

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-2, SUB 1159  
DOCKET NO. E-7, SUB 1156  
DOCKET NO. E-7, SUB 1262  
DOCKET NO. SP-13695, SUB 1

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1159 )  
DOCKET NO. E-7, SUB 1156 )

In the Matter of )  
Joint Petition of Duke Energy Carolinas, LLC, )  
and Duke Energy Progress, LLC, for Approval )  
of Competitive Procurement of Renewable )  
Energy Program )

DOCKET NO. E-7, SUB 1262 )

In the Matter of )  
Application of Duke Energy Carolinas, LLC, )  
Pursuant to N.C.G.S. § 62-110.8 and )  
Commission Rule R8-71 for Approval of CPRE )  
Program Rider and Compliance Report )

DOCKET NO. SP-13695, SUB 1 )

In the Matter of )  
Petition for Relief of Orion Renewable )  
Resources LLC )

ORDER REQUIRING UPDATE  
ON THE STATUS OF BID B

BY THE COMMISSION: Pursuant to N.C. Gen. Stat. § 62-110.8 the Commission is tasked with oversight of the Competitive Procurement of Renewable Energy (CPRE) Program designed and implemented by Duke Energy Progress, LLC (DEP), and Duke Energy Carolinas, LLC (DEC, and, collectively with DEP, Duke), for the competitive procurement and development of an aggregate amount of 2,260 MW of renewable energy facilities in North Carolina over a period of 45 months, which commenced on February 21, 2018, and concluded on November 21, 2021 (CPRE Program Procurement Period).

During the CPRE Program Procurement Period, Duke was required to solicit a total of 6,160 MW of renewable energy through a combination of (1) CPRE Program procurement solicitations and (2) the execution of power purchase agreements (PPAs)

for renewable energy capacity within the DEC and DEP Balancing Authority Areas that are not subject to economic dispatch or curtailment and were not procured pursuant to the Green Source Advantage program authorized under N.C.G.S. § 62-159.2 (Transition MW). Under N.C.G.S. § 62-110.8(a) and (b)(1), 2,660 MW of this 6,160 MW total was targeted to be procured through the CPRE Program and the remaining 3,500 MW was targeted to be non-CPRE Program Transition MW capacity.

Section 62-110.8(b)(1) provides that, if during the CPRE Program Procurement Period, Duke contracts for Transition MW in excess of 3,500 MW, the Commission shall reduce the CPRE Program procurement target by the amount of such exceedance. Further, N.C.G.S. § 62-110.8(a) states that “[t]he Commission shall require the additional competitive procurement of renewable energy capacity by the electric public utilities in an amount that includes all of the following: (i) any unawarded portion of the initial competitive procurement required by this subsection . . .”

During the CPRE Program Procurement Period, DEC and DEP collectively procured 1,185 MW via the CPRE Program. Further, during the CPRE Program Procurement Period, Duke procured a total of 4,378 Transition MW, an excess of 878 MW. Therefore, pursuant to N.C.G.S. § 62-110.8(b)(1), the Commission determined that it was appropriate to reduce the CPRE Program procurement target to 1,782 MW. As a result, the Commission concluded that Duke was 596 MW short of the adjusted CPRE Program procurement target at the end of the CPRE Program Procurement Period, and ordered Duke to initiate a third procurement solicitation (Tranche 3) of the CPRE Program to procure the shortfall. However, the Commission recognized that the 596 MW Tranche 3 target amount was subject to reduction as a result the Commission’s Order Granting Petition for Relief issued in Docket No. SP-13695, Sub 1 on November 2, 2021. Specifically, the Tranche 3 target could potentially be reduced up to 52.6 MW, the aggregate capacity of Bid A and Bid B, if such projects elected to execute Tranche 1 PPAs pursuant to the Order Granting Petition for Relief. Tranche 3 is underway now, and bid proposals are currently being evaluated by the CPRE Program Independent Administrator.

Commission Rule R8-71(h) requires each electric public utility to file an annual report describing the electric public utility’s compliance with the CPRE Program during the previous calendar year. On March 1, 2022, in Docket No. E-7, Sub 1262, DEC filed its 2021 CPRE Program Compliance Report, which states in pertinent part that, on February 8, 2022, Bid A declined to pursue a Tranche 1 PPA under the CPRE Program. However, the report is silent on the status of Duke’s PPA offer to Bid B. Based on the foregoing the Commission finds good cause to order Duke to file an update on the status of its PPA offer to Bid B, which must be resolved before the final Tranche 3 PPAs may be awarded.

IT IS, THEREFORE, SO ORDERED that, within five business days of the issuance of this order, Duke shall file an update on the status of its PPA offer to Bid B.

ISSUED BY ORDER OF THE COMMISSION.

This the 10th day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Erica N. Green". The signature is written in a cursive style with a large, stylized initial "E".

Erica N. Green, Deputy Clerk