STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

STAFF CONFERENCE AGENDA AUGUST 27, 2018

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

B. NATURAL GAS

P1. DOCKET NO. G-5, SUBS 592 AND 565C – APPLICATION OF PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC., FOR APPROVAL OF BI-ANNUAL ADJUSTMENT OF RATES UNDER RIDER E TO ITS TARIFF

EXPLANATION: Pursuant to Public Service Company of North Carolina, Inc.'s (PSNC or the Company) Integrity Management Tracker (IMT), Rider E of the Company's Tariff, PSNC is required to file with the Commission by January 31 and July 31 of each year information showing the computation of the Integrity Management Revenue Requirement (IMRR) that supports the bi-annual Integrity Management (IM) Adjustment of the IMT. PSNC is also required to file bi-annual adjustments to its rates based upon qualifying capital investments in integrity and safety projects as of December 31 and June 30, respectively.

On July 31, 2018, pursuant to Rider E of the Company's Tariff, PSNC filed in Docket No. G-5, Sub 565C the computation for the IMRR that supports the bi-annual IMT rate adjustment effective September 1, 2018, based on the Company's IM Plant Investment through June 30, 2018.

Rider E of the Company's tariff requires PSNC to make a filing with the Commission by February 15 and August 15 each year showing the computation of the IMT rate adjustment for each rate schedule that it proposes to charge during the six-month period beginning the following March 1 and September 1, respectively, and then file revisions to its tariffs.

On August 15, 2018, PSNC filed the computation of the IMT rate adjustments for each rate schedule and the revised tariffs, effective for service rendered on and after September 1, 2018.

The proposed IMT rate adjustments, expressed in dollars per therm (\$/therm), are as follows:

Description	Rates 101, 102, 115	Rates 125, 126 127, 140	Large General Rates 145, 175	Rates 135, 150, 160, 165, 180
Rate Class Percentage	69.89%	19.92%	7.25%	2.94%
Net IMRR for Recovery	\$12,801,117	\$3,648,566	\$1,327,917	\$538,493
Rate Case Volumes (therms)	302,709,607	154,775,495	202,384,732	148,716,728
IM Rate Increment (per therm)	\$0.04229	\$0.02357	\$0.00656	\$0.00362
Current IMT Increment	<u>\$0.03974</u>	<u>\$0.02216</u>	<u>\$0.00617</u>	<u>\$0.00340</u>
Adjustment to IMT Increment	\$0.00255	\$0.00141	\$0.00039	\$0.00022

The Public Staff has reviewed the proposed IMT rate adjustments and recommends approval as filed.

EXHIBIT: A proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Gilbert/Perry) That the Commission issue the proposed order approving the IMT rate adjustments to become effective as filed.

D. <u>ELECTRIC</u>

P1. <u>DOCKET NOS. E-2, SUB 1167, AND E-7, SUB 1166 – DUKE ENERGY</u> <u>PROGRESS, LLC AND DUKE ENERGY CAROLINAS, LLC – APPLICATION</u> <u>REQUESTING APPROVAL OF SOLAR REBATE PROGRAM PURSUANT TO</u> G.S 62-155(f)

EXPLANATION: On January 22, 2018, pursuant to G.S. 62-155(f), Duke Energy Progress, LLC (DEP), and Duke Energy Carolinas, LLC (DEC) (collectively, Duke or the Companies), filed with the Commission an application for approval of the Companies' solar rebate program, made available through DEP's Solar Rebate Program Rider SRP-1 and DEC's Solar Rebate Rider SRR (collectively, Solar Rebate Program).

On April 3, 2018, after receiving and considering the comments filed in this proceeding, the Commission issued an *Order Modifying and Approving Riders Implementing Solar Rebate Program* (April 3, 2018 Order). The April 3, 2018 Order, among other things, approved the Solar Rebate Program, subject to modifications that the Commission ordered Duke to make through a compliance filing.

On April 13, 2018, Duke submitted its first compliance filing, raising two issues for the Commission's review and consideration.

On April 17, 2018, the North Carolina Sustainable Energy Association (NCSEA) and the Southern Alliance for Clean Energy (SACE), filed a joint response objecting to Duke's first compliance filing and raising a third issue for the Commission to consider.

On April 23, 2018, Duke filed a response to NCSEA and SACE's objection.

On May 8, 2018, the Commission issued an *Order Addressing Compliance Filing* (May 8, 2018 Order), modifying its April 3, 2018 Order to deem the effective installation date to be the launch date of the Solar Rebate Program for all systems installed after January 1, 2018, and before the Solar Rebate Program launches (ultimately, July 9, 2018), directing Duke to make a second compliance filing to include the revised definition of "good cause" and information describing how Duke has more prominently displayed on its website a link to the Solar Rebate Program web page, and ordering Duke to launch the Solar Rebate Program as soon as reasonably practicable, but no later than July 9, 2018.

On May 18, 2018, Duke submitted its second compliance filing, addressing the directives of the Commission found in its May 8, 2018 Order.

On May 30, 2018, the Commission issued an Order Accepting Compliance Filing.

On July 26, 2018, Duke filed a notice with the Commission that the 2018 annual participation caps for residential and non-residential customers under the Solar Rebate Program have been met. The notice stated that due to the customer interest in the Solar Rebate Program, the 2018 annual participation levels for residential and non-residential

customers, excluding the non-profit participation level, were reached quickly after the Companies fully launched the Program on July 9, 2018.

In addition to notifying the Commission that the annual limits were reached for residential and non-residential customers, Duke also requested that the Commission authorize customers who installed solar energy facilities between January 1, 2018, and July 26, 2018, the date on which Duke announced that the eligibility caps have been reached, to be able to apply for participation in the Solar Rebate Program when the application window opens again on January 1, 2019.

Pursuant to the current Solar Rebate Rider Application, customers seeking a rebate from the Solar Rebate Program must apply for that rebate within 90 days of the effective installation date of their solar facilities ("90-day Rule"). Additionally, Duke Energy's Solar Rebate Riders provide that customers who apply in a specific calendar year but are not accepted may re-apply in a subsequent calendar year; however, those applications must also be made within 90 days of installation of the solar facilities. Duke states that the 90-day Rule as applied would prevent customers that installed their solar facilities between January 1, 2018, and July 26, 2018, and who are not accepted into the Solar Rebate Program for 2018, from being able to reapply for the subsequent calendar year on or after January 1, 2019.

Duke proposes to waive the 90-day Rule for those customers that installed after January 1, 2018, but before July 26, 2018, to have another opportunity to apply for the rebate in 2019, since many of those customers installed solar facilities during that timeframe with the expectation that they would be eligible for the Solar Rebate Program. Customers, including those that installed between January 1, 2018, and July 26, 2018, are still required to submit an application to be considered eligible for the rebate, and Duke will still process applications on a "first-come, first-served" basis. Duke stated that Applications will continue to be accepted in 2018 in the event previously accepted applications are rejected; all applications not accepted, however, will be canceled at year-end. To be eligible to be considered for a rebate application in 2019, those applicants that installed their system between January 1, 2018, and July 26, 2018, and applied for, but were not accepted into, the Solar Rebate Program in 2018 will be required to submit a new rebate application on or after January 1, 2019. Duke is not proposing any other change to their Solar Rebate Riders other than the removal of the 90-day Rule.

The Public Staff has reviewed Duke's motion and G.S. 62-155(f), which requires the incentives offered through the Solar Rebate Program by each utility to comport with the following requirements:

(1) Shall be limited to 10,000 kilowatts (kW) of installed capacity annually starting in January 1, 2018, and continuing until December 31, 2022, and shall provide incentives to participating customers based upon the installed alternating current nameplate capacity of the generators. (2) Nonresidential installations will also be limited to 5,000 kilowatts (kW) in aggregate for each of the years of the program.

. . . .

Duke's proposal complies with the statutory requirement in that it effectively limits the incentives offered through the Solar Rebate Program to 10,000 kW for each utility annually, but provides for some flexibility by allowing a limited number of additional projects¹ installed in the prior year to be eligible for the following year's rebate incentive.

The Public Staff agrees that due to the rapid rate at which rebate applications were submitted once the Solar Rebate Program launched on July 9, 2018, it is reasonable to provide an opportunity for those customers that installed a system to be able to reapply for the rebate in 2019, since many of those customers installed solar facilities during that timeframe with the expectation that they would be eligible for the Solar Rebate Program and no information indicating that the Program's capacity limits were fully subscribed was shared by Duke until July 26, 2018.

In response to a Public Staff data request regarding the number of applications that would benefit from the requested amendments, Duke indicated that assuming all projects that were accepted for 2018 capacity (applications and reservations) claim their rebate, approximately one MW of residential projects that would have otherwise been ineligible for the 2019 rebate could carry forward to 2019 for each utility. For non-commercial, approximately 400 kW for DEC would carry forward, and approximately 100 kW would carry forward from DEP. The Public Staff recognizes that allowing these applications to carry forward may reduce the overall rebate capacity that would have otherwise been available in 2019. However, the Public Staff believes that it is equitable to allow customers applying for the rebate between July 9, 2018, and July 26, 2018, and subject to the 90-day rule to re-apply due to the delay in program implementation and the expectation among installers and customers that rebate capacity would be available.

The Public Staff also submitted data requests to Duke to evaluate the reasons why the Solar Rebate Program was fully subscribed so quickly. Based on responses received from Duke, it appears that a combination of factors likely impacted the high demand for rebates, including: (1) pent-up demand for rooftop solar incentives following passage of House Bill 589 (S.L. 2017-192) in July 2017; (2) the amounts of the incentives; and (3) the likelihood of potential future changes to net metering rates called for in G.S. 62-126.4 as part of House Bill 589 that may impact the continued availability of the current net metering rates offered by Duke. While Duke indicated that it did not believe that any one of the these factors was the sole cause for the rapid subscription, the Public Staff believes that it is appropriate to evaluate each of these factors following the enrollment window for

¹ The current Solar Rebate Program already provides some eligibility overlap from year to year based on the installation date. For example, a customer may apply for a rebate reservation in advance of installation, and if accepted, they must complete installation within 365 days after the date Duke issues the reservation (for residential customers) or within 365 days after the date Duke executes the interconnection agreement (for non-residential customers). In addition, applications for a solar PV system installed in the previous calendar year may be submitted to the extent that the installation occurred within 90 days preceding the submission date of the current application.

2019 rebate applications, and for Duke to include in its April 1, 2019, annual reports a recommendation whether further revisions to the Solar Rebate Program, including potential adjustments to the incentive amounts, are appropriate for the remaining three years of the Solar Rebate Program.

The Public Staff also requested information from Duke regarding the steps it plans to take to ensure that the processing of rebate applications on January 1, 2019, is transparent and avoids potential oversubscription in future years. Duke stated that they intend to use a similar strategy to that used in 2018 to communicate program details to prospective rebate applicants, including installer webinars, email notifications, and Duke website updates to ensure program details are transparent. Duke indicated that it also intends to engage with installers to ensure better coordination of their marketing specific to available capacity, and to consider any appropriate adjustments as a result. In addition, the Public Staff recommends that information about the quantity of rebates claimed and remaining should be provided by Duke on its website on a weekly, instead of monthly, basis. In this case, a monthly basis was not sufficient to provide information to market participants in a timely fashion.

The Public Staff recommends that the Commission approve the amendments proposed by Duke in its July 26, 2016, filing, subject to the following conditions:

- 1) Duke shall work to communicate Solar Rebate Program details to prospective rebate applicants, including installer webinars, email notifications, and website updates to ensure Program details are transparent.
- 2) Starting the week after opening the enrollment window for 2019 rebate applications, Duke shall post information about the quantity of rebates claimed and remaining on a weekly basis on its website, and provide notice, as soon as possible, but not later than three business days, on its website and file with the Commission a notice when each year's annual limit is reached for any participant class.
- 3) Following the enrollment window for 2019 rebate applications, Duke shall evaluate whether further revisions to the Solar Rebate Program, including potential adjustments to the incentive amounts, are appropriate for the remaining three years of the Program, and include these findings in its April 1, 2019, annual report.

The Public Staff also recommends that Duke file revised copies of Attachment B (DEC's Solar Rebate Rider SRR and Application) and Attachment C (DEP Solar Rebate Rider SRR-2 and Application) reflecting that customers who installed solar energy facilities between January 1, 2018 and July 26, 2018, the date on which Duke announced that the eligibility caps have been reached, are eligible to apply for participation in the Solar Rebate Program when the application window opens again on January 1, 2019.

The Public Staff has shared these recommendations with Duke and Duke has indicated that it does not object to these conditions and modifications.

EXHIBIT: A proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (Thomas/Dodge) That the Commission issue the Public Staff's proposed order amending the Solar Rebate Program Riders and Applications.

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STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. G-5, SUB 592 DOCKET NO. G-5, SUB 565C

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Public Service Company of)	ORDER APPROVING BI-ANNUAL
North Carolina, Inc., for Approval of)	RATE ADJUSTMENTS EFFECTIVE
Bi-Adjustment of Rates Under Rider E to its)	SEPTEMBER 1, 2018
Tariff)	

BY THE COMMISSION: Pursuant to Public Service Company of North Carolina, Inc.'s (PSNC or the Company) Integrity Management Tracker (IMT), Rider E of the Company's Tariff, PSNC is required to file with the Commission by January 31 and July 31 of each year information showing the computation of the Integrity Management Revenue Requirement (IMRR) that supports the bi-annual Integrity Management (IM) Adjustment of the IMT. PSNC is also required to file bi-annual adjustments to its rates based upon qualifying capital investments in integrity and safety projects as of December 31 and June 30, respectively.

On July 31, 2018, pursuant to Rider E of the Company's Tariff, PSNC filed in Docket No. G-5, Sub 565C the computation for the IMRR that supports the bi-annual IMT rate adjustment effective September 1, 2018, based on the Company's IM Plant Investment through June 30, 2018.

Rider E of the Company's tariff requires, PSNC to make a filing with the Commission by February 15 and August 15 of each year showing the computation of the IMT rate adjustment for each rate schedule that it proposes to charge during the sixmonth period beginning the following March 1 and September 1, respectively, and then file revisions to its tariffs.

On August 15, 2018, PSNC filed the computation of the IMT rate adjustments for each rate schedule and the revised tariffs, effective for service rendered on and after September 1, 2018.

The proposed IMT rate adjustments, expressed in dollars per therm (\$/therm), are as follows:

Description	Residential Rates 101, 102, 115	Commercial Rates 125, 126 127, 140	Firm Large General Rates 145, 175	Large General Rates 135, 150, 160, 165, 180
Rate Class Percentage	69.89%	19.92%	7.25%	2.94%
Net IMRR for Recovery	\$12,801,117	\$3,648,566	\$1,327,917	\$538,493
Rate Case Volumes (therms)	302,709,607	154,775,495	202,384,732	148,716,728
IM Rate Increment (per therm)	\$0.04229	\$0.02357	\$0.00656	\$0.00362
Current IMT Increment	<u>\$0.03974</u>	<u>\$0.02216</u>	<u>\$0.00617</u>	<u>\$0.00340</u>
Adjustment to IMT Increment	\$0.00255	\$0.00141	\$0.00039	\$0.00022

The Public Staff presented this matter to the Commission at its August 27, 2018, Regular Staff Conference. The Public Staff stated it had reviewed the proposed IMT rate adjustments and recommended approval as filed.

Based on review of the filing and the recommendation of the Public Staff, the Commission finds good cause to approve the application.

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC is authorized to implement the proposed IMT rate adjustments as contained in the body of this Order effective for service rendered on and after September 1, 2018.

2. That PSNC shall file revised tariffs consistent with Ordering Paragraph 1 within five (5) days of the date of this Order.

3. That PSNC shall give notice to its customers of the rate changes authorized by this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of August, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

EXHIBIT NO. P-2 PAGE 1 OF 6

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1167 DOCKET NO. E-7, SUB 1166

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Request of Duke Energy Carolinas, Inc., and		ORDER GRANTING MOTION		
Duke Energy Progress, Inc., Requesting)	TO AMEND SOLAR REBATE		
Approval of Solar Rebate Program Pursuant to)	PROGRAM RIDERS AND		
N.C. Gen. Stat. § 62-155(f)		APPLICATIONS		

BY THE COMMISSION: On January 22, 2018, pursuant to N.C. Gen. Stat. § 62-155(f), Duke Energy Progress, LLC (DEP), and Duke Energy Carolinas, LLC (DEC) (collectively, Duke or the Companies), filed with the Commission an application for approval of the Companies' solar rebate program, made available through DEP's Solar Rebate Program Rider SRP-1 and DEC's Solar Rebate Rider SRR (collectively, Solar Rebate Program).

On April 3, 2018, after receiving and considering the comments filed in this proceeding, the Commission issued an Order Modifying and Approving Riders Implementing Solar Rebate Program (April 3, 2018 Order). The April 3, 2018 Order, among other things, approved the Solar Rebate Program, subject to modifications that the Commission ordered Duke to make through a compliance filing.

On April 13, 2018, Duke submitted its first compliance filing, raising two issues for the Commission's review and consideration.

On April 17, 2018, the North Carolina Sustainable Energy Association (NCSEA) and the Southern Alliance for Clean Energy (SACE), filed a joint response objecting to Duke's first compliance filing and raising a third issue for the Commission to consider.

On April 23, 2018, Duke filed a response to NCSEA and SACE's objection.

On May 8, 2018, the Commission issued an Order Addressing Compliance Filing (May 8, 2018 Order), modifying its April 3, 2018 Order to deem the effective installation date to be the launch date of the Solar Rebate Program for all systems installed after

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January 1, 2018, and before the Solar Rebate Program launches (ultimately, July 9, 2018), directing Duke to make a second compliance filing to include the revised definition of "good cause" and information describing how Duke has more prominently displayed on its website a link to the Solar Rebate Program web page, and ordering Duke to launch the Solar Rebate Program as soon as reasonably practicable, but no later than July 9, 2018.

On May 18, 2018, Duke submitted its second compliance filing, addressing the directives of the Commission found in its May 8, 2018 Order.

On May 30, 2018, the Commission issued an Order Accepting Compliance Filing.

On July 26, 2018, Duke filed a notice with the Commission that the 2018 annual participation caps for residential and non-residential customers under the Solar Rebate Program have been met. The notice stated that due to the customer interest in the Solar Rebate Program, the 2018 annual participation levels for residential and non-residential customers, excluding the non-profit participation level, were reached quickly after the Companies fully launched the Program on July 9, 2018.

In addition to notifying the Commission that the annual limits were reached for residential and non-residential customers, Duke also requested that the Commission authorize customers who installed solar energy facilities between January 1, 2018, and July 26, 2018, the date on which Duke announced that the eligibility caps have been reached, to be able to apply for participation in the Solar Rebate Program when the application window opens again on January 1, 2019.

Pursuant to the current Solar Rebate Rider Application, customers seeking a rebate from the Solar Rebate Program must apply for that rebate within 90 days of the effective installation date of their solar facilities ("90-day Rule"). Additionally, Duke Energy's Solar Rebate Riders provide that customers who apply in a specific calendar year but are not accepted may re-apply in a subsequent calendar year; however, those applications must also be made within 90 days of installation of the solar facilities. Duke states that the 90-day Rule as applied would prevent customers that installed their solar facilities between January 1, 2018, and July 26, 2018, and who are not accepted into the Solar Rebate Program for 2018, from being able to reapply for the subsequent calendar year on or after January 1, 2019.

Duke proposes to waive the 90-day Rule for those customers that installed after January 1, 2018, but before July 26, 2018, to have another opportunity to apply for the rebate in 2019, since many of those customers installed solar facilities during that timeframe with the expectation that they would be eligible for the Solar Rebate Program.

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Customers, including those that installed between January 1, 2018, and July 26, 2018, are still required to submit an application to be considered eligible for the rebate, and Duke will still process applications on a "first-come, first-served" basis. Duke stated that Applications will continue to be accepted in 2018 in the event previously accepted applications are rejected; all applications not accepted, however, will be canceled at year-end. To be eligible to be considered for a rebate application in 2019, those applicants that installed their system between January 1, 2018, and July 26, 2018, and applied for, but were not accepted into, the Solar Rebate Program in 2018 will be required to submit a new rebate application on or after January 1, 2019. Duke is not proposing any other change to their Solar Rebate Riders other than the removal of the 90-day Rule.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on August 27, 2018. The Public Staff states that it has reviewed Duke's motion and N.C. Gen. Stat. § 62-155(f), which requires the incentives offered through the Solar Rebate Program by each utility to comport with the following requirements:

- (1) Shall be limited to 10,000 kilowatts (kW) of installed capacity annually starting in January 1, 2018, and continuing until December 31, 2022, and shall provide incentives to participating customers based upon the installed alternating current nameplate capacity of the generators.
- (2) Nonresidential installations will also be limited to 5,000 kilowatts (kW) in aggregate for each of the years of the program.

. . . .

The Public Staff states that Duke's proposal complies with the statutory requirement in that it effectively limits the incentives offered through the Solar Rebate Program to 10,000 kW for each utility annually, but provides for some flexibility by allowing a limited number of additional projects installed in the prior year to be eligible for the following year's rebate incentive.

The Public Staff agrees that due to the rapid rate at which rebate applications were submitted once the Solar Rebate Program launched on July 9, 2018, it is reasonable to provide an opportunity for those customers that installed a system to be able to reapply for the rebate in 2019, since many of those customers installed solar facilities during that timeframe with the expectation that they would be eligible for the Solar Rebate Program and no information indicating that the Program's capacity limits were fully subscribed was shared by Duke until July 26, 2018.

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The Public Staff states that Duke indicated that if we assume that all projects that were accepted for 2018 capacity (applications and reservations) claim their rebate, approximately one MW of residential projects that would have otherwise been ineligible for the 2019 rebate could carry forward to 2019 for each utility. For non-commercial, approximately 400 kW for DEC would carry forward, and approximately 100 kW would carry forward from DEP. The Public Staff recognizes that allowing these applications to carry forward may reduce the overall rebate capacity that would have otherwise been available in 2019. However, the Public Staff believes that it is equitable to allow customers applying for the rebate between July 9, 2018, and July 26, 2018, and subject to the 90-day rule to re-apply due to the delay in program implementation and the expectation among installers and customers that rebate capacity would be available.

The Public Staff states that it submitted data requests to Duke evaluating the reasons why the Solar Rebate Program was fully subscribed so quickly, and it appears that a combination of factors likely impacted the high demand for rebates, including pentup demand for rooftop solar incentives following passage of House Bill 589 (S.L. 2017-192) in July 2017, the amounts of the incentives, and the likelihood of potential future changes to net metering rates called for in N.C. Gen. Stat. § 62-126.4 as part of House Bill 589 that may impact the continued availability of the current net metering rates offered by Duke. While Duke indicated that it did not believe that any of the these factors were the sole cause for the rapid subscription, the Public Staff believes that it is appropriate to evaluate each of these factors following the enrollment window for 2019 rebate applications, and for Duke to include in its April 1, 2019 annual reports a recommendation whether further revisions to the Solar Rebate Program, including potential adjustments to the incentive amounts, are appropriate for the remaining three years of the Solar Rebate Program.

The Public Staff requested information from Duke regarding the steps it plans to take to ensure that the processing of rebate applications on January 1, 2019, is transparent and avoids potential oversubscription in future years. Duke stated that they intend to use a similar strategy to that used in 2018 to communicate program details to prospective rebate applicants, including installer webinars, email notifications, and Duke website updates to ensure program details are transparent. Duke indicated that it also intends to engage with installers, to ensure better coordination of their marketing specific to available capacity and to consider any appropriate adjustments as a result. In addition, the Public Staff also recommends that information should be provided by Duke on its website on a weekly, instead of monthly, basis. In this case, a monthly basis was not sufficient to provide information to market participants in a timely fashion.

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The Public Staff recommended that Duke's motion to amend the solar rebate riders and applications to allow for waiver of the 90-day Rule for certain applicants that installed a solar facility between January 1 and July 26, 2018, to apply in 2019 be granted, as it would be equitable to those applicants taking into consideration the delay in the solar rebate program implementation and the expectation by installers and customers that solar rebate capacity would be available.

The Public Staff recommends that the Commission approve the amendments proposed by Duke, subject to the following conditions:

- 1. Duke shall work to communicate Solar Rebate Program details to prospective rebate applicants, including installer webinars, email notifications, and website updates to ensure Program details are transparent.
- 2. Starting the week after opening the enrollment window for 2019 rebate applications, Duke shall post information about the quantity of rebates claimed and remaining on a weekly basis on its website, and provide notice as soon as possible, but not later than three business days on its website and file with the Commission a notice when each year's annual limit is reached for any participant class.
- 3. Following the enrollment window for 2019 rebate applications, Duke shall evaluate whether further revisions to the Solar Rebate Program, including potential adjustments to the incentive amounts, are appropriate for the remaining three years of the Solar Rebate Program, and include these findings in its April 1, 2019, annual report.

The Public Staff also recommended that the Commission direct Duke to file revised copies of Attachment B (DEC's Solar Rebate Rider SRR and Application) and Attachment C (DEP Solar Rebate Rider SRR-2 and Application) reflecting that customers who installed solar energy facilities between January 1, 2018, and July 26, 2018, the date on which Duke announced that the eligibility caps have been reached, to be able to apply for participation in the Solar Rebate Program when the application window opens again on January 1, 2019.

The Public Staff stated that it shared these recommendations with Duke and Duke has indicated that it does not object to these conditions and modifications.

Based on the foregoing, the Commission is of the opinion that the requested amendments to the solar rebate riders and applications should be granted, but that Duke should be required to comply with the conditions recommended by the Public Staff above. IT IS, THEREFORE, ORDERED as follows:

1. That Duke's motion for proposed amendments to DEC's Solar Rebate Rider SRR (NC) and Solar Rebate Rider SRR (NC) Application and DEP's Solar Rebate Rider SRR-1 and Solar Rebate Rider SRR-1 (NC) Application to allow customers that installed solar facilities under N.C. Gen. Stat. § 62-155(f) between January 1, 2018, and July 26, 2018, to be able to apply for a rebate on or after January 1, 2019, is granted.

2. That Duke shall file revised copies of DEC's Solar Rebate Rider SRR and Application and DEP's Solar Rebate Rider SRR-2 and Application reflecting these changes within five days of the date of this Order.

3. That Duke shall work to communicate Solar Rebate Program details to prospective rebate applicants, including installer webinars, email notifications, and website updates to ensure Program details are transparent.

4. That, starting the week after opening the enrollment window for 2019 rebate applications, Duke shall post information about the quantity of rebates claimed and remaining on a weekly basis on its website, and provide notice, as soon as possible, but not later than three business days, on its website and file with the Commission a notice when each year's annual limit is reached for any participant class.

5. That, following the enrollment window for 2019 rebate applications, Duke shall evaluate whether further revisions to the Solar Rebate Program, including potential adjustments to the incentive amounts, are appropriate for the remaining three years of the Solar Rebate Program, and include these findings in its April 1, 2019, annual report.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of August, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk