills, minimize their energy use, and further North Carolina's clean energy goals.

On June 23, 2023, the Carolina Industrial Group for Fair Utility Rates II and III (CIGFUR) filed a petition for intervention. The Commission granted CIGFUR's petition by order issued on June 27, 2023.

On September 15, 2023, the Commission issued an order requesting comments on the proposed Program. That order set the date for initial comments as October 17, 2023, and set the date for filing reply comments as November 15, 2023.

On October 12, 2023, the Public Staff filed a motion requesting that the date for comments be extended to October 24, 2023 (October 12, 2023 Motion). The Commission issued an order (1) granting the October 12, 2023 Motion, and (2) extending the date to file reply comments to November 22, 2023.

Initial comments were filed by the Public Staff on October 24, 2023. No other party filed initial comments responding to the Application.

On November 20, 2023, Duke filed a motion for extension of time for reply comments. Duke stated due to continuing conversation with stakeholders on the mechanics of the MEB+, the Companies requested that the date for filing reply comments be extended to December 6, 2023. The Commission issued an order granting the motion on November 27, 2023.

On December 6, 2023, Duke filed reply comments stating the Public Staff and the Companies had reached an agreement that (1) the Program should be modified to be a

three-year pilot program to commence on the date it is officially made available for customer enrollment, and (2) Duke would report annually on the Program.

The Public Staff presented this matter at the Commission's regular Staff Conference on February 5, 2024. The Public Staff stated it had reviewed the program and, subject to the modifications, recommended approval as modified.

SUMMARY OF APPLICATION

Duke explained that MEB+ will offer eligible residential customers the option of knowing that their monthly bill will not exceed a given amount for 12 months. Duke indicated that to participate in MEB+, a customer must be in good standing with the Companies; therefore, customers who are active in a payment arrangement or who within the last 12 months have defaulted on a payment arrangement or have been disconnected for nonpayment of electric services would be ineligible. In addition, to calculate a customer's MEB+ amount, the customer must have lived in the current residence for the previous 12 months and must have been taking service under one of the standard residential rate schedules. Finally, Duke explained the customer must have a load profile that can be modeled with reasonable predictability.

Duke stated that MEB+ has several features that aim to help participants manage their bills, minimize their energy use, and further North Carolina's clean energy goals, including: (1) a tiered usage reduction credit; (2) automatically enrolling participants in the Companies' My Home Energy Report (MyHER) Energy Efficiency program; (3) encouraging participants to enroll in the Go Renewable program (formerly called Renewable Advantage); and (4) incentivizing participants to participate in a voluntary peak usage management load control program option that will lower their monthly MEB+ charges and further enable the Companies to reduce demand during monthly peaks.

Duke stated the Companies will provide a customer with an individualized bill offer through MEB+ that provides a 12-month maximum bill level with no true-up. The customer's bill amount will be calculated by multiplying the most recent 12 months of weather-normalized actual usage data by a usage adjustment, and then including a risk adder. The formula for a customer's MEB+ quote is:

$$[(\text{Predicted Weather Normalized Monthly kWh Usage} \times (1 + \text{Usage Adjustment})) \times (\text{expected charges})] \times (1 + \text{Risk Adder}) - \text{expected applicable credits} + \text{expected customer charge} + \text{other applicable riders}.$$

Duke indicated the rates used for this calculation correspond to the rates that are in effect at the time of the bill quote. If there is a known rate change, the proposed rate would only be used for the months after the proposed effective date. For example, if a rate is known to change one month after the bill quote is generated, then the quote would incorporate the current rate for one month and the changed rate for eleven months. In the event that a rate change has been filed but not approved, the filed rate will be used for the months following its proposed effective date.

Duke explained a usage adjustment of six percent is intended to reflect the potential that customers may use more energy than estimated. However, MEB+ offers multiple features to encourage customers to reduce usage. Primarily, participating customers will be able to earn their usage adder back through the Usage Reduction Credit.

Duke explained the Usage Reduction Credit aims to help participants reduce their bills based on their actual energy usage. The amount of the credit is based on a customer's specific predicted level of energy usage compared to actual usage during the billing period. There are three tiers of the Usage Reduction Credit: Bronze, Silver, and Gold. According to Duke, the Bronze tier is achieved if a customer's actual usage does not exceed three percent of its predicted level for that billing period. For the Bronze tier, fifty percent of the usage adjustment is returned to the customer in the form of the Usage Reduction Credit. The Silver tier is achieved if a customer's actual usage does not exceed its predicted level, and results in seventy-five percent of the usage adjustment being returned to the customer in the form of the Usage Reduction Credit. The Gold tier is achieved if a customer's actual usage is reduced by five percent or more of the predicted level, and results in one hundred and twenty-five percent of the usage adjustment being returned to the customer in the form of the Usage Reduction Credit.

Duke explained that participants with whole-home, centrally controlled, electric-based heating and cooling systems can grant the Companies access to control their installed, active, eligible thermostat as a peak usage management device. Participants enrolled in the load control program will have their risk adder capped at two percent. Duke indicated customers not enrolled in the load control program will have a risk adder of seven percent.

Duke stated customers can be removed from MEB+ in the following ways: by voluntarily opting out; moving; disconnection for non-payment; by no longer meeting eligibility requirements; by having excess usage; for emergency conditions; and, for load control customers, by exceeding the maximum event opt outs in a 12-month period. If a customer is removed from MEB+ at any time during the 12-month Service Agreement period, then applicable removal charges may apply. The Companies will calculate what the customer would have paid under the standard rate schedule during the MEB+ Service Agreement period, and if the customer has paid less than the Standard Residential rate schedule, the customer will be charged the difference (applicable removal charge).

SUMMARY OF COMMENTS

Initial Comments

In its initial comments, the Public Staff stated the Program is designed to be a voluntary fixed monthly bill payment option without a true-up to residential customers. The Public Staff explained it was generally supportive of the proposal, subject to certain modifications. The Public Staff recommended that the Commission approve MEB+ as a three-year pilot, eliminate the customer option to not enroll in the load control portion of

the program, and require the Companies to report semi-annually. The Public Staff also expressed its concern that customers could elect to participate in this program without understanding that they would pay more for their electricity in this program than they otherwise might.

Reply Comments

In its reply comments, Duke stated that following discussions an agreement with Public Staff had been reached to modify MEB+ to a three-year pilot program to commence on the date it is officially made available for customer enrollment and to require annual reporting. Additionally, to ensure transparency to customers prior to enrollment, the Companies agreed to share marketing materials and customer service representative talking points with the Public Staff for its review prior to the opening of customer enrollment.

DISCUSSION

The Commission recognizes that Duke filed MEB+ as a permanent program. The Commission agrees that MEB+ should be approved as a three-year pilot program to commence on the date it is officially made available for customer enrollment. Approving the Program as a pilot with reporting requirements will allow opportunities to determine how customers are responding to MEB+ before determining whether the Program should be available on a permanent basis. Additionally, the Commission finds it appropriate for the Companies to share marketing materials and customer service representative talking points with the Public Staff prior to the opening of customer enrollment. Such review will ensure that the pilot is transparent and that customers who elect to participate in this program understand the mechanics of the program. The Commission directs the Public Staff to work with the Companies over any concerns it may have with the Companies' marketing materials and customer service representative talking points and to bring any concerns to the Commission's attention should it be otherwise unable to reach a satisfactory resolution with the Companies.

The Commission is aware that the program will not be offered to customers immediately upon approval. Therefore, the Commission is requiring Duke to file a notice with the Commission thirty days prior to the opening of customer enrollment. Such notice should include final tariffs with an effective date.

CONCLUSION

Based on the review of the Application, the agreement between the parties, and the recommendation of the Public Staff, the Commission is of the opinion that the proposed MEB+ pilot is in the public interest and should be approved subject to the commitments made by DEC and DEP in their Application and reply comments.

IT IS, THEREFORE, ORDERED as follows:

1. That Duke is authorized to implement MEB+ as a three-year pilot, commencing on the date the program is officially open for customer enrollment.
2. That Duke shall make an annual filing for each year of the pilot, reporting by month, which includes:
 - i. Number of newly enrolled MEB+ customers (incremental);
 - ii. Number of MEB+ customers leaving the program (incremental – voluntary or termination);
 - iii. Total number of MEB+ customers (last day of month);
 - iv. Total number of load control events for MEB+ participants, also detailing customers who are dual enrolled in other demand side management programs (during the month);
 - v. Average number of load control events per MEB+ participants (for the month);
 - vi. Number of MEB+ customers falling within each of the four Usage Reduction Credit tiers: Bronze Silver, Gold, and No Credit;
 - vii. Average MEB+ bill amount compared to the average bill amount based on actual usage using a standard residential rate schedule;
 - viii. Total amount of MEB+ bill with proposed rates compared to MEB+ bill amount if subsequently approved rates were used to compute the MEB+ bill amount;
 - ix. The total monthly revenue from all MEB+ customers, the total monthly standard rate schedule revenue based on actual usage, and the monthly variance; and
 - x. Total revenue received from MEB+ customers, revenue recorded above the line, revenue recorded below the line, and total applicable removal charge amount.
3. That Duke shall provide 30-day notice to the Commission prior to opening customer enrollment and file updated tariffs.
4. That the Public Staff shall apprise the Commission of any unresolved concerns with Duke's marketing materials or customer service representative talking points as soon as possible, but prior to the start of customer enrollment.

ISSUED BY ORDER OF THE COMMISSION

This the ____ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1335

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Duke Energy Progress, LLC, for))	
a Certificate of Environmental Compatibility))	
and Public Convenience and Necessity and))	ORDER WAIVING NOTICE AND
Motion for Waiver of Notice and Hearing))	HEARING REQUIREMENT AND
Pursuant to N.C. Gen. Stat. §§ 62-100 et seq.))	ISSUING CERTIFICATE
to Construct Approximately 0.5 Miles of New))	
230 kV Transmission Line in Chatham County,))	
North Carolina))	

BY THE COMMISSION: On December 18, 2023, Duke Energy Progress, LLC (DEP), prefled with the Public Staff an unsigned application pursuant to N.C. Gen. Stat. §§ 62-101 and 62-102, and Commission Rule R8-62(k), for a certificate of environmental compatibility and public convenience and necessity (CEPCN) to construct approximately 0.5 miles of new 230-kV transmission line in Chatham County (the Line) to support the load needs of Wolfspeed, a domestic developer and manufacturer of semiconductor microchips at the Chatham-Siler City Advanced Manufacturing (CAM) megasite. The Line will energize a planned new substation at the CAM megasite to serve industrial load.

On January 8, 2024, DEP formally filed the application for a CECPCN and motion for waiver of notice and hearing.

North Carolina General Statute § 62-101(d)(1) authorizes the Commission to waive the notice and hearing requirements of N.C.G.S. §§ 62-102 and 62-104 when it finds that the owners of the land to be crossed by the proposed transmission line do not object to the waiver and either the transmission line is less than one mile long or will connect an existing transmission line to a substation, to another public utility, or to a public utility customer when any of these are in proximity to the existing transmission line. The application states that DEP will construct the Line on its own property as well as property for which it has acquired an easement from Wolfspeed and an additional entity whose land will be crossed by the Line. No landowner whose land will be impacted by the Line objects to the waiver of notice or hearing. Thus, the conditions of N.C.G.S. § 62-101(d)(1) for a waiver of notice and hearing have been met. The application is also supported by a Certificate Application Report. This report satisfies the requirements of N.C.G.S. § 62-102(a).

Also on January 8, 2024, DEP filed a motion, pursuant to N.C.G.S. §§ 62-101(e)

and 62-104, and Commission Rule R8-64(n), requesting permission to proceed with the initial clearing, excavation, and construction of the Line before receiving the required certificate. In support of its request, DEP stated that it has made contractual commitments to the developer at the CAM megasite to energize the Line by March 2024, and in order to meet this schedule, initial development activities must begin as soon as possible. The Commission issued its Order Granting Motion to Proceed on January 22, 2024.

The Public Staff presented this matter at the Commission's regular Staff Conference on February 5, 2024. The Public Staff stated that the application meets the requirements of N.C.G.S. § 62-102 and Commission Rule R8-62 for a certificate and the conditions of N.C.G.S. §62-101(d)(1) for waiver of the notice and hearing requirements of N.C.G.S. §§ 62-102 and 62-104. The Public Staff recommended that the Commission grant the motion for waiver and issue the requested certificate.

Based on the foregoing and the recommendation of the Public Staff, the Commission finds and concludes that the notice and hearing requirements of N.C.G.S. §§ 62-102 and 62-104 should be waived as allowed by N.C.G.S. § 62-101(d)(1) and that a CEPCN should be issued for the proposed construction of a new 230-kV transmission line.

IT IS, THEREFORE, ORDERED as follows:

1. That, pursuant to N.C.G.S. § 62-101, the requirement for publication of notice and hearing is hereby waived.

2. That, pursuant to N.C.G.S. § 62-102, a Certificate of Environmental Compatibility and Public Convenience and Necessity to construct approximately 0.5 miles of new 230-kV transmission line in Chatham County, North Carolina, as described in DEP's application shall be, and is hereby, issued, and the same is attached as Appendix A.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of February, 2024

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1335

Know All People by These Presents, That

Duke Energy Progress, LLC

is hereby issued this

**CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC
CONVENIENCE AND NECESSITY PURSUANT TO N.C. GEN. STAT. § 62-102**

to construct approximately 0.5 miles of new 230-kV transmission line to connect
Wolfspeed to the existing Asheboro-Siler City 230-kV transmission line in Chatham
County, North Carolina

subject to receipt of all federal and state permits as required by existing and
future regulations prior to beginning construction and further subject to all other orders,
rules, regulations, and conditions as are now or may hereafter be lawfully made by the
North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of February, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-60462, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application of Oates Solar, LLC, for a)	ORDER ISSUING CERTIFICATE
Certificate of Public Convenience and)	AND ACCEPTING
Necessity to Construct a 4.99-MW Solar)	REGISTRATION OF NEW
Facility in Sampson County, North Carolina)	RENEWABLE ENERGY
)	FACILITY

BY THE COMMISSION: On November 14, 2023, Oates Solar, LLC (Applicant), filed an application in the above-captioned docket seeking a certificate of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1(a) for construction of a 4.99-MW_{AC} solar generating facility to be located south of Tomahawk Highway (a/k/a NC Highway 41), north and east of Bland School Road, and north and west of Wildcat Road (a/k/a State Road 1007), near Harrells, Sampson County, North Carolina. The Applicant plans to sell the electricity to North Carolina Electric Membership Corporation (NCEMC).

Contemporaneously with the application, the Applicant filed a registration statement for a new renewable energy facility. The registration statement included certified attestations that (1) the facility is in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources; (2) the facility will be operated as a new renewable energy facility; (3) the Applicant will not remarket or otherwise resell any renewable energy certificates sold to an electric power supplier to comply with N.C.G.S. § 62-133.8; and (4) the Applicant will consent to the auditing of its books and records by the Public Staff insofar as those records relate to transactions with North Carolina electric power suppliers.

On November 16, 2023, the Commission issued an Order Requiring Publication of Notice.

On November 28, 2023, the Applicant filed a verified certificate of service stating that the application and the related public notice were provided to NCEMC on November 21, 2023.

On January 11, 2024, the Applicant filed an affidavit of publication from the Sampson Independent stating that the publication of notice was completed on December 13, 2023.

On January 23, 2024, the State Clearinghouse filed comments. Because of the nature of the comments, the cover letters indicated that no further action was required for compliance with the North Carolina Environmental Policy Act.

The Public Staff presented this matter to the Commission at its regular Staff Conference on February 5, 2024. The Public Staff stated that it had reviewed the application and determined it to be in compliance with the requirements of N.C.G.S. § 62-110.1(a) and Commission Rule R8-64. The Public Staff further stated that the registration statement contains the certified attestations required by Commission Rule R8-66(b). Therefore, the Public Staff recommended approval of the certificate and registration for the facility.

After careful consideration, the Commission finds good cause to approve the application and issue the attached certificate for the proposed solar photovoltaic generating facility. The Commission further finds good cause, based upon the foregoing and the entire record in this proceeding, to accept registration of the facility as a new renewable energy facility. The Applicant shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year and is required to participate in the NC-RETS REC tracking system (<http://www.ncrets.org>) in order to facilitate the issuance of renewable energy certificates.

IT IS, THEREFORE, ORDERED as follows:

1. That the application of Oates Solar, LLC, for a certificate of public convenience and necessity shall be, and is hereby, approved;
2. That Appendix A shall constitute the certificate of public convenience and necessity issued to Oates Solar, LLC, for the 4.99-MW Solar Photovoltaic Generating Facility to be located south of Tomahawk Highway (a/k/a NC Highway 41), north and east of Bland School Road, and north and west of Wildcat Road (a/k/a State Road 1007), near Harrells, Sampson County, North Carolina;
3. That the registration statement filed by Oates Solar, LLC, for its solar photovoltaic generating facility to be located in Sampson County, North Carolina, as a new renewable energy facility shall be, and is hereby, accepted;
4. That Oates Solar, LLC, shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year; and
5. That Oates Solar, LLC, shall renew this certificate by re-compliance with the requirements set forth in Commission Rule R8-64 if it does not begin construction within five years after the issuance of the certificate.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of February, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-60462, SUB 0

Oates Solar, LLC

3725 National Drive, Suite 210
Raleigh, North Carolina
27612

is hereby issued this

**CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
PURSUANT TO N.C. Gen. Stat. § 62-110.1**

for a 4.99-MW_{AC} solar photovoltaic generating facility

to be located

south of Tomahawk Highway (a/k/a NC Highway 41), north and east of Bland
School Road, and north and west of Wildcat Road (a/k/a State Road 1007), near
Harrells, Sampson County, North Carolina

subject to all orders, rules, regulations and conditions
as are now or may hereafter be lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of February, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk