## STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-100, SUB 101 DOCKET NO. E-2, SUB 1159 DOCKET NO. E-7, SUB 1156

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-100, SUB 101	)
In the Matter of Petition for Approval of Generator Interconnection Standard	
DOCKET NO. E-2, SUB 1159 DOCKET NO. E-7, SUB 1156	) ORDER GRANTING ) FURTHER LIMITED WAIVER
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	) ) ) )

BY THE COMMISSION: On December 6, 2018, the Commission issued an order upon petition of Cypress Creek Renewables, LLC (Cypress Creek), granting a limited waiver of Section 4.3.9 of the North Carolina Interconnection Procedures (NCIP) requiring prepayment or nonrefundable financial security (Milestone Payments) to cover network upgrades for two projects then being developed by wholly-owned subsidiaries of Cypress Creek: Fair Bluff Solar, LLC (Fair Bluff Solar), and Homer Solar, LLC (Homer Solar). As stated in that order:

Based upon the filings of the parties and the record and the unique circumstances surrounding [Fair Bluff Solar and Homer Solar], the Commission finds and concludes that good cause exists to grant Cypress Creek's petition for a waiver and to temporarily waive the requirement pursuant to Section 4.3.9 as to [Fair Bluff Solar and Homer Solar] and require instead that [Fair Bluff Solar and Homer Solar] provide Milestone Payments for the Independent Upgrades upon the earlier of: (i) Friesian Solar having made a contractual commitment to fund the Interdependent Upgrades that is irrevocable and not subject to any contingencies, (ii) Friesian Solar having been removed from the queue, or (iii) December 31, 2019.

On December 11, 2019, Fair Bluff Solar and Homer Solar<sup>1</sup> filed a Motion for Extension of Waiver in the above-captioned dockets requesting an extension of the limited waiver granted by the Commission in its December 6, 2018 Order. In their motion, Fair Bluff Solar and Homer Solar request that the Commission

extend the waiver of payment of the Milestone Payments pursuant to Section 4.3.9 of the NCIP, and require instead that Fair Bluff Solar and Homer Solar provide the Milestone Payments within ten (10) business days following the earlier of (i) Friesian Solar, LLC ("Friesian") having made a contractual commitment to fund the Interdependent Upgrades [network upgrades required for interconnection by Fair Bluff Solar and Homer Solar as well as the earlier-queued Friesian project] that is irrevocable and not subject to any contingencies, (ii) Friesian having been removed from the queue, (iii) the execution of the Interconnection Agreements for Fair Bluff Solar and Homer Solar, or (iv) December 31, 2020.

In support of their motion, Fair Bluff Solar and Homer Solar state that they remain uniquely and negatively impacted by Section 4.3.9 of the NCIP: "The Friesian project — which is subject to the FERC Large Generator Interconnection Procedures and is therefore not required to make a Milestone Payment — has not yet made an irrevocable commitment to fund the Interdependent Upgrades and will not do so before December 31, 2019," and whether or not Friesian ultimately funds these required network upgrades will determine the financial viability of their own projects. Lastly, Fair Bluff Solar and Homer Solar note that Duke Energy Progress, LLC, Duke Energy Carolinas, LLC, the Public Staff, the North Carolina Sustainable Energy Association, and the North Carolina Clean Energy Business Alliance support extension of the waiver.

After careful consideration, the Commission finds good cause to grant the motion and extend the limited waiver previously granted to Fair Bluff Solar and Homer Solar based upon the continued unique circumstances surrounding their projects. The Commission, therefore, will extend the waiver of payment of the Milestone Payments pursuant to Section 4.3.9 of the NCIP, and require instead that Fair Bluff Solar and Homer Solar provide the Milestone Payments within ten business days following the earlier of (i) Friesian's having made a contractual commitment to fund the Interdependent Upgrades that is irrevocable and not subject to any contingencies, (ii) Friesian's having been removed from

<sup>&</sup>lt;sup>1</sup> On September 23, 2019, and December 6, 2019, Fair Bluff Solar (Docket No. SP-8210, Sub 0) and Homer Solar (Docket No. SP-8056, Sub 0) each notified the Commission of changes in upstream ownership of the projects — first from Cypress Creek to Sorghum Holdings, LLC, and subsequently to Friesian Portfolio Acquisition, LLC.

On December 16, 2019, Fair Bluff Solar and Homer Solar filed a joint petition to intervene in the above-captioned dockets, which was granted contemporaneously with this Order.

the queue, (iii) the execution of the Interconnection Agreements for Fair Bluff Solar and Homer Solar, or (iv) December 31, 2020.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 20<sup>th</sup> day of December, 2019.

NORTH CAROLINA UTILITIES COMMISSION

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A. Shonta Dunston, Deputy Clerk