

NORTH CAROLINA PUBLIC STAFF UTILITIES COMMISSION

January 31, 2019

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

Re: Docket No. E-2, Sub 1159; Docket No. E-7, Sub 1156 – Public

Staff's Motion for Extension of Time

Dear Ms. Jarvis:

In connection with the above-referenced dockets, I transmit herewith for filing on behalf of the Public Staff the attached Motion.

By copy of this letter, I am serving to all parties of record.

Sincerely,

Electronically Signed
/s/ Layla Cummings
Staff Attorney
alayla.cummings@psncuc.nc.gov

Attachment

cc: Parties of Record

Executive Director (919) 733-2435

Communications (919) 733-2810

Economic Research (919) 733-2902

Legal (919) 733-6110 **Transportation** (919) 733-7766

Accounting (919) 733-4279

Consumer Services (919) 733-9277

Electric (919) 733-2267

Natural Gas (919) 733-4326

Water (919) 733-5610

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

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

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, and respectfully requests that the Commission issue an order granting an extension of time for all interested parties to file comments pursuant to the Commission's December 17, 2018 Order Requiring Interim CPRE Program Reports, Allowing Interim Implementation of CPRE Program Plans, and Establishing a Schedule for Filing of Comments (December 17 Order) requiring the Public Staff to file comments on the CPRE Program plans filed with the Commission on September 1, 2018 in Docket No. E-100, Sub 157, on or before January 31, 2019, in the above captioned dockets.

In support of this motion, the Public Staff shows the following:

1. On October 5, 2018, the Commission issued an *Order Approving Interim Modifications to North Carolina Interconnection Procedures for Tranche 1*of CPRE RFP (October 5 Order) in Dockets Nos. E-100, Sub 101, E-2, Sub 1159,

and E-7, Sub 1156. On pages 12-13 of the October 5 order, the Commission states:

The Commission has previously stated that it anticipates potentially revising the CPRE rules and Duke's CPRE plan for future tranches after it gains experience through Tranche 1. Based upon the record as discussed in this order, the Commission will consider the following issues with respect to future tranches where an increased likelihood exists that successful projects will require grid upgrade costs to interconnect: 1) change the CPRE program plan to remove the ability of Duke to recover grid upgrade costs in base rates; 2) change the CPRE program plan to require the initial bid to contain all of the Interconnection Customer's costs; 3) revise the CPRE process to allow competitive bidders to refresh their bids based upon the assessment of grid upgrades identified in Step Two of the CPRE RFP bid evaluation process; and 4) explore options for Duke to more specifically direct generators to locations on the system that will not involve major network upgrades. While the Commission understands the benefit of moving forward with the first tranche of bidding and obtaining results from the Tranche 1 RFP, as expressed by many of the parties, the Commission places parties on notice of its interest in revising the CPRE rules and Duke's CPRE plan prior to the next tranche. The Commission will consider parties' comments on or before November 5, 2018, as to whether changes of this nature should be pursued immediately via a round of submittals, or whether we should wait for further lessons from Tranche 1, before initiating the necessary revisions.

2. On November 5, 2018, The Public Staff filed comments and Duke Energy Progress, LLC ("DEP") and Duke Energy Carolinas, LLC ("DEC") (together "Duke") filed a letter responding to the Commission's October 5 Order in Docket Nos. E-100, Sub 150, E-2, Sub 1159, and E-7, Sub 1156. In its comments, the Public Staff stated that it believed it was appropriate to consider the changes enumerated by the Commission and additional changes to the CPRE rules and RFP documents prior to the issuance of the CPRE Tranche 2 solicitation.

- 3. In its December 17 Order, the Commission ordered that Duke shall file with the Commission interim reports regarding the status and results of Tranche 1. The Commission further authorized Duke to implement the CPRE Program plans filed with the Commission on September 1, 2018, in Docket No. E-100, Sub 157, on an interim basis, including the scheduled opening of the Tranche 2 CPRE RFP Solicitation in July 2019 and other adjustments to the proposed schedule of RFP Solicitations.
- 4. In its December 17 order, the Commission also established the following schedule for comments on the CPRE Program plans: the Public Staff shall and other parties may file initial comments on or before January 31, 2019; and all parties may file reply comments on or before March 29, 2019.
- 5. The Public Staff has reviewed the CPRE Program plans filed with the Commission on September 1, 2018, in Docket No. E-100, Sub 157, and has consulted with Accion Group, LLC, the Independent Administrator ("IA") for the CPRE Program. In addition, the Public Staff has consulted with counsel to Duke, the North Carolina Clean Energy Business Alliance, (NCCEBA), and the North Carolina Sustainable Energy Association (NCSEA) regarding the comments on the CPRE Program plan and the timelines for future tranches of the CPRE RFP. Due to the ongoing evaluation of Tranche 1 of the CPRE RFP, the IA recommends, and the other parties agreed, it would be helpful to continue discussions on lessons learned in Tranche 1.

- 6. The IA specifically recommends holding two meetings open to all market participants, Duke, and the Public Staff to further discuss lessons learned from Tranche 1 and any additional changes to the CPRE rules, the CPRE Program plans, and the RFP documents prior to the issuance of Tranche 2 of the CPRE RFP. The IA tentatively intends to host a meeting the third week in February and the first of week of March. The meetings will be announced on the IA's website and all market participants will be invited to register. The IA further intends to post the RFP documents to its website prior to the February meeting and intends to solicit feedback on the RFP documents during the two meetings.
- 7. In light of the IA's plan to hold meetings and fostering dialogue among the market participants, Duke, and the Public Staff in February and March, the Public Staff recommends that the deadline for initial comments for all parties be extended until March 22, 2019. The Public Staff further recommends that the Commission solicit only one round of comments at this time.
- 8. The Public Staff has contacted counsel for parties to this proceeding and sought feedback regarding the parties' positions on the deadline extension proposed herein, and no party objected to the proposed extension.

WHEREFORE, the Public Staff respectfully requests that the Commission issue an order:

1. Extending the deadline for filing the Public Staff's initial comments, as well as the initial comments of all parties, to March 22, 2019;

- 2. Cancelling the request for reply comments of all parties; and
- 3. For any further relief the Commission may deem just and proper.

This the 31st day of January, 2019.

PUBLIC STAFF Christopher J. Ayers Executive Director

David T. Drooz Chief Counsel

Electronically submitted /s/ Layla Cummings Staff Attorney

4326 Mail Service Center Raleigh, North Carolina 27699-4300

Telephone: (919) 733-6110 layla.cummings@psncuc.nc.gov

CERTIFICATE OF SERVICE

I certify that a copy of this Motion for an Extension of Time has been served on all parties of record or their attorneys, or both, by United States mail, first class or better; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 31st day of January, 2019.

Electronically submitted /s/ Layla Cummings