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October 5, 2017

VIA ELECTRONIC FILING AND
OVERNIGHT DELIVERY FOR CONFIDENTIAL VERSION

The Honorable Jocelyn Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Power Purchase Agreement between Duke Energy Progress, LLC and Dillon Solar, LLC
Docket No. 2016-42-E

Dear Ms. Boyd:

By Order No. 2016-147 issued February 24, 2016, the Public Service Commission of South Carolina (the "Commission") approved the Power Purchase Agreement ("PPA") between Duke Energy Progress, LLC ("DEP" or the "Company") and Dillon Solar, LLC. The Commission granted DEP's request for confidential treatment of the PPA.

DEP hereby submits for filing an Amendment to the PPA dated September 25, 2017 ("Amendment"). Due to the commercial sensitivity and proprietary nature of the Amendment, DEP respectfully requests that the Commission find that pursuant to S.C. Code Ann. § 30-4-40(a) certain provisions of the Amendment are exempt from disclosure under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 et seq. and 10 S.C. Code Ann. Regs. 103-804(S)(1).

The information contained in the Amendment for which DEP seeks protection derives economic value from not being generally known to, and not being readily ascertainable by proper means by other persons who would be able to obtain economic value from its disclosure. Disclosure of this information would reveal confidential pricing and conditions, as well as delivery parameters, all of which are proprietary and specific to this counterparty. Revealing this information could quite likely set a floor for future counterparties, jeopardizing DEP's ability to negotiate such terms and conditions in a manner that results in the most beneficial contract for its retail customers. In recognition of the confidentiality of the information, the parties to the contract agreed to confidentiality provisions which prevent either

party from disclosing any term of the PPA to any third party without the prior written consent of the other party.

Accordingly, the Company respectfully requests that it be permitted to file the confidential version of the Amendment under seal and maintained as confidential pursuant to Order No. 2005-226, "Order Requiring Designation of Confidential Materials." Enclosed with this letter is a redacted version of the Amendment that protects from disclosure the commercially sensitive and proprietary information, while making available for public viewing non-protected information. Additionally, we are delivering by overnight mail to the Commission and Office of Regulatory Staff copies of the confidential version of the Amendment.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Rebecca J. Dulin

Enclosures

cc:
Jeff Nelson, Office of Regulatory Staff

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EXECUTION VERSION

AMENDMENT TO POWER PURCHASE AGREEMENT

THIS AMENDMENT TO POWER PURCHASE AGREEMENT (this "Amendment") is entered into on this 25th day of September, 2017, by and between **DILLON SOLAR, LLC**, a North Carolina limited liability company ("Seller"), and **DUKE ENERGY PROGRESS, LLC**, a North Carolina limited liability company ("Buyer").

Buyer and Seller are herein referred to collectively as the "Parties" and individually as a "Party." Notwithstanding anything set forth herein, neither this Amendment nor any modification contemplated hereunder will be effective unless and until both Parties have executed and delivered this Amendment, and such date shall be the **"Effective Date"** of this Amendment.

Whereas, Buyer and Seller are parties to that certain Power Purchase Agreement, effective as of January 25, 2016, (the "Agreement");

[redacted]

Whereas, the Parties now desire to amend the Agreement pursuant to the terms set forth below.

Now Therefore, in consideration of the promises, mutual covenants and conditions set forth herein in this Amendment, the Agreement, and for good and valuable consideration, the sufficiency of which is acknowledged, and intending to be bound hereby, the Parties agree as follows:

1. **Limited Amendment**. The modifications to the Agreement specified in this Amendment shall be limited to the matters addressed herein and shall not be considered as a precedent for or obligate either Party to make any future agreements or modifications whether similar or dissimilar.

2. **Definitions**. Article 1 of the Agreement is hereby amended to add the following definition:

   [redacted]

3. **Amendment to Revise the Term**. Section 3.1 of the Agreement is hereby replaced in its entirety with the following:

4. **Performance Assurance Requirements.**

5. **Amendment to Replace the Performance Security Table.** The Performance Security Table set forth in Section 5.2.2 of the Agreement is hereby replaced in its entirety with the following:

6. **Amendments to Replace Certain Exhibits.**

   (i) **Exhibit 2** Exhibit 2 attached to the Agreement is hereby replaced in its entirety with the Exhibit 2 attached to this Amendment.

   (ii) **Exhibit 3** Exhibit 3 attached to the Agreement is hereby replaced in its entirety with the Exhibit 3 attached to this Amendment.

7. **Cost Recovery.** Pursuant to Section 24.5 of the Agreement, Seller shall pay Buyer an administration charge of which shall be due and payable within five (5) Business Days after the Effective Date of this Amendment.

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8. **No Further Amendment.** Except as herein amended, all terms and conditions of the Agreement are hereby reaffirmed and shall remain in full force and effect as previously written and shall be construed as one document with this Amendment.

9. **Regulatory Approvals.** Seller represents and warrants to Buyer that, as of the date of this Amendment, Seller has obtained such approvals as may be required by all applicable regulatory bodies in connection with, or related, the matters addressed in this Amendment.

10. **Representations and Warranties.** Each Party represents and warrants to the other that: (i) each has the capacity, authority and power to execute, deliver, and perform under this Amendment; (ii) this Amendment constitutes legal, valid and binding obligations enforceable against it; (iii) each person who executes this Amendment on behalf of each Party warrants to having full and complete authority to do so; (iv) each Party is acting on its own behalf, has made its own independent decision to enter into this Amendment, has performed its own independent due diligence, is not relying upon the recommendations of any other party, and is capable of understanding, understands, and accepts the provisions of this Amendment; (v) each Party has completely read, fully understands, and voluntarily accepts every provision hereof; (vi) each Party agrees that neither Party shall have any provision hereof construed against such Party by reason of such Party drafting any provision of this document; and, (vii) nothing in this Amendment intended to modify or otherwise clarify the intent of any provision of the Agreement, except to the extent expressly modified hereby.

11. **Defined Terms.** All capitalized terms not defined herein shall have the same meaning ascribed to such term in the Agreement.

12. **Governing Law.** This Amendment shall be governed by and construed in accordance with the laws of the State of North Carolina, without reference to choice of law doctrines.

13. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which will be deemed an original but all of which together shall constitute one and the same agreement.

IN WITNESS THEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives effective as of the Effective Date.

Duke Energy Progress, LLC

By:

Name: Gary Freeman
Title: GM DER Compl, Origination & Ops, Renewable Gen Dev & Wholesale

Dillon Solar, LLC

By:

Name: Matthew McGovern
Title: Authorized Person
9/25/17

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[redacted]

[redacted]

9/25/17

Exhibit 2

[redacted]

$/MWh

	[redacted]		[redacted]	
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
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[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
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Exhibit 3

[redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

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