

February 5, 2021

The Honorable Jocelyn G. Boyd
Chief Clerk and Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Duke Energy Carolinas, LLC & Duke Energy Progress, LLC's Establishment of Solar Choice Metering Tariffs Pursuant to S.C. Code Ann. § 58-40-20, Docket Nos. 2020-264-E and 2020-265-E

Dear Ms. Boyd:

The Southern Alliance for Clean Energy (SACE) submits this letter in support of the stipulation and settlement with Duke Energy relating to the new Solar Choice Net Energy Metering (NEM) tariffs. SACE is a regional nonprofit organization whose mission is to promote responsible energy choices to ensure clean, safe and healthy communities throughout the Southeast.

SACE has long history of engaging in Public Service Commission dockets to advance clean energy solutions that work for all South Carolinians. SACE was party to the settlement reached in establishing the current Net Energy Metering Methodology (Docket No. 2014-246-E) as well as in the dockets establishing the current net metering tariffs for Duke Energy Carolinas, Duke Energy Progress, and South Carolina Electric & Gas Company (now Dominion Energy South Carolina) (Docket Nos. 2015-203-E, 2015-204-E, 2015-205-E, respectively). SACE has also participated in the past five years of utility annual fuel clause filings in which the required amount of each utility's NEM Incentive is calculated. SACE is also a party to the on-going generic docket under the Energy Freedom Act relating to methodologies for valuing solar (Docket No. 2019-182-E).

SACE firmly believes that customers deserve the freedom to power their own homes with solar generation. Net metering has been the cornerstone for advancing access to distributed solar across the United States. South Carolina is no exception. Due in large part to the net metering tariffs established by this Commission under Act 236, South Carolina has achieved higher levels of distributed solar penetration than other southeastern states, and experienced significant job growth as a result. The growth of distributed solar has had a positive economic impact in South Carolina, as shown by the economic impact study completed by Dr. Hefner in the summer of 2020 (and submitted to the Commission in Docket 2019-182-E).

The Honorable Jocelyn G. Boyd

Page 2

December 3, 2020

SACE believes that it is important to provide a fair valuation of distributed energy resources. Those customers who provide services to the grid with their private investments should be fairly compensated for those services. At the same time, it is important that rates be designed to align customer behavior with controlling utility costs when possible.

The tariff applications submitted by Duke Energy in these dockets—along with the agreed-to energy efficiency (EE) and demand side management (DSM) programs that will be paired with the proposed tariff—are the next logical step in the evolution of net energy metering for these utilities in South Carolina and are consistent with the directives of the Energy Freedom Act (Act 62). Duke Energy engaged early with a broad range of stakeholders to work constructively on a tariff proposal that can sustain the growth of distributed solar while conforming to the conditions of the Energy Freedom Act. Together with the smart thermostat DSM/EE incentives, which Duke Energy agreed to implement pursuant to our agreement, the Solar Choice NEM tariff fairly values the benefits of distributed solar while providing pricing signals that encourage customers to make smart energy choices that reduce demand on the system, particularly during system peaks, helping to save all ratepayers money. Duke Energy's willingness to participate in a broad stakeholder process and listen to stakeholder input in developing the proposed Solar Choice NEM tariffs helped make this win-win outcome possible.

SACE urges the Commission to approve the Solar Choice NEM tariff proposal submitted by Duke Energy in these dockets along with the other DSM/EE components of the underlying agreement with the Company when they come before the Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan A. Jacob", with a stylized flourish at the end.

Bryan A. Jacob

Solar Program Director

Southern Alliance for Clean Energy