

February 13, 2017

Ms. Martha Lynn Jarvis  
Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

Re: Duke Energy Progress, LLC Application for Certificate of Public Convenience and Necessity - Mt. Sterling Microgrid Solar and Battery Storage Facility  
Docket No. E-2, Sub 1127

Dear Ms. Jarvis:

I serve as General Counsel for the North Carolina Sustainable Energy Association (“NCSEA”). On November 10, 2016, Duke Energy Progress, LLC (“DEP” or “Company”) filed its *Application for a Certificate of Public Convenience and Necessity to Construct the Mt. Sterling Microgrid Solar and Battery Storage Facility, Request for Waiver of Commission Rules R8-8(a) and R8-17, and Request for Approval of Customer Service Agreement* (“CPCN Application”) to construct the Mt. Sterling Microgrid Solar and Battery Storage Facility on Mount Sterling in the Great Smoky Mountains National Park in Haywood County, North Carolina. NCSEA is a party to this proceeding and recognizes that the “[f]acility will be the Company’s first regulated investment in a remote, renewable-based microgrid as well as the Company’s first DC-based microgrid.” *Id.*, *Direct Testimony of Jonathan A. Landy*, p. 6. Given the unique nature of this proceeding, NCSEA is filing this letter to express that **NCSEA supports the CPCN Application.**

NCSEA has an established history of encouraging DEP to deploy solar photovoltaic and battery storage systems with both utility-scale and small-scale developments. In Docket No. E-2, Sub 1089, NCSEA proposed:

Beyond utility-scale solar and utility-scale batteries, DEP and the community should explore the design and implementation of programs to encourage installation of small-scale solar and batteries, including programs designed to encourage increased use of these technologies in low income communities and communities of color. Such programs should incorporate use of appropriate incentives.

*NCSEA's Comments*, p. 20, Docket No. E-2, Sub 1089 (February 10, 2016). The Commission incorporated the comments of NCSEA and others, noting:

The Commission commends the work that DEP has begun in engaging Asheville community leaders to work collaboratively on load reduction measures. The Commission shall require DEP to continue to update it on these efforts, along with its efforts to site solar and storage in the western region. As to solar and storage, the Commission expects DEP to file as soon as practicable the CPCN to construct at least 15 MW of solar at the Asheville Plant or in the Asheville region. The Commission further urges DEP to move forward in a timely manner with the 5 MW storage project in the Asheville region. To the extent DEP does not do so, the Commission reserves the right on its own motion or on the motion of any interested party to investigate DEP's decision not to move forward with its representations.

*Order Granting Application in Part, With Conditions, and Denying Application in Part*, p. 38 (March 28, 2016).

NCSEA commends the Company for working to develop a microgrid that reduces the cost to serve a particular customer while potentially improving the reliability of service. Furthermore, NCSEA encourages the Company to explore and offer both "off-grid" microgrid facilities, such as the situation at hand, and grid-connected microgrid facilities that are capable of "islanding" from the rest of the Company's grid.

Sincerely,

/s/ Peter H. Ledford  
Peter H. Ledford  
General Counsel



**CERTIFICATE OF SERVICE**

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing Comments by hand delivery, first class mail deposited in the U.S. mail, postage pre-paid, or by email transmission with the party's consent.

This the 13th day of February, 2017.

/s/ Peter H. Ledford  
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