

February 10, 2014

Gail Mount
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street
Raleigh, NC 27603 – 5918

Re: NCUC Docket No. E-7, Sub 1026

Dear Ms. Mount:

Please accept this letter as notice of my new address as the attorney of record for the North Carolina League of Municipalities in the above-referenced docket. My complete contact information is set forth below.

Charlotte A. Mitchell, Esq.
Law Office of Charlotte Mitchell
PO Box 26212
Raleigh, NC 27611
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E-mail: cmitchell@lawofficecm.com

Additionally, enclosed herewith is the Revised Motion of the North Carolina League of Municipalities, to be filed in the above-referenced docket. Should you have any questions or comments regarding this change, please do not hesitate to call me. Thank you in advance for your assistance and cooperation.

Kind Regards,

/s/ Charlotte Mitchell

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1026

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION:

In the Matter of:)
Application of Duke Energy Carolinas, Inc.)
For Adjustment of Rates and Charges)
Applicable to Electric Service in North)
Carolina)

**REVISED MOTION OF THE
NORTH CAROLINA LEAGUE
OF MUNICIPALITIES**

NOW COMES the North Carolina League of Municipalities (the “League”), by and through its undersigned attorney, and respectfully requests that the North Carolina Utilities Commission (the “Commission”) consider the following. On December 31, 2013, Duke Energy Carolinas, LLC (“DEC”) filed revisions to outdoor lighting Schedules OL, GL and PL that would allow DEC to offer LED rate options under these rate schedules (the “December 31 Filing”). The League has concerns with the December 31 Filing and, on January 23, 2014, filed comments in this docket to highlight those concerns for the Commission and to request that the Commission require certain action from DEC. In accordance with the recommendation of the Public Staff, the Commission, in its Order dated January 28, 2014 treated those comments as a motion and invited the League to file a revised motion, if necessary. Given the foregoing, the League moves as follows:

1. Prior to the December 31 Filing, the League was not involved in the development of the LED offering.
2. On January 15, 2014, DEC representatives participated in a conference call with the League to responses to questions raised by League representatives regarding the December 31 Filing.

3. During that call, DEC representatives represented that the December 31 Filing was the first in a number of filings to be made by the company in effort to modernize its streetlight offerings.
4. To this end, DEC indicated a desire to meet with municipal customers during the first quarter of 2014 to investigate issues associated with the replacement of HPSV and MH fixtures with LED fixtures, including customer demand for such replacement.
5. Since that time, DEC representatives have engaged with municipal customers in planning three meetings for the purpose of discussing issues related to streetlighting.
6. As of the date of this revised motion, DEC and the municipal customers have agreed to hold such meetings on the following dates: i) February 27 in Cary; ii) March 6 in Hickory; and iii) March 13 in Greensboro.
7. As of the date of this revised motion, an agenda for these meetings has been developed by the municipal customers and DEC. It is the League's expectation and understanding that the following issues will be discussed at length at these meetings: i) municipal ownership of streetlights; ii) municipal demand for replacement of traditional streetlights with LED technology; and iii) costs associated with LED technology that serve as the basis for the rates to be offered in subsequent filings.
8. In the interest of collaboration, the municipal customers conditionally support the December 31 Filing as an important first step by DEC in modernizing its lighting offerings.
9. As was made clear by the testimony of League witnesses in this proceeding, the League fully supports the LED offerings of Duke Energy Progress, Inc. ("DEP"), which include a customer ownership option, as well as a variable rate component that allows the

customer to benefit from the rapidly declining cost of LED technology. The League re-emphasizes for the Commission that the DEP LED offering has enabled municipal customers to install LED streetlighting, which will save significant taxpayer dollars. From the municipal customer's perspective, the DEP LED rate design is a "best practice" that should be embraced and adopted by DEC.

10. The League's expectation is that, subsequent to the meetings referenced in Paragraph 6, DEC will propose subsequent LED offerings that reflect the exchange that occurs at those meetings and that address the concerns raised by the League. Specifically, the League anticipates that DEC's subsequent LED offerings will be made available to replacements of high pressure sodium vapor and metal halide lights, will include a customer ownership option, and will include rates that reflects actual savings to be achieved through the deployment of LED technology.

WHEREFORE, given the foregoing, the League respectfully moves that the Commission enter an Order requiring DEC to take the following action:

1. By July 1, 2014, file a second LED offering that is available for the replacement of high pressure sodium vapor lights and metal halide lights;
2. Using the LED offering of Duke Energy Progress as a model, include in the LED offering a customer ownership option;
3. Using the LED offering of Duke Energy Progress as a model, include in the LED offering a variable rate component that allows the customer to

benefit from the declining cost of technology under a company ownership option; and

4. Provide to the Public Staff and to the League data and assumptions regarding capital and on-going costs, as well as, energy consumption utilized by DEC in developing rates included in the subsequent LED offering, to allow those parties to better understand the rates; and
5. Meet with municipal customers, on a quarterly basis going forward, to continue collaborative efforts of modernizing the company's lighting offerings.

This 10th day of February 2014.

LAW OFFICE OF CHARLOTTE MITCHELL, PLLC

/s/ Charlotte Mitchell

Charlotte Mitchell

NC Bar 34106

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Raleigh, North Carolina 27611

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CERTIFICATE OF SERVICE

It is hereby certified that the foregoing Motion of the North Carolina League of Municipalities has been served this day by hand delivery, electronic mail or by depositing copies of same in a depository under the exclusive care and custody of the United States Postal Service in postage prepaid envelopes and properly addressed to all parties of record.

This 10th day of February 2014.

LAW OFFICE OF CHARLOTTE MITCHELL, PLLC

/s/ Charlotte Mitchell

Charlotte Mitchell

NC Bar 34106

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