

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 2021 calendar year in these proceedings.

Overview of the 2021 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 2021 program year, a total of 1,661 rebates were paid, with an associated installed capacity of approximately 15,620 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 2021 as of March 4, 2022.

Program Costs

Program costs were \$ 8.2 million for calendar year ending December 31, 2021, as shown in the table below.

	DEC	DEP
Rebates Paid to Customers	\$3,633,440	\$3,717,473
Program Administrative Labor Costs	\$298,898	\$290,066
Program Administrative Expenses (<i>including marketing</i>)	\$155,137	\$154,320
Total Program Costs	\$4,087,475	\$4,161,859

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 2021 program year, and reasons those applications were rejected.

	DEC	DEP	Total
Residential	350	346	699
Non-residential	17	10	27

Non-Profit	23	10	33
Non-Profit (NC Greenpower)	5	5	11
Total Number of Applications Rejected	395	371	770

Reason Application was Rejected	Number Rejected
DEC	
Duplicate Application	94
Interconnection request (project ID and customer name) cannot be found	2
Interconnection request has been Withdrawn	2
Interconnection request has been Cancelled/Terminated	19
Customer is not on a Net Metering rate schedule	1
Not a Duke Energy North Carolina customer	7
Project was completed more than 90 days prior to application submission	197
Project was not completed by the deadline	25
Customer applied for 2020 rebate instead of 2021 Rebate	24
Customer applied for nonprofit instead of Residential	20
Customer is not eligible because it is not a new system (transfer of ownership)	3
Customer's additional install is not eligible because, already received max rebate	1
DEP	
Duplicate Application	64
Interconnection request (project ID and customer name) cannot be found	1
Interconnection request has been Withdrawn	5
Interconnection request has been Cancelled/Terminated	23
Customer is not on a Net Metering rate schedule	1
Not a Duke Energy North Carolina customer	2
Project was completed more than 90 days prior to application submission	222
Project was not completed by the deadline	15
Customer applied for 2020 rebate instead of 2021 Rebate	25
Customer applied for nonprofit instead of Residential	12
Customer is not eligible because it is not a new system (transfer of ownership)	1
Customer's additional install is not eligible because, already received max rebate	0

Applications Cancelled at Year-End

January 2021 residential applications that did not complete installation by the end of the year were cancelled. July 2021 residential applications that did not complete installation were cancelled by December 15, 2021 pursuant to the Commission's July 8, 2021 *Order Modifying Reservation Install Period*. Non-residential applications that

communicated they were not going meet the 365-day time-frame were also cancelled. All applications on the waitlist from January 2021 were canceled June 30, 2021, and all applications on the waitlist from July 2021 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	2,254	3,007	5,261
Non-residential	63	127	190
Non-Profit	0	0	0
Non-Profit (NC Greenpower)	0	0	0
Total Number of Applications Cancelled	2,317	3,134	5,451

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 2021 fourteen early termination fees were assessed. Fourteen Duke Energy Carolinas 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 invoked the fee clause under the rider. To date, none of these customers have paid the early termination fee. The companies continue to review 118

additional customers from the 2021 program year that have been identified to have terminated their account prior to the 10 year contract period. These customers are being assessed to ensure the new customer account will be participating in the Net Metering Rider NM, or if termination was for good cause. Program management will continue our due diligence in billing the early termination fees when we confirm the new account holder refuses to participate the Net Metering rider, or determine termination was not for good cause. Program management will continue to watch for instances like this.

2023 Rollover Allocation

Any set-aside rebates that are not used by December 31, 2022, shall be reallocated for use by any customer who otherwise qualifies. The unsubscribed capacity would become available for a random selection process in January 2023. The Companies would accept applications from 9:00 AM Wednesday, January 4, 2023, through 9:00 AM Wednesday, January 11, 2023. The Companies would conduct the random selection process after the close of the application window. Communication to customers regarding the application status would be communicated by Tuesday, January 24. Based on the possible capacity available for this random selection process, the Companies do not plan to reopen the application in July 2023. The waitlist that is established during the random selection process would remain until all customers with rebate reservations are paid. The Companies recommend the incentive amount for the rebate reservations and the amount of time to install their bi-directional meter remain the same for all customer types.

WHEREFORE, the Companies respectfully request that the Commission accept this first joint biannual report on the Solar Rebate Program for 2022.

Respectfully submitted this 1st day of April, 2022.

By: 

Brady W. Allen
The Allen Law Offices, PLLC
4030 Wake Forest Rd, Suite 115
Raleigh, North Carolina 27609
Tel: (919) 838-5175
Brady.Allen@theallenlawoffices.com

Kendrick Fentress, Associate General Counsel
Duke Energy Corporation
P.O. Box 1551, NCRH 20
Raleigh, NC 27602
Tel: (919) 546-6733
Kendrick.Fentress@duke-energy.com

ATTORNEYS FOR DUKE ENERGY PROGRESS,LLC.
AND DUKE ENERGY CAROLINAS, LLC

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 1st day of April, 2022.



Brady W. Allen
The Allen Law Offices, PLLC
4030 Wake Forest Rd. Suite 115
Raleigh, North Carolina 27609
Tel: (919) 838-5175
Brady.Allen@theallenlawoffices.com

ATTORNEY FOR DUKE ENERGY PROGRESS, LLC,
AND DUKE ENERGY CAROLINAS, LLC

Rebates Paid and Rates of Participation by Customer Class

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

Note: One large non-residential project accepted into the Rebates program in 2019 is not completed yet. Those projects are allowed 365 to install from the Executed interconnection agreement date, per rider SRR. Numbers shown above reflect payments through March 04, 2022.

JAN 2021 DEC Status as of 3.4.2022							
Customer Type	Guidelines	Capacity Rolled From 2020 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 2021 Allocation <i>(Applications Accepted- Connected)</i>	Jan 2021 Reserved Capacity to Carry Forward to Jan 2022 <i>(Applications Accepted - Not Connected)</i>	Total January 2021 Capacity Assigned <i>(Includes the 2020 Roll over Capacity)</i>	Total Unreserved Capacity to Carry Forward to July 2021 <i>(included 2018-Jan 2021 capacity for Nonprofit)</i>	Number of Customers Paid Rebates for Jan 2021 Program Year
Residential	3,750 (Max	0	3044	0	3,741	9	370
Non- Residential	1,250 for Non- Res)		241	286			8
Non- Profit	1,225	4,737	338	341	679	5,283	10
Non- Profit (NC Green Power)	25	90	0	0	0	115	0

JAN 2021
DEP
Status as of 3.4.2022

Customer Type	Guidelines	Capacity Rolled From 2020 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 2021 Allocation <i>(Applications Accepted- Connected)</i>	2020 Reserved Capacity to Carry Forward to Jan 2021 <i>(Applications Accepted - Not Connected)</i>	Total January 2021 Capacity Assigned <i>(Includes the 2020 Roll over Capacity)</i>	Total Unreserved Capacity to Carry Forward to July 2021 <i>(included 2018-2020 capacity for Nonprofit)</i>	Number of Customers Paid Rebates for Jan 2021 Program Year
Residential	3,750 (Max 1,250 for Non- Res)	0	3655	0	3,952	0	433
Non- Residential			263	211			10
Non- Profit	1,225	5,621	295	462	3695	3151	14
Non-Profit (NC Green Power)	25	125	10	5	10	140	2

JULY 2021
DEC
Status as of 3.4.2022

Customer Type	Guidelines	Capacity Rolled From January 2021 program year <i>(Annual Capacity Amounts may be less because of the 2018-2020 Reallocation)</i>	Capacity Installed for July 2021 Allocation <i>(Applications Accepted- Connected)</i>	January Reserved Capacity to Carry Forward to July 2021 <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 2021 <i>(included 2018-Jan 2021 capacity for Nonprofit)</i>	Number of Customers Paid Rebates for July 2021 Program Year
Residential	3,750 (Max 1,250 for Non- Res)	9	2873	2841	4191	0	407
Non- Residential			502	104			12
Non- Profit	1,225	5283	245	62	1706	4,802	5
Non- Profit (NC Green Power)	25	115	0	0	0	140	0

JULY 2021
DEP
Status as of 3.4.2022

Customer Type	Guidelines	Capacity Rolled From January 2021 program year <i>(Annual Capacity Amounts may be less because of the 2018-2020 Reallocation)</i>	Capacity Installed for July 2021 Allocation <i>(Applications Accepted-Connected)</i>	Jan Reserved Capacity to Carry Forward to July 2021 <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 2021 <i>(included 2018-Jan 2021 capacity for Nonprofit)</i>	Number of Customers Paid Rebates for July 2021 Program Year
Residential	3,750 (Max 1,250 for Non- Res)	0	2720	325	3,847	0	354
Non- Residential			430	198			12
Non- Profit	1,225	3151	37	3695	312	4,064	3
on- Profit (NC Green Power)	25	140	0	10	0	165	0

Rebates Paid and Rates of Participation by Customer Class

JAN 2021 DEC Approved Capacity AVG Status as of 3.4.2022			
Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	370	8.23 kW	\$3,291.22
Commercial	8	44.11 kW	\$13,233.00
Non-Profit	10	45.39 kW	\$34,045.71

JAN 2021
 DEP
 Approved Capacity AVG
 Status as of 3.4.2022

Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	433	8.44 kW	\$3,376.65
Commercial	10	26.28 kW	\$7,885.20
Non-Profit	16	56.78 kW	\$42,582.69

JULY 2021
DEC
Approved Capacity AVG
Status as of 3.4.2022

Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	407	7.06	\$2,823.56
Commercial	12	41.86	\$12,557.50
Non-Profit	5	48.92	\$36,690.00

JULY 2021
DEP
Approved Capacity AVG
Status as of 3.4.2022

Customer Type	Rebate QTY Awards	Rebate Avg kW Approved	Rebate Avg Payment
Residential	354	7.68	\$3,073.56
Commercial	12	35.82	\$10,745.00
Non-Profit	3	12.33	\$9,250.00