

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 101

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	ORDER REGARDING DUKE
Generator Interconnection Standard,)	SETTLEMENT AGREEMENT AND
Tariffs and Contract Forms)	REQUIRING TESTIMONY IN COST
)	RECOVERY PROCEEDINGS

BY THE COMMISSION: On February 2, 2018, Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP), filed a Settlement Agreement entered by and among DEP and DEC (collectively Duke), the Public Staff – North Carolina Utilities Commission (Public Staff), the North Carolina Clean Energy Business Alliance (NCCEBA), and 24 Solar Developers.¹

The Commission has reviewed the Settlement Agreement and acknowledges that it represents substantial give and take among the parties in order to avoid litigation. Therefore, the Commission is not inclined to disrupt it. Nonetheless, in implementing the Settlement Agreement, DEC and DEP must conform to or may request a waiver from provisions in the Commission-approved North Carolina Interconnection Procedures, Forms and Agreements (collectively, the NC Interconnection Standard) as revised and filed by the utilities on June 15, 2015 in this docket².

The Commission notes the tension between Interconnection Agreement Provision 4.2 Distribution Upgrades (which provides that interconnection customers shall pay all distribution upgrade costs) and Settlement Agreement Provision 3.b.iii (which could potentially result in retail customers being allocated substation upgrade costs caused by some DEP generator interconnections). In order to ensure that retail customers are treated fairly, the Commission will require the Public Staff and DEP to file explanatory testimony in all future DEP cost-recovery proceedings in which they propose to allocate substation upgrade costs to retail customers pursuant to the Settlement Agreement. Nothing in the Settlement Agreement prevents non-participants from opposing any such cost allocations.

¹ Andrew Giraldo; Birdseye Renewable Energy; Blue Green Energy, LLC; CI-II Mitchell Holding LLC; Calvert Energy, LLC; Carolina Solar Energy LLC; Cooperative Solar LLC; Current Energy Group, LLC; Cypress Creek Renewables, LLC; Ecoplexus, Inc.; ESA Princeton 2 NC; ESA Renewables, LLC; Headwaters Solar, LLC; Holocene Clean Energy, LLC; Jesse Montgomery; National Renewable Energy Corporation; North Carolina Solar Development, LLC; O2 emc, LLC; Pine Gate Renewables, LLC; Red Toad, Inc.; Robert Cox; Solterra Partners, LLC; Strata Solar, LLC; and Sunlight Partners, LLC.

² Numerous parties have proposed changes to the NC Interconnection Standard, which changes remain pending in this docket.

As stated earlier, the Commission's decision against disruption of the Settlement Agreement is conditioned on the ongoing force and effect of the NC Interconnection Standard, as it is amended from time to time. In particular, Interconnection Agreement provision 3.4.4 Adverse Operating Effects provides that a generator that causes electric service disruption or deterioration for other customers, and that fails to remedy the situation, is subject to being disconnected from the distribution grid.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of August, 2018.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in dark ink, appearing to read "Jan H. Ful", is centered below the commission name.

Janice H. Fulmore, Deputy Clerk

Commissioner Daniel G. Clodfelter did not participate in this decision.