

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. EGL-2, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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|--|---|-----------------------------|
| In the Matter of                               |   |                             |
| Application of Duke Energy Clean Energy        | ) | ORDER GRANTING              |
| Resources, LLC, for a Certificate of Authority | ) | CERTIFICATE OF AUTHORITY    |
| to Engage in Business as an Electric Generator | ) | TO ENGAGE IN BUSINESS AS AN |
| Lessor Pursuant to N.C.G.S. § 62-126.7 and     | ) | ELECTRIC GENERATOR LESSOR   |
| Commission Rule R8-73                          | ) |                             |

BY THE COMMISSION: On July 27, 2017, the Governor signed into law House Bill 589 (S.L. 2017-192), which enacted Article 6B of Chapter 62 of the North Carolina General Statutes, the Distributed Resources Access Act (the Act). The Act declares, in relevant part, that “as a matter of public policy it is in the interest of the State to encourage the leasing of solar energy facilities for retail customers[.]”<sup>1</sup> In so enacting, the North Carolina General Assembly also directed the Commission to implement the Act, directing that the Commission adopt rules to govern the application and certification of electric generator lessors.

On January 8, 2018, in Docket No. E-100, Sub 156, after receiving comments from Duke Energy Progress, LLC (DEP), and Duke Energy Carolinas, LLC (DEC) (together, Duke), the Public Staff, and other interested parties, the Commission issued an Order adopting Commission Rule R8-73, governing the process by which applicants can apply and become certified as electric generator lessors.

On October 26, 2018, Duke Energy Clean Energy Resources, LLC (Duke Clean Energy Resources or Applicant), filed an application for a certificate of authority to engage in business as an electric generator lessor in accordance with the provisions of N.C.G.S. § 62-126.7 and Commission Rule R8-73.

On October 29, 2018, pursuant to Commission Rule R8-73(f)(2), the Commission issued an Order requiring Duke Clean Energy Resources to mail notice of its pending application to each electric service provider in whose service territory the Applicant proposes to operate. On November 5, 2018, pursuant to the Commission’s October 29, 2018 Order, the Applicant filed a certificate of service of its notice to both DEC and DEP, advising of Duke Clean Energy Resources’ pending application and intent to engage in business as an electric generator lessor in both DEC and DEP’s respective service territories.

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<sup>1</sup> N.C.G.S. § 62-126.2.

The Applicant made supplemental filings to its application on December 3 and 7, 2018.

On December 12, 2018, the Public Staff filed its recommendation, stating that it has reviewed the application and supplemental filings of Duke Clean Energy Resources, and determined them to be in compliance with the requirements of N.C.G.S. § 62-126 and Commission Rule R8-73. The Public Staff, therefore, recommends approval of Duke Clean Energy Resources' application for a certificate of authority to engage in business as an electric generator lessor.

Pursuant to Commission Rule R8-73(f)(5), more than 30 days have elapsed since the Applicant filed its certificate of service, and no protests were filed with the Commission. Therefore, it is appropriate for the Commission to proceed in considering and deciding the application on the basis of information contained in Duke Clean Energy Resources' application and supplemental filings, the recommendations of the Public Staff, and the entire record in this proceeding.

Having carefully reviewed Duke Clean Energy Resources' application and supplemental filings, the Public Staff's recommendation, and the entire record in this proceeding, the Commission determines that the application is complete and compliant with the requirements of Commission Rule R8-73 and N.C.G.S. § 62-126.7. The Commission further finds that the sample lease proposed by the Applicant complies with the requirements of N.C.G.S. § 62-126.6.

Based upon the foregoing and the entire record in this proceeding, the Commission finds good cause to approve Duke Clean Energy Resources' application for a certificate of authority to engage in business as an electric generator lessor. The Commission further finds that Duke Clean Energy Resources has demonstrated that it is fit, willing, and able to conduct business in this State as an electric generator lessor. The Commission, therefore, issues to the Applicant a certificate of authority to engage in business as an electric generator lessor.

IT IS, THEREFORE, ORDERED as follows:

1. That the application of Duke Energy Clean Energy Resources, LLC, for a certificate of authority to engage in business as an electric generator lessor within the service territories of Duke Energy Carolinas, LLC, and Duke Energy Progress, LLC, shall be, and is hereby, approved;

2. That the Applicant shall register with the Commission each solar energy facility it leases in this State by filing both in this docket and in a consolidated small power producer docket an application for a certificate of public convenience and necessity or a report of proposed construction, and, if the facility is intended to earn renewable energy certificates eligible for compliance with the North Carolina Renewable Energy and Energy Efficiency Portfolio Standard, an application to register the facility as a new renewable energy facility pursuant to Commission Rule R8-66;

3. That the Applicant shall notify the Commission of any material change to the information it provided to the Commission in this proceeding, including any change to the assigned service territories in which the Applicant operates as an electric generator lessor;

4. That the Applicant shall file with the Commission annually, on or before April 1 of each year, a certification of continued compliance with Article 6B of Chapter 62 and Commission Rule R8-73;

5. That the Applicant shall, for the duration of the effectiveness of this Certificate of Authority, maintain general liability insurance coverage with at least \$100,000 minimum limits, and shall provide the name and contact information of the insurance carrier and policy number as part of the Applicant's annual report to the Commission; and

6. That this Order shall constitute the Certificate of Authority to Engage in Business as an Electric Generator Lessor, effective as of the date of issuance of this Order and to remain in effect unless terminated, suspended, or revoked by future Order of the Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the 17<sup>th</sup> day of December, 2018.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in dark ink, appearing to read "Janice H. Fulmore", is written over a faint, circular official stamp.

Janice H. Fulmore, Deputy Clerk