

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
JUNE 4, 2018**

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

D. ELECTRIC

- P1. DOCKET NOS. E-2, SUB 1106 AND E-7, SUB 1113 – DUKE ENERGY PROGRESS, LLC AND DUKE ENERGY CAROLINAS, LLC – REQUEST FOR APPROVAL OF WAIVER OF CERTAIN PROVISIONS OF COMMISSION RULES R8-66 AND R8-67 FOR NET METERING NON-TOU CUSTOMERS

EXPLANATION: On April 13, 2016, Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP), filed a request for approval of waivers of certain provisions of Commission Rules R8-66 and R8-67 for net metering non-TOU demand (“NMNTD”) customers, pursuant to the Commission’s August 21, 2014, *Order Approving REPS And REPS EMF Riders And 2013 REPS Compliance* in Docket No. E-7, Sub 1052. Under the current Net Metering for Renewable Energy Facilities Rider offered by DEC (“Rider NM”) and DEP (“Rider NM-4B”), a customer receiving electric service under a schedule other than a time-of-use schedule with demand rates shall provide any Renewable Energy Certificates (“RECs”) or “green tags” to DEC and DEP at no cost.

On April 23, 2018, DEC and DEP filed a revised waiver request, noting that due to the passage of time, as well as changes resulting from the enactment of S.L. 2017-192, commonly referred to as House Bill 589 (HB 589), the Companies and the Public Staff agreed that it was appropriate to update and re-file this request for Commission consideration based on current information.

The purpose of the requested waiver is to create a mechanism by which RECs produced by NMNTD customers can be transferred or assigned to the utility. As the number of net-metered solar photovoltaic (“PV”) facilities has increased in recent years, and with the potential for the deployment of up to 50 MW of new net-metered solar PV over the next five years pursuant to HB 589’s Solar Rebate provision,

a larger number of RECs are being generated and are potentially available to DEC and DEP for compliance with the Renewable Energy and Energy Efficiency Portfolio Standard (“REPS”).

DEC and DEP propose waiving certain provisions of Commission Rules R8-66 and R8-67 to allow NMNTD customers to be exempt from holding individual accounts in the North Carolina Renewable Energy Tracking System (“NC-RETS”). DEC and DEP will annually upload the total number of RECs provided by NMNTD customers into NC-RETS under two program designations, utilizing generator attributes that are collected and maintained by the respective utility that serves each customer. DEC and DEP request to report HB 589 RECs under a separate project designation, so one program designation will be for HB 589 solar rebate customers and the second program designation will be for non-rebate net-metered customers.

DEC and DEP propose the following specific waivers in order to facilitate this transfer of RECs without placing an undue burden on NMNTD customers:

- 1) Requested waivers of Commission Rule R8-66 are:
 - a. Registration as a New Renewable Energy Facility and annual registration updates be waived, and each utility will be permitted to retain relevant information on behalf of the NMNTD customers;
 - b. Rule R8-66(b)(1): NMNTD customers not be required to file a Registration Statement, and that utilities will collect and maintain the relevant information in a single docket;
 - c. Rule R8-66(b)(4) and (5): waive requirement that generation owner certify annually that their facility complies with all federal and state laws, regulations, and rules for the protection of the environment and natural resources. Under Rider NM or Rider NM-4B, DEC and DEP require the participant to verify that the generation complies with all such requirements. There will be a presumption of compliance for NMNTD customers, and the annual certification requirements will be waived;
 - d. Rule R8-66(b)(6): Service under Rider NM and Rider NM-4B to NMNTD customers already complies with this section, which requires that RECs sold to an electric supplier not be remarketed or resold for any purpose; and
 - e. Rule R8-66(b)(7) and (8): waive requirement that renewable facility owners consent to audits, verify registration statement, and signify that they have authority to submit information to the Commission. DEC and DEP will receive this signed and verified information and retain

the right to inspect NMNTD customers' facilities for eligibility, while the Public Staff and the Commission will have full access to DEC's and DEP's records.

- 2) Requested waivers of Commission Rule R8-67 are:
 - a. Rule R8-67(g)(2) and (h)(8): under this rule, solar PV system output with a nameplate capacity of 10 kW or less can be estimated using generally accepted analytical tools. DEC and DEP request that this limit be raised to 20 kW or less for residential NMNTD customers, to match the threshold established by the Commission in its March 31, 2009 Order in Docket No. E-100, Sub 83, related to additional standby and metering charges. For non-residential customers, DEC and DEP request that this limit be raised to 1,000 kW or less; and
 - b. Rule R8-67(g)(2): allow the use of a scalable conversion factor for estimating annual generation from program participants, without needing to individually meter each generator for REC generation purposes. This scalable conversion factor will be based on the National Renewable Energy Laboratory's PVWATTS™ software, which provides the average output of solar PV generators in all North Carolina cities and has a suitable level of detail.

DEC and DEP propose applying this scalable conversion factor to estimate historical energy production data for REC issuance back up to two years from the date on which the Commission approves this request or to the date on which the facility came online, whichever is later, pursuant to Rule R8-67(g)(4). DEC and DEP request Commission approval to report the total number of RECs produced by NMNTD customers (either from meter readings or approved estimating tools) on an annual basis. These reports shall be filed with the utility's REPS compliance filings under Commission Rule R8-67(c), and the total number of RECs shall be imported directly to NC-RETS. DEC and DEP will maintain all supporting documentation to validate RECs, and will provide that information to the Public Staff or Commission for review upon request.

DEC and DEP also propose to conduct annual site visits to ensure the accuracy of the scalable conversion factor. These visits will be conducted to a statistically significant number of participating NMNTD customers, verifying that solar installations covered by this waiver request are still operating. A summary of these findings will be included in the REPS compliance filing, and will be used to adjust production estimates of all program participants. Based upon the results of the two years of site visits, DEC and DEP propose including a recommendation as to whether the visits should continue in the REPS compliance filing.

DEC and DEP discussed this report with the Public Staff before initially filing, and again after filing the revised version, to resolve issues and answer questions. The Public Staff is satisfied that the method DEC and DEP propose to select the sites visited annually, and to verify the solar installations continue to be operating, is sufficient. DEC and DEP indicated they will hire a third-party vendor to conduct the visits, and that the number of evaluations will be based upon the number of customers under Rider NM and NM-4B. The evaluations will further be geographically allocated based upon the percentage of participating NMNTD customers in each geographic area. Evaluations will rotate through customers each year, ensuring that if a customer passes a site evaluation, they will be excluded from future evaluations. The utilities provided the following estimates of the number of NMNTD customers as of April 2018.

NMNTD Customers	DEC		DEP	
	Facility Capacity	Total Capacity (kW AC)	Facility Capacity	Total Capacity (kW AC)
<10 kw	2,787	12,566	1,702	8,055
10kW - 20kW	170	2,246	135	1,750
20kW - 100kW	60	2,734	39	1,815
100kW - 1MW	38	12,739	31	11,157
<i>Total</i>	<i>3,055</i>	<i>30,285</i>	<i>1,907</i>	<i>22,777</i>

In response to Public Staff data requests, DEC and DEP indicated that they do not have a means by which to measure actual solar production on net-metered customer sites, and that the meter tagged to the billing account is only able to measure net usage. DEC and DEP stated that if the utility had the ability to record or verify actual generation, the utility would rely on the actual production numbers rather than a scalable conversion factor.

The Public Staff noted that under the Commission's Rules and the NC-RETS Operating Procedures, each person or company that registers with NC-RETS for issuance of RECs must establish each renewable energy facility as a separate "project" within NC-RETS. The NC-RETS website provides a list of all such facilities, which helps protect the integrity of RECs issued in NC-RETS by precluding facilities from being registered in more than one registry at a time. If the owner of a facility that is being issued RECs in NC-RETS attempts to register that same facility in another tracking system, the administrator of that other tracking system can check the NC-RETS website to verify

whether the facility is already participating in NC-RETS. DEC's and DEP's request for waiver would relieve Rider participants from registering in NC-RETS, thereby potentially reducing the transparency needed to prevent the double-issuance of RECs.

In the Commission's November 15, 2010, *Order Approving Rider and Granting Waiver Request* in Docket No. E-2, Sub 979, the Commission considered a similar waiver request, and in order to address the concern, required DEC and DEP provide certain details for each participating customer to NC-RETS. The Public Staff recommended in this case that DEC and DEP shall provide NC-RETS on a monthly basis with a list of participating customers, including facility location and size. NC-RETS shall post this information on its website in a manner that will facilitate its use by other registries seeking to preclude the double issuance of RECs.

DEC and DEP also noted that implementation of HB 589 has created two additional programs that bear mentioning here; first, *Petition for Approval of Solar Rebate Program* (Dockets E-2, Sub 1167, E-7 Sub 1166) ("Solar Rebate Program"); and second, DEC and DEP's *Petition for Approval of Community Solar Program* in Docket Nos. E-2, Sub 1169 and E-7, Sub 1168 ("Community Solar Program").

Under the proposed Solar Rebate Program, any customer applying for the rebate must be on Rider NM or NM-4B. In addition, if the customer is receiving service under a NMNTD rate schedule, RECs would be retained by the utility. This waiver request would therefore be applicable to the RECs generated by customers participating in the Solar Rebate Program under a NMNTD rate schedule.

Under the proposed Community Solar Program, the Companies propose retiring RECs produced by community solar facilities on behalf of the participating customers. Therefore, the waiver requests in this order do not apply to the Community Solar program.

In addition, HB 589 established new G.S. 62-126.4, which directs each electric public utility to file for Commission approval revised net metering rates for electric customers that (i) own a renewable energy facility for that person's own primary use or (ii) are customer generator lessees, which are to be established "only after an investigation of the costs and benefits of customer-sited generation." As part of that revision of net metering rates, the allocation of RECs from net metered, customer-sited generation may be reconsidered and may impact the application of this waiver. The Public Staff further noted, however, that G.S. 62-126.4(c) provides:

[U]ntil the rates have been approved by the Commission as required by this section, the rate shall be the applicable net metering rate in place at the time the facility interconnects. Retail customers that own and install an on-site renewable energy facility and interconnect to the grid prior to the date the Commission approves new metering rates may elect to continue net metering under the net metering rate in effect at the time of interconnection until January 1, 2027.

As such, this waiver may require modification upon the revision of the net metering rates offered by DEC and DEP.

The Public Staff has reviewed DEC's and DEP's requests and recommends that the Commission approve the request for waivers of certain provisions of Commission Rules R8-66 and R8-67 with regard to the registration and reporting requirements for installation of new rooftop-mounted solar PV electric generating systems, as such waivers would reduce the burden of the reporting and compliance requirements pertaining to the generation and transfer of RECs between NMNTD customers and the utilities.

Additionally, the Public Staff recommends that DEC and DEP be required to provide NC-RETS with a list of all such facilities that are not registered pursuant to this waiver request to maintain transparency needed to prevent the double-issuance of RECs. DEC and DEP agree with the Public Staff's recommendation.

EXHIBIT: The Public Staff's proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Dodge/Thomas) That the Commission issue the Public Staff's proposed order approving DEC's and DEP's requests for approval of waiver of certain provisions of Commission Rules R-66 and R8-67 for Net Metering Non-TOU customers.

P2. APPLICATION FOR AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY

EXPLANATION: The following application seeking an amended certificate of public convenience and necessity pursuant to G.S. 62-110.1 for construction of a solar photovoltaic electric generating facility was filed pursuant to Commission Rule R8-64.

Duke Energy Progress:

- Docket No. SP-5549, Sub 0 – Application of Nickelson Solar LLC for an amended Certificate of Public Convenience and Necessity to Construct a 5-MW Solar Photovoltaic Facility in Duplin County, North Carolina (registration statement previously issued).

The Public Staff has reviewed the application and determined that it complies with the requirements of G.S. 62-110.1 and Commission Rule R8-64.

EXHIBIT: A proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (Lucas) That the Commission issue an order approving the application and issuing the requested amended certificate. A proposed order has been provided to the Commission Staff.

E. WATER

P1. DOCKET NO. W-4, SUB 20 – JOYCETON WATER WORKS, INC. – REQUEST FOR TARIFF REVISION

EXPLANATION: On April 18, 2018, Joyceton Water Works, Inc. (Applicant), filed a letter with the Commission seeking authority to amend its tariff for the purpose of passing along to its customers in Caldwell County, North Carolina, the increased cost of purchasing water from the City of Lenoir (City). On May 30, 2018, the Applicant filed a verified petition with the Commission pursuant to G.S. 62-133.11. The City bills its customers in arrears, and its new rates are effective July 1, 2018. The Applicant serves approximately 110 customers.

The Public Staff has reviewed the Applicant’s request, agrees with the rates requested, and recommends approval of the following rates:

Monthly Metered Rates:	<u>Existing Rates</u>	<u>Proposed Rates</u>
First 3,000 gallons	\$10.36, minimum	\$10.45, minimum
Next 22,000 gallons	\$ 2.69/1,000 gallons	\$ 2.72/1,000 gallons
Next 475,000 gallons	\$ 2.50/1,000 gallons	\$ 2.53/1,000 gallons
Over 500,000 gallons	\$ 2.12/1,000 gallons	\$ 2.15/1,000 gallons

The new rates will increase the average residential monthly bill from \$11.71 to \$11.81 based on an average usage of 3,500 gallons.

EXHIBIT: A proposed order is attached as Exhibit No. P-3.

RECOMMENDATION: (Darden/Holt/Morgan) That an order be issued approving the tariff revision and requiring customer notice.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1106
DOCKET NO. E-7, SUB 1113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of:

Request of Duke Energy Carolinas, Inc., and)
Duke Energy Progress, Inc., for Approval of) ORDER APPROVING
Waiver of Certain Provisions of Commission) RIDER AND GRANTING
Rules R8-66 and R8-67 for Net Metering) WAIVER REQUEST
Non-TOU Customers)

BY THE COMMISSION: On April 13, 2016, Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP), filed a request for approval of waivers of certain provisions of Commission Rules R8-66 and R8-67 for net metering non-TOU demand (“NMNTD”) customers, pursuant to the Commission’s August 21, 2014, *Order Approving REPS And REPS EMF Riders And 2013 REPS Compliance* in Docket No. E-7, Sub 1052. Under the current Net Metering for Renewable Energy Facilities Rider offered by DEC (“Rider NM”) and DEP (“Rider NM-4B”), a customer receiving electric service under a schedule other than a time-of-use schedule with demand rates shall provide any Renewable Energy Certificates (“RECs”) or “green tags” to DEC and DEP at no cost.

On April 23, 2018, DEC and DEP filed a revised waiver request, noting that due to the passage of time, as well as changes resulting from the enactment of S.L. 2017-192, commonly referred to as House Bill 589, the Companies and the Public Staff agreed that it was appropriate to update and re-file this request for Commission consideration based on current information.

The purpose of the requested waiver is to create a mechanism by which RECs produced by NMNTD customers can be transferred or assigned to the utility. As the number of net-metered solar photovoltaic (“PV”) facilities has increased in recent years, and with the potential for the deployment of up to 50 MW of new net-metered solar PV over the next five years pursuant to HB 589’s Solar Rebate provision, a larger number of

RECs are being generated and are potentially available to DEC and DEP for compliance with the Renewable Energy and Energy Efficiency Portfolio Standard (“REPS”).

DEC and DEP propose waiving certain provisions of Commission Rules R8-66 and R8-67 to allow NMNTD customers be exempt from holding individual accounts in the North Carolina Renewable Energy Tracking System (“NC-RETS”). DEC and DEP will annually upload the total number of RECs provided by NMNTD customers into NC-RETS under two program designations, utilizing generator attributes that are collected and maintained by the respective utility that serves each customer. DEC and DEP request to report HB 589 RECs under a separate project designation, so one program designation will be for HB 589 solar rebate customers and the second program designation will be for non-rebate net-metered customers.

DEC and DEP propose the following specific waivers in order to facilitate this transfer of RECs without placing an undue burden on NMNTD customers:

- 3) Requested waivers of Commission Rule R8-66 are:
 - a. Registration as a New Renewable Energy Facility and annual registration updates be waived, and each utility will be permitted to retain relevant information on behalf of the NMNTD customers;
 - b. Rule R8-66(b)(1): NMNTD customers not be required to file a Registration Statement, and that utilities will collect and maintain the relevant information in a single docket;
 - c. Rule R8-66(b)(4) and (5): waive requirement that generation owner certify annually that their facility complies with all federal and state laws, regulations, and rules for the protection of the environment and natural resources. Under Rider NM or Rider NM-4B, DEC and DEP require the participant to verify that the generation complies with all such requirements. There will be a presumption of compliance for NMNTD customers, and the annual certification requirements will be waived;
 - d. Rule R8-66(b)(6): Service under Rider NM and Rider NM-4B to NMNTD customers already complies with this section, which requires that RECs sold to an electric supplier not be remarketed or resold for any purpose; and

- e. Rule R8-66(b)(7) and (8): waive requirement that renewable facility owners consent to audits, verify registration statement, and signify that they have authority to submit information to the Commission. DEC and DEP will receive this signed and verified information and retain the right to inspect NMNTD customers' facilities for eligibility, while the Public Staff and the Commission will have full access to DEC's and DEP's records.
- 4) Requested waivers of Commission Rule R8-67 are:
- a. Rule R8-67(g)(2) and (h)(8): under this rule, solar PV system output with a nameplate capacity of 10 kW or less can be estimated using generally accepted analytical tools. DEC and DEP request that this limit be raised to 20 kW or less for residential NMNTD customers, to match the threshold established by the Commission in its March 31, 2009 Order in Docket No. E-100, Sub 83, related to additional standby and metering charges. For non-residential customers, DEC and DEP request that this limit be raised to 1,000 kW or less; and
 - b. Rule R8-67(g)(2): allow the use of a scalable conversion factor for estimating annual generation from program participants, without needing to individually meter each generator for REC generation purposes. This scalable conversion factor will be based on the National Renewable Energy Laboratory's PVWATTS™ software, which provides the average output of solar PV generators in all North Carolina cities and has a suitable level of detail.

DEC and DEP propose applying this scalable conversion factor to estimate historical energy production data for REC issuance back up to two years from the date on which the Commission approves this request or to the date on which the facility came online, whichever is later, pursuant to Rule R8-67(g)(4). DEC and DEP request Commission approval to report the total number of RECs produced by NMNTD customers (either from meter readings or approved estimating tools) on an annual basis. These reports shall be filed with the utility's REPS compliance filings under Commission Rule R8-67(c), and the total number of RECs shall be imported directly to NC-RETS. DEC and DEP will maintain all supporting documentation to validate RECs, and will provide that information to the Public Staff or Commission for review upon request.

DEC and DEP also propose to conduct annual site visits to ensure the accuracy of the scalable conversion factor. These visits will be conducted to a statistically significant number of participating NMNTD customers, verifying that solar installations covered by this waiver request are still operating. A summary of these findings will be included in the REPS compliance filing, and will be used to adjust production estimates of all program participants. Based upon the results of the two years of site visits, DEC and DEP propose including a recommendation as to whether the visits should continue in the REPS compliance filing.

DEC and DEP discussed this report with the Public Staff before initially filing, and again after filing the revised version, to resolve issues and answer questions. The Public Staff is satisfied that the method DEC and DEP propose to select the sites visited annually, and to verify the solar installations continue to be operating, is sufficient. DEC and DEP indicated they will hire a third-party vendor to conduct the visits, and that the number of evaluations will be based upon the number of customers under Rider NM and NM-4B. The evaluations will further be geographically allocated based upon the percentage of participating NMNTD customers in each geographic area. Evaluations will rotate through customers each year, ensuring that if a customer passes a site evaluation, they will be excluded from future evaluations. The utilities provided the following estimates of the number of NMNTD customers as of April 2018.

NMNTD Customers	DEC		DEP	
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<i>Total</i>	<i>3,055</i>	<i>30,285</i>	<i>1,907</i>	<i>22,777</i>

In response to Public Staff data requests, DEC and DEP indicated that they do not have a means by which to measure actual solar production on net-metered customer sites, and that the meter tagged to the billing account is only able to measure net usage. DEC and DEP stated that if the utility had the ability to record or verify actual generation, the utility would rely on the actual production numbers rather than a scalable conversion factor.

The Public Staff noted that under the Commission's Rules and the NC-RETS Operating Procedures, each person or company that registers with NC-RETS for issuance of RECs must establish each renewable energy facility as a separate "project" within NC-RETS. The NC-RETS website provides a list of all such facilities, which helps protect the integrity of RECs issued in NC-RETS by precluding facilities from being registered in more than one registry at a time. If the owner of a facility that is being issued RECs in NC-RETS attempts to register that same facility in another tracking system, the administrator of that other tracking system can check the NC-RETS website to verify whether the facility is already participating in NC-RETS. DEC's and DEP's request for waiver would relieve Rider participants from registering in NC-RETS, thereby potentially reducing the transparency needed to prevent the double-issuance of RECs.

In the Commission's November 15, 2010, *Order Approving Rider and Granting Waiver Request* in Docket No. E-2, Sub 979, the Commission considered a similar waiver request, and in order to address the concern, required DEC and DEP provide certain details for each participating customer to NC-RETS. The Public Staff recommended in this case that DEC and DEP shall provide NC-RETS on a monthly basis with a list of participating customers, including facility location and size. NC-RETS shall post this information on its website in a manner that will facilitate its use by other registries seeking to preclude the double issuance of RECs.

DEC and DEP also noted that implementation of HB 589 has created two additional programs that bear mentioning here; first, *Petition for Approval of Solar Rebate Program* (Dockets E-2, Sub 1167, E-7 Sub 1166) ("Solar Rebate Program"); and second, DEC and DEP's *Petition for Approval of Community Solar Program* in Docket Nos. E-2, Sub 1169 and E-7, Sub 1168 ("Community Solar Program").

Under the proposed Solar Rebate Program, any customer applying for the rebate must be on Rider NM or NM-4B. In addition, if the customer is receiving service under a NMNTD rate schedule, RECs would be retained by the utility. This waiver request would therefore be applicable to the RECs generated by customers participating in the Solar Rebate Program under a NMNTD rate schedule.

Under the proposed Community Solar Program, the Companies propose retiring RECs produced by community solar facilities on behalf of the participating customers. Therefore, the waiver requests in this order do not apply to the Community Solar program.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on June 4, 2018. The Public Staff recommended that DEC's and DEP's request for waivers of certain provisions of Commission Rules R8-66 and R8-67 with regard to the registration and reporting requirements for installation of new rooftop-mounted solar PV electric generating systems be granted, as such waivers would reduce the burden of the reporting and compliance requirements pertaining to the generation and transfer of RECs between NMNTD customers and the utilities.

The Public Staff also noted that HB 589 established new G.S. 62-126.4, which directs each electric public utility to file for Commission approval revised net metering rates for electric customers that (i) own a renewable energy facility for that person's own primary use or (ii) are customer generator lessees, which are to be established "only after an investigation of the costs and benefits of customer-sited generation." As part of that revision of net metering rates, the allocation of RECs from net metered, customer-sited generation may be reconsidered and may impact the application of this waiver. The Public Staff further noted, however, that G.S. 62-126.4(c) provides:

[U]ntil the rates have been approved by the Commission as required by this section, the rate shall be the applicable net metering rate in place at the time the facility interconnects. Retail customers that own and install an on-site renewable energy facility and interconnect to the grid prior to the date the Commission approves new metering rates may elect to continue net metering under the net metering rate in effect at the time of interconnection until January 1, 2027.

As such, this waiver may require modification upon the revision of the net metering rates offered by DEC and DEP.

No other party filed comments in this proceeding.

Based on the foregoing, the Commission is of the opinion that the requested waiver from portions of Commission Rules R8-66 and R8-67 should be granted, but that DEC and DEP should be required to provide NC-RETS with facility information necessary to maintain transparency as discussed above. The Commission will allow DEC and DEP to report into NC-RETS the estimated amount of energy produced by the participants' solar facilities. DEC and DEP shall maintain and make available for review by the Public Staff and the Commission supporting documentation to validate participation levels and its estimate of electricity produced. DEC and DEP shall include in their REPS compliance filings a summary of the results of site visits. In addition, DEC and DEP shall on a monthly basis provide NC-RETS with a list of participating customers, including facility location and size. NC-RETS shall post this information on its website in a manner that will facilitate its use by other registries seeking to preclude the double issuance of RECs.

The Commission agrees with the Public Staff that the revision of net metering rates pursuant to G.S. 62-126.4 may result in changes to the allocation of RECs from net-metered, customer-sited generation and impact the applicability of this waiver to some net-metered customers. Until those revised rates are before the Commission, however, it is appropriate for this waiver to be implemented to allow DEC and DEP to more efficiently utilize those RECs that are currently being allocated to them by their net-metered customers.

IT IS, THEREFORE, ORDERED as follows:

1. That participants in DEC Rider NM or DEP Rider NM-4B under a NMNTD schedule are exempt from the following requirements of Commission Rule R8-66:
 - (a) Filing a registration statement, and annual updates, pursuant to Rule R8-66(b);

- (b) Annually filing certifications of compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources, and annually filing certification that the facility is operated as a renewable energy facility pursuant to Rule R8-66(b)(4) and (5);
 - (c) Annually filing a compliance statement to certify that any RECs sold to an electric power supplier will not be remarketed or resold for any purpose and annually reporting whether it sold any RECs during the prior year pursuant to Rule R8-66(b)(6); and
 - (d) Annually consenting to audits and verify registration statement, pursuant to Rule R8-66(b)(7).
2. That DEP and DEC be granted a waiver from the 10kW threshold established in R8-67(g)(2) and (h)(8), and instead be permitted to estimate the electric power generated by a residential inverter-based solar PV system on a NMNTD rate schedule with a nameplate capacity of 20 kW or less using generally accepted analytical tools;
 3. That DEP and DEC be permitted to estimate the electric power generated by a non-residential inverter-based solar PV system on a NMNTD rate schedule with a nameplate capacity of 1,000 kW or less using generally accepted analytical tools;
 4. That DEC and DEP, as administrator of Rider NM and NM-4B, may forego metering each generator individually and may use the PVWatts™ Solar Calculator developed by the National Renewable Energy Laboratory for estimating the generation from participants' solar facilities, as permitted in Commission Rule R8-67(g)(2);
 5. That DEC and DEP shall report the total amount of electricity produced by facilities under the Rider directly into NC-RETS in a separately identified generation project;
 6. That DEC and DEP shall maintain all supporting documentation to validate participation levels for NMNTD customers, and shall provide it to the Commission and the Public Staff for review upon request;

7. That for two years from the date of this order, DEC and DEP shall verify via site visits to a statistically significant number of participating residences that the solar installations covered by this Rider continue to be operating. DEC and DEP shall include the findings of its site visits in its annual REPS compliance filing and use the findings to adjust the estimates of the electricity output of all of the Rider installations on a prospective basis. When DEC and DEP reports the results of the year-two site visits in its REPS compliance filing, it shall include a recommendation as to whether such site visits should continue; and
8. That DEC and DEP shall provide NC-RETS on a monthly basis with a list of participating customers, including the location and the kW capacity of their installations, to be made available on the NC-RETS website.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of June, 2018.

NORTH CAROLINA UTILITIES COMMISSION

Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-5549, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Nickelson Solar LLC for a)
Certificate of Public Convenience and) ORDER ISSUING AMENDED
Necessity to Construct a 5-MW Solar) CERTIFICATE
Facility in Duplin County, North Carolina)

BY THE COMMISSION: On November 17, 2015, the Commission issued an order granting an amended certificate of public convenience and necessity to Nickelson Solar LLC (Applicant) for construction of a 5-MW_{AC} solar photovoltaic electric generating facility to be located on the east side of Bill McGee Road, east of the intersection of Hilton Heights Road and North Teachey Road, and west of North Carolina Highway 11, near Wallace, Duplin County, North Carolina.

On January 3, 2018, the Applicant filed an amendment to its application stating that it is adding an access road.

On January 8, 2018, the Commission issued an Order Requiring Further Review by the State Clearinghouse.

On February 14, 2018, the State Clearinghouse filed comments. Because of the nature of the comments, the cover letter indicated that no further State Clearinghouse review action by the Commission was required for compliance with the North Carolina Environmental Policy Act.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on June 4, 2018. The Public Staff stated that it had reviewed the amendment and determined it to be in compliance with the requirements of G.S. 62-110.1(a) and Commission Rule R8-64. Therefore, the Public Staff recommended approval of the amended certificate for the facility.

After careful consideration, the Commission finds good cause to approve the amended application and issue the requested amended certificate for the proposed solar photovoltaic electric generating facility.

IT IS, THEREFORE, ORDERED as follows:

1. That the application filed by Nickelson Solar LLC for an amended certificate of public convenience and necessity shall be, and is hereby, approved; and
2. That Appendix A shall constitute the amended certificate of public convenience and necessity issued to Nickelson Solar LLC for the 5-MW_{AC} solar photovoltaic electric generating facility to be located on the east side of Bill McGee Road, east of the intersection of Hilton Heights Road and North Teachey Road, and west of North Carolina Highway 11, near Wallace, Duplin County, North Carolina.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of June, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-5549, SUB 0

Nickelson Solar LLC
c/o Cypress Creek Renewables, LLC
3250 Ocean Park Boulevard, Suite 355
Santa Monica, California 90405

is hereby issued this

AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
PURSUANT TO G.S. 62-110.1

for a 5-MW_{AC} solar photovoltaic electric generating facility

located

on the east side of Bill McGee Road, east of the intersection of Hilton Heights Road and
North Teachey Road, and west of North Carolina Highway 11, near Wallace,
Duplin County, North Carolina,

subject to all orders, rules, regulations and conditions
as are now or may hereafter be lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of June, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. W-4, SUB 20

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Joyceton Water Works, Inc., Post)	ORDER APPROVING
Office Box 347, Lenoir, North Carolina 28645, for)	TARIFF REVISION AND
Authority to Amend Its Tariff to Increase Rates for)	REQUIRING CUSTOMER
Providing Water Utility Service in Its Service Area in)	NOTICE
Caldwell County, North Carolina)	

BY THE COMMISSION: On April 18, 2018, Joyceton Works, Inc. (Applicant), filed a letter with the Commission seeking authority to amend its tariff for the purpose of passing along to its customers in Caldwell County, North Carolina, the increased cost of purchasing water from the City of Lenoir (City). On May 30, 2018, the Applicant filed a verified petition with the Commission pursuant to G.S. 62-133.11. The City bills its customers in arrears and its new rates are effective July 1, 2018. The Applicant serves approximately 110 customers.

The Public Staff reviewed the Applicant's request, agreed to the rates proposed, and recommended that the Applicant be allowed to increase its minimum rate for the first 3,000 gallons by \$0.09 and its usage rates by \$0.03 per 1,000 gallons.

The new rates will increase the average residential monthly bill from \$11.71 to \$11.81, based on an average usage of 3,500 gallons.

The tariff revision will allow the Applicant to recover additional revenues that do not exceed the additional expenses.

Based upon the foregoing, the Commission is of the opinion that the Applicant should be allowed to increase its minimum rate for the first 3,000 gallons by \$0.09 and its usage rates by \$0.03 per 1,000 gallons.

IT IS, THEREFORE, ORDERED as follows:

1. That Joyceton Water Works, Inc., is authorized to increase its minimum rate for the first 3,000 gallons by \$0.09 and its usage rates by \$0.03 per 1,000 gallons;
2. That the Schedule of Rates, attached as Appendix A, is approved and deemed to be filed with the Commission pursuant to G.S. 62-138. That the Schedule of Rates shall become effective for bills rendered on and after July 1, 2018; and
3. That a copy of the Notice to Customers, attached as Appendix B, shall be included in the next billing to all customers affected by the tariff revision.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

JOYCETON WATER WORKS, INC.

for providing water utility service in

ITS SERVICE AREA

in Caldwell County, North Carolina

Metered Rates: (Residential and Nonresidential Service)

First 3,000 gallons	\$10.45, minimum
Next 22,000 gallons	\$ 2.72/1,000 gallons
Next 475,000 gallons	\$ 2.53/1,000 gallons
Over 500,000 gallons	\$ 2.15/1,000 gallons

Monthly Flat Rate: (Industrial Fire Protection)

First 100 sprinkler heads	\$0.50 each
Next 200 sprinkler heads	\$0.40 each
Next 300 sprinkler heads	\$0.35 each
Next 400 sprinkler heads	\$0.30 each
Next 1,000 sprinkler heads	\$0.20 each

Tap on Fee: (Connection Charge)

For 3/4" x 5/8"	\$350.00
Larger taps	Actual cost of construction

Reconnection Charge:

If water service cut off by utility for good cause	\$4.00
If water service discontinued at customer's request	\$2.00

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charges for Late Payment: 1% per month will be applied to unpaid balance of all bills still past due 25 days after billing date.

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-4, Sub 20, on this ____ day of _____, 2018.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-4, SUB 20
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that the North Carolina Utilities Commission has granted Joyceton Water Works, Inc. authority to increase its rates for water utility service provided in all of its service areas in Caldwell County, North Carolina, for the purpose of passing along the increased cost of purchasing water utility service from the City of Lenoir. The Commission has approved the following new rates effective for service provided on and after the date of this notice:

Metered Rates: (Residential and Nonresidential Service)

First 3,000 gallons	\$10.45, minimum
Next 22,000 gallons	\$ 2.72/1,000 gallons
Next 475,000 gallons	\$ 2.53/1,000 gallons
Over 500,000 gallons	\$ 2.15/1,000 gallons

Monthly Flat Rate: (Industrial Fire Protection)

First 100 sprinkler heads	\$0.50 each
Next 200 sprinkler heads	\$0.40 each
Next 300 sprinkler heads	\$0.35 each
Next 400 sprinkler heads	\$0.30 each
Next 1,000 sprinkler heads	\$0.20 each

The average monthly residential water bill will be \$11.81 based on an average usage of 3,500 gallons.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION
M. Lynn Jarvis, Chief Clerk