BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC, )
and Duke Energy Carolinas, LLC, ) ORDER DENYING
Requesting Approval of Solar Rebate ) REQUEST FOR HEARING
Program Pursuant to G.S. 62-155(f) )

BY THE COMMISSION: Pursuant to Part VIII of House Bill 589 (Session Law 2017-192) enacting G.S. 62-155(f), Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP) (collectively, Duke), jointly filed a proposed solar rebate program on January 22, 2018, which was approved by Commission order dated April 3, 2018. Applications for rebates under the program were accepted beginning July 9, 2018, January 2, 2019, and January 2, 2020.

On February 6, 2020, NCSEA filed a Request for Hearing noting complaints it received from its member solar installers, individual members seeking to install solar, and also from non-members in applying for 2020 rebates from Duke when the application window opened on January 2, 2020. Adding that the source of the frustration appears to be a failure of Duke’s web-based application process, and expressing concerns about the potential for the issue to recur in future years, NCSEA “requests that the Commission schedule a hearing on this matter so that the Commission can determine whether Duke acted appropriately in its administration of the 2020 solar rebate allocation, what steps are necessary to make applicants who were negatively affected by the faulty administration whole, and how to ensure this does not happen in future first-come, first-serve capacity allocation programs.” Lastly, “NCSEA, its members, and the applicants have questions as to whether the procedure that Duke went through to collect applications upon webpage failure followed the requirements proscribed by statute and Commission order or, if not, whether the outcome reached is most equitable and fair to the potential applicant pool.”

On February 14, 2020, DEC and DEP filed a Joint Update on the Solar Rebate Program and Joint Response Opposing NCSEA’s Request for Hearing. In its Response Duke acknowledges that it experienced technical difficulties in the 2020 application process due, in part, to the flood of applications received and that its website malfunctioned on January 2, 2020, causing certain rebate applicants to either receive notifications that their applications had been received by Duke when in fact they had not, or to have trouble applying and receiving any response from Duke. Duke states that although there had not been any apparent problems with the websites in receiving applications in the months leading up to January 2020, Duke quickly became aware of issues with the application process on the morning of January 2. Duke expresses regret...
for the inconvenience this has caused to its customers, and states that since that time, and prior to the filing of NCSEA’s request, Duke has worked diligently to respond to each individual customer’s concerns, customer by customer, offering customers multiple ways to show that they had applied before capacity had been reached for their service territory: “No customer that can establish that they applied prior to capacity limits being reached in their service territory has been excluded from the ability to receive a Solar Rebate; they are being treated as timely applied.” Duke states that it will provide additional information in its April 1 annual report, and that it does not believe a formal hearing is necessary to provide the Commission with any additional information it needs and to address its customers’ concerns: “At this point, devoting resources to helping customers appears more productive than diverting resources to prepare for a hearing that is likely to produce the same result as continuing to work informally with the Commission, the Public Staff, and impacted customers.” Lastly, Duke states that it is building a new application that will not have the same technology architecture to avoid this malfunction happening again next year, and has committed to “stress-testing” the application process in advance of the application window opening in January 2021. On the morning of the application window opening, program management and technical resources will be deployed to sit with call center agents so that if any calls are received about difficulties in applying, they can be responded to quickly.

On February 17, 2020, Duke appeared at the Commission’s Regular Staff Conference to provide additional details regarding the January 2, 2020 website malfunction, the efforts to address customer concerns, and the plans being made to avoid a recurrence in future years. Stacy Phillips, Manager of Distributed Technology Programs, which oversees the Solar Rebate Program, informed the Commission that Duke investigated the issue and determined that its websites did not perform as expected due to a recent migration of infrastructure to the cloud — although users were provided with messages confirming their applications had been properly submitted, the form data was not successfully loaded into Duke’s database; and if the application did not get to the database, customers would not receive an email notification that Duke had received the application, even though the website screen relayed that the application went through. Furthermore, increased volume caused the rendering of the application to appear incorrectly, making it difficult for customers to complete the application. Realizing that customers had received the faulty notifications, or that customers had not received notifications at all, Duke determined that if customers could provide various types of corroborating evidence that they had applied before capacity was reached in their service territories, these customers would qualify for a rebate.

On April 1, 2020, Duke filed its Solar Rebate Program Annual Report for calendar year 2019 and a request to amend program application windows for calendar years 2021 and 2022. In that filing, Duke again acknowledges that it experienced technical difficulties with respect to the opening of the application window on January 2, 2020, and commits to perform the necessary technical fixes to avoid a repeat of this issue for 2021 and 2022. Duke also proposes changes designed to spread the market over the course of a year, decrease the volume of applications received on the day of the launch, and alleviate some of the traffic on the solar rebates page the first business day of the year.
On April 7, 2020, the Commission issued an Order Allowing Comments On 2019 Annual Report establishing a schedule for parties to file comments and reply comments on the April 1, 2020 Solar Rebate Program Annual Report, including Duke’s report on the problems encountered with the 2020 solar rebate application process, its commitment to technological fixes, and proposed changes to the program to avoid a recurrence in future years. In addition, parties are free in their comments to propose their own changes to the program for consideration by the Commission.

The Commission appreciates NCSEA’s interest and participation in this proceeding, but disagrees with the necessity of holding a formal evidentiary hearing at this time regarding the problems encountered with the 2020 solar rebate application process. Duke has acknowledged the failure of its website to function properly in multiple filings, including its February 14, 2020 Response Opposing NCSEA’s Request for Hearing and its April 1, 2020 Solar Rebate Program Annual Report. In addition, subsequent to the filing of NCSEA’s Request, representatives of Duke personally appeared before the Commission to answer specific, pointed questions regarding the website malfunction and customers’ concerns. Thus, because the Commission has already received oral and written reports in which Duke acknowledged responsibility for the problems encountered by customers applying for a solar rebate in January 2020 and committed to work with affected customers, and because the Commission has further provided an opportunity for parties to comment on Duke’s proposals for addressing the issue going forward and to propose their own changes to the program, the Commission finds good cause to deny NCSEA’s request for a hearing. Concerns or complaints by individual affected customers should be handled on a case-by-case basis, with Commission involvement only after a customer has first attempted to reach agreement with Duke regarding the customer’s eligibility for a solar rebate this year.

IT IS, THEREFORE, ORDERED that the Request for Hearing filed by NCSEA on February 6, 2020, shall be, and is hereby, denied.

ISSUED BY ORDER OF THE COMMISSION.

This the 13th day of April, 2020.

NORTH CAROLINA UTILITIES COMMISSION

[Signature]
A. Shonta Dunston, Deputy Clerk