

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-100, SUB 101  
DOCKET NO. E-2, SUB 1159  
DOCKET NO. E-7, SUB 1156

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-100, SUB 101	)	
	)	
In the Matter of	)	
Petition for Approval of Generator	)	
Interconnection Standard	)	
	)	ORDER SCHEDULING HEARING,
DOCKET NO. E-2, SUB 1159	)	REQUESTING COMMENTS, AND
DOCKET NO. E-7, SUB 1156	)	EXTENDING TRANCHE 1 CPRE <sup>1</sup> RFP
	)	SOLICITATION RESPONSE DEADLINE
	)	
In the Matter of	)	
Joint Petition of Duke Energy Carolinas,	)	
LLC, and Duke Energy Progress, LLC, for	)	
Approval of Competitive Procurement of	)	
Renewable Energy Program	)	

BY THE CHAIRMAN: On May 15, 2015, in Docket No. E-100, Sub 101, the Commission issued an Order Approving Revised Interconnection Standard. In ordering paragraph 3, the Commission instructed the Public Staff – North Carolina Utilities Commission (Public Staff) to convene a stakeholder process not later than two years after the date of the order and to report such recommendations from the stakeholder group within four months from the first meeting of the group.

On September 15, 2017, in Docket No. E-100, Sub 101, the Public Staff filed a Motion for Extension of Time to file a report on any needed changes to the NC Interconnection Standard. In its filing, the Public Staff indicated that the Public Staff convened an initial planning meeting for the stakeholder process on May 9, 2017, followed by larger stakeholder meetings on June 1, July 14, August 8, and September 6, 2017. The Public Staff stated that due to the press of other business, the technical aspects of the subject matter and new issues being identified, the Public Staff was not in a position to develop a report on proposed revisions at that time, and requested an extension of time for filing its report to December 15, 2017, which the Commission granted along with a request that the Public Staff provide status reports.

The Public Staff provided the Commission with a status report of the stakeholder group at the Commission’s Monday Staff Conference on September 19, 2017. The Public

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<sup>1</sup> CPRE refers to the Competitive Procurement of Renewable Energy Program established by Session Law 2017-192.

Staff indicated that the stakeholders were working diligently but areas of disagreement remained. The Public Staff further indicated that the passage of HB 589 and evolving new technologies such as storage and smart inverters have created new areas of discussion, that all parties to the process agree that certain parts on the NC Interconnection Standard need revision, and that the moderator/facilitator from Advanced Energy was helpful. The Public Staff stated that the parties would be in a position to provide a written report by December 15, 2017.

On December 15, 2017, the Public Staff stated that even though the parties had had significant discussion and identified numerous issues that merit revision, no consensus was reached regarding what revisions should be made to the Interconnection Standard. The Public Staff attached a redlined version of the NC Interconnection Standard, assembled by Advanced Energy, which identified comments and proposals from various parties.

On December 20, 2017, the Commission issued an Order Requesting Comments regarding modifications to the North Carolina Interconnection Procedures, Forms, and Agreements (collectively referred to as the NC Interconnection Standard). Comments and reply comments in response to the Commission's December order were received from the following parties: Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP), Dominion Energy North Carolina (DENC), North Carolina Sustainable Energy Association (NCSEA), North Carolina Clean Energy Business Alliance (NC CEBA), and Interstate Renewable Energy Council, Inc. (IREC).

On July 10, 2018, pursuant to Commission Rule R8-71(f)(2)(i), the Independent Administrator of the Competitive Procurement of Renewable Energy (CPRE) Program transmitted to the market participants the final documents to be used in the Tranche 1 CPRE RFP Solicitation. By that transmittal, the Independent Administrator opened the Tranche 1 CPRE RFP Solicitation response period and established September 11, 2018, as the deadline for submission of proposals.

On July 30, 2018, in Docket No. E-100, Sub 101, DEC and DEP (the Companies) filed a Motion for Approval of CPRE-Related Modifications to North Carolina Interconnection Procedures. In its motion, DEC and DEP specifically request Commission approval of proposed new or modified Sections 1.7.1, 1.7.3, 4.3.4, and 4.3.9 of the NC Interconnection Procedures (NC Procedures or NCIP), which establish a system impact grouping study process to more efficiently evaluate CPRE proposals within the current NCIP study process. The Companies also request the Commission to provide any needed authorization to enable "Late Stage Proposals" to be submitted into the Companies' CPRE Tranche 1 request for proposal (RFP). In support, DEC and DEP indicate that the Commission has previously recognized the Companies' proposed CPRE-related revisions to implement a system impact grouping study as reasonable and appropriate to evaluate the grid upgrade costs of proposals submitted into the CPRE RFP process. However, the Companies state that in order to implement the system impact grouping study for CPRE Tranche 1 RFP (which was recently issued by the Independent Administrator, Accion, Inc. (IA) on July 10, 2018), Commission approval of the proposed CPRE-related revisions is necessary at this time. The Companies assert that such approval can and should be granted at this time independent of the other

non-CPRE-related interconnection modifications currently pending before the Commission. DEC and DEP indicate that the Companies contacted the Public Staff and the Public Staff does not oppose expedited Commission approval of the CPRE-related modifications to the NC Procedures. DEC and DEP request a ruling by August 30, 2018, due to the fact that the Tranche 1 CPRE RFP proposal submission deadline is currently September 11, 2018.

On August 1, 2018, NCSEA and IREC filed the Response of NCSEA and IREC to Motion for Approval of CPRE-Related Modifications to North Carolina Interconnection Procedures. NCSEA and IREC state they are sympathetic to the Companies' desire for certainty as to the interconnection study process for projects proposed in the CPRE. However, NCSEA and IREC contend that proposed revisions to the NCIP should be considered in their entirety, and that the Commission should not take a piecemeal approach to revising the NCIP. NCSEA and IREC state that there are various proposals for reform of the NCIP, and many are interrelated and could impact the group study proposal if adopted; and those issues may also inform whether and how a group study process should be adopted. NCSEA and IREC contend that the projects that could potentially move ahead under the CPRE group study proposal, if adopted, will want a clear sense of the interconnection procedures as a whole that will govern their project and thus it is important that the Commission not decide discrete interconnection-related issues separately. NCSEA and IREC note that the first time the Companies provided specific language for the proposed CPRE-related modifications and additions was in its reply comments despite having had ample time to raise these issues during the stakeholder process. As a result, NCSEA and IREC did not have an adequate opportunity to respond to the Companies' proposal, and both organizations took issue with the non-transparent and selective process that the Companies used in developing the proposed CPRE-related modifications and additions. NCSEA and IREC request that the Commission issue an order addressing all proposed modifications and additions to the NC Standard on or before August 30, 2018.

Based on the foregoing and the record, the Chairman finds good cause to schedule a hearing regarding all of the proposed modifications to the North Carolina Interconnection Procedures, Forms, and Agreements (collectively referred to as the NC Interconnection Standard). The Chairman further finds good cause to seek comments from all interested parties on the interim procedures that will be used to accommodate and evaluation and selection of proposals received in response to the Tranche 1 CPRE RFP Solicitation, during the pendency of the hearing and final determination of the NC Interconnection Standard.

IT IS, THEREFORE, ORDERED as follows:

1. That a hearing shall be, and is hereby, scheduled for Monday, October 22, 2018, beginning at 1:30 p.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering modifications to the NC Interconnection Standard.

2. That any person having an interest in this proceeding shall file a petition to intervene stating such interest on or before September 21, 2018.

3. That direct testimony and exhibits of the Company shall be filed on or before September 5, 2018.

4. That direct testimony and exhibits of the Public Staff and other intervenors shall be filed on or before September 28, 2018.

5. That the Companies shall file rebuttal testimony and exhibits, if any, on or before October 12, 2018.

6. That on or before August 24, 2018, the Companies and the Public Staff shall and all other parties may file initial comments on the interim modifications to the Interconnection Standard necessary to accommodate the evaluation and selection of proposals received in response to the Tranche 1 CPRE RFP Solicitation.

7. That on or before September 10, 2018, all parties may file reply comments on the interim modifications to the Interconnection Standard necessary to accommodate the evaluation and selection of proposals received in response to the Tranche 1 CPRE RFP Solicitation.

8. That oral argument for the purpose of addressing the interim modifications to the Interconnection Standard necessary to accommodate the evaluation and selection of proposals received in response to the Tranche 1 CPRE RFP Solicitation is set for September 17, 2018, immediately following the Commission's Regular Staff Conference scheduled for 10:00 a.m. in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina.

9. That the Tranche 1 CPRE RFP Solicitation response period that is currently scheduled to close on September 11, 2018, shall be extended one month and shall close on October 9, 2018, and the Commission directs the Independent Administrator of the CPRE Program to take the necessary steps to accomplish this extension.

ISSUED BY ORDER OF THE COMMISSION.

This the 10<sup>th</sup> day of August, 2018.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk