

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 150

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Rulemaking Proceeding to Implement)	ORDER INITIATING
G.S. 62-110.8		RULEMAKING PROCEEDING

BY THE CHAIRMAN: Part II of House Bill 589 (Session Law 2017-192), which became law on July 27, 2017, directs the Commission to adopt rules to implement the requirements of newly enacted G.S. 62-110.8 requiring Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP), to file for Commission approval on or before November 27, 2017, 120 days from the effective date of the legislation, a program for the competitive procurement of energy and capacity from renewable energy facilities with the purpose of adding renewable energy to the State's generation portfolio in a manner that allows the State's electric public utilities to continue to reliably and cost-effectively serve customers' future energy needs.

The Chairman, therefore, finds good cause to initiate this rulemaking proceeding to adopt and modify the Commission's rules, as necessary, to implement G.S. 62-110.8.¹ The Chairman further finds that the 120-day filing deadline in Section 2(c) of S.L. 2017-192 justifies establishing an expedited schedule to adopt such rules by October 1, 2017.

To begin this rulemaking process, the Chairman invites interested persons to petition to intervene and file proposed rules, rule revisions, or any other comments or suggestions to assist the Commission in drafting proposed rules to implement G.S. 62-110.8. The parties will then be allowed opportunity to reply to the initial filings in this proceeding, including filing of additional proposed rules, rule revisions, or comments. After considering the parties' initial filings and their replies, the Commission will prepare proposed rules or rule revisions to implement the provisions of G.S. 62-110.8. Parties will be permitted to file comments and reply comments addressing these proposed rules or rule revisions.

Consistent with G.S. 62-110.8(h), the rules adopted herein, and the parties' initial and reply filings, shall specifically address the following:

- (1) Oversight of the competitive procurement program.

¹ Rulemaking proceedings regarding the implementation of other sections of S.L. 2017-192, such as Part VI, which enacts new Article 6B of Chapter 62, will be undertaken in separate dockets.

- (2) To provide for a waiver of regulatory conditions or code of conduct requirements, if any, that would unreasonably restrict a public utility or its affiliates from participating in the competitive procurement process, unless the Commission finds that such a waiver would not hold the public utility's customers harmless.
- (3) Establishment of a procedure for expedited review and approval of certificates of public convenience and necessity, or the transfer thereof, for renewable energy facilities owned by the public utility and procured pursuant to this section. The Commission shall issue an order not later than 30 days after a petition for a certificate is filed by the public utility.
- (4) Establishment of a methodology to allow an electric public utility to recover its costs pursuant to G.S. 62-110.8(g).
- (5) Establishment of a procedure for the Commission to modify or delay implementation of the provisions of this section in whole or in part if the Commission determines that it is in the public interest to do so.

IT IS, THEREFORE, ORDERED as follows:

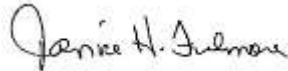
1. That DEC and DEP are hereby made parties of record in this proceeding, and the participation of the Public Staff is recognized pursuant to G.S. 62-15(d) and Commission Rule R1-19(e);
2. That other parties desiring to become formal participants and parties of record in this proceeding shall file petitions to intervene in accordance with the applicable Commission rules on or before August 16, 2017;
3. That parties may file initial comments, suggestions, or proposed rules or rule revisions as provided herein on or before August 16, 2017;
4. That the parties may file reply comments, suggestions, or additional proposed rules or rule revisions as provided herein on or before August 25, 2017;
5. That the Commission, after considering the parties' initial and reply filings, shall issue an order setting forth proposed rules or rule revisions as provided herein implementing G.S. 62-110.8, as enacted by Session Law 2017-192, and establishing a further schedule for the filing of comments and reply comments;
6. That the Commission hereby gives notice of its intent to adopt final rules in this proceeding on or before October 16, 2017; and

7. That the Chief Clerk shall transmit a copy of this Order to all parties of record in Docket No. E-100, Sub 113.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of July, 2017.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, reading "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk