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May 04 2018

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May 4, 2018

Ms. Lynn Jarvis
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street
Raleigh, NC 27603

RE: ***In the Matter of Petition of Duke Energy Progress, LLC and Duke Energy Carolinas, LLC, Requesting Approval of Green Source Advantage Program and Rider GSA to Implement G.S. 62-159.2***
NCUC Dockets E-2, Sub 1170 and E-7, Sub 1169
JOINT MOTION FOR LEAVE TO FILE SUR-REPLY COMMENTS

Dear Ms. Jarvis:

On behalf of the North Carolina Clean Energy Business Alliance ("NCCEBA"), North Carolina Sustainable Energy Association ("NCSEA"), the University of North Carolina at Chapel Hill ("UNC-Chapel Hill"), and the United States Department of Defense and all other Federal Executive Agencies ("DoD/FEA") (collectively, "Petitioners"), we hereby submit a Joint Motion for Leave to File Sur-Reply Comments in the above referenced docket.

If you have any questions or comments regarding this filing, please do not hesitate to call me.

Very truly yours,

/s/ Karen M. Kemerait

Karen M. Kemerait

pbb

Enclosure

cc: Christopher J. Ayers, Esq.
Parties of Record

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STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-2, SUB 1170
DOCKET NO. E-7, SUB 1169

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of: Petition of Duke Energy Progress, LLC, and Duke Energy Carolinas, LLC, Requesting Approval of Green Source Advantage Program and Rider GSA to Implement G.S. 62-159.2	**JOINT MOTION FOR LEAVE TO FILE SUR-REPLY COMMENTS**

NOW COME the North Carolina Clean Energy Business Alliance ("NCCEBA"), the North Carolina Sustainable Energy Association ("NCSEA"), the Southern Alliance for Clean Energy ("SACE"), The University of North Carolina at Chapel Hill ("UNC-Chapel Hill"), and The United States Department of Defense and all other Federal Executive Agencies ("DoD/FEA") (collectively, "Petitioners"), by and through their undersigned counsel, and respectfully move the North Carolina Utilities Commission (the "Commission") for leave to submit sur-reply comments in the above-referenced dockets.

In support of this request, Petitioners show the following:

1. Pursuant to the Commission's January 26, 2018, *Order Establishing Proceeding to Review Proposed Green Source Rider Advantage Program and Rider GSA* ("Order") and subsequent Orders granting extensions of time, the Commission ordered Duke Energy Carolinas, LLC's ("DEC") and Duke Energy Progress, LLC's ("DEP" and together with DEC, "Duke Energy" or "Duke") and all intervenors to file reply comments on April 20, 2018 to the initial comments of various parties related to Duke's proposed

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Green Source Advantage Program ("GSA Program") and Rider GSA tariffs filed by Duke on January 23, 2018.

2. N.C. Gen. Stat. § 62-159.2 (the "GSA Program Statute") directs Duke Energy to provide standard contract terms and conditions for participating GSA Program customers ("GSA Customers") and for renewable energy suppliers from which Duke procures energy and capacity on behalf of the GSA Customers. However, Duke Energy did not provide its proposed standard contract terms and conditions when it filed its proposed GSA Program on January 23, 2018. Rather, it filed proposed contract documents containing proposed standard terms and conditions for the first time with its reply comments filed on April 20, 2018.

3. Since Duke Energy failed to include its proposed contracts with its proposed GSA Program, the intervenors had no opportunity to comment on the proposed contracts in their initial or reply comments. For that reason, NCSEA and NCCEBA stated in their reply comments that intervenors should have an opportunity to provide comments on Duke's proposed contract terms and conditions prior to their approval by the Commission. As noted, Duke Energy attached its proposed Green Source Advantage Service Agreements for Standard Offer Version Energy, Capacity and RECs and for Self-Supply Version—Energy and Capacity Only to its reply comments—at a time when the intervenors had no opportunity to review and provide comment. Petitioners believe that due process requires that they be given an opportunity to provide sur-reply comments on the proposed contracts.

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4. In addition, Petitioners request the opportunity to correct inaccurate or misleading allegations in Duke's reply comments. The following claims warrant correction and clarification:

i. Duke suggests that the intent of the GSA Program Statute is only to provide GSA Customers with green energy, but not to also provide GSA Customers with the opportunity to realize cost savings from procuring renewable energy. Petitioners request the opportunity to provide accurate information that, solely as a result of GSA Customers' participation in the GSA Program, new energy and capacity will be provided to the Duke system at a cost below Duke's existing energy and capacity costs, and that the GSA Program Statute is intended to allow GSA Customers to realize the benefits of those cost savings, while all other customers are held neutral, rather than have those benefits accrue to other customers or to Duke's shareholders.

ii. To ensure that GSA Customers are the beneficiaries of the GSA Program, as the General Assembly intended, the Public Staff, the Attorney General, and Petitioners (as well as other intervenors) all recommend that the Commission use Duke's avoided cost rates to establish a bill credit for the GSA Program. While these parties—notably including the state's Attorney General--uniformly believe that Duke's proposed bill credit mechanism based on the CPRE Tranche weighted average price directly contravenes the GSA Program Statute's mandate, Duke nonetheless inaccurately claims in its reply comments that non-participating customers would be harmed if GSA Customers would be allowed a bill credit equal to the avoided cost rate. Petitioners request the opportunity to provide factual information that the GSA PPA costs will be

paid by GSA Customers, and that the general ratepayers will in no way be harmed if the bill credit equals the avoided cost rates.

CONCLUSION

The importance of Duke's failure to comply with the GSA Program Statute to Petitioners, to other large electric customers, and to the economy of the state cannot be overstated. In light of the consequences of Duke's failure to comply with the GSA Program Statute, Duke's failure to provide its proposed contracts before reply comments had to be filed, and inaccurate information provided in Duke's reply comments, Petitioners respectfully request that the Commission allow Petitioners to file brief sur-reply comments. If allowed by the Commission, Petitioners anticipate that sur-reply comments will be filed jointly, and not separately by each individual Petitioner.

Respectfully submitted this 4th day May, 2018.

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For The United States Department of Defense
And all other Federal Executive Agencies

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CERTIFICATE OF SERVICE

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing **JOINT MOTION FOR LEAVE TO FILE SUR-REPLY COMMENTS** by first class mail deposited in the U.S. mail, postage pre-paid, or by email transmission to all parties of record.

This the 4th day of May, 2018.

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