Aug 18 2017

Southern Environmental Law Center

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August 18, 2017

Via Electronic Filing

Martha Lynn Jarvis Chief Clerk North Carolina Utilities Commission 430 North Salisbury Street Dobbs Building Raleigh, North Carolina 27606-5918

Re: Joint Letter in Lieu of Comments, Review of Duke Energy Carolinas, LLC's DSM/EE Cost Recovery and Incentive Mechanism, **Docket No. E-7, Sub 1032**

Dear Chief Clerk Jarvis:

Pursuant to the North Carolina Utilities Commission's ("Commission") October 29, 2013 Order Approving DSM/EE Programs and Stipulation of Settlement in Docket No. E-7, Sub 1032, the Commission "shall initiate a formal review" of Duke Energy Carolinas, LLC's ("DEC's") DSM/EE cost recovery and incentive mechanism ("Mechanism") no later than July 1, 2017. Likewise, the Mechanism provides that "[t]he terms and conditions of this Mechanism shall be reviewed by the Commission every four years unless otherwise ordered by the Commission."

On July 18, 2017, the Southern Environmental Law Center filed a letter in the abovecaptioned docket on behalf of the Southern Alliance for Clean Energy ("SACE"), the South Carolina Coastal Conservation League ("CCL"), the Sierra Club, and the Natural Resources Defense Council ("NRDC"), parties to the stipulation approving the Mechanism, stating that they do not believe a review of the Mechanism is necessary at this time.

On July 19, 2017, the Commission issued an Order Requesting Comments regarding DEC's Mechanism, including any recommended changes to DEC's Mechanism.

The following parties jointly file this letter in lieu of comments: DEC, the Public Staff – North Carolina Utilities Commission ("Public Staff"), North Carolina Sustainable Energy Association, SACE, CCL, Sierra Club, NRDC, Environmental Defense Fund, and NC WARN. Other than the modifications to Paragraphs 19, 23, and 69 of the Mechanism proposed by DEC and the Public Staff in the DSM/EE Rider 9 proceeding, Docket E-7, Sub 1130, the undersigned parties do not propose modifications to the DEC Mechanism at this time.

The undersigned parties, however, each reserve the right to review the Mechanism and propose changes in a later proceeding, possibly in conjunction with the review of Duke Energy Progress, LLC's DSM/EE Mechanism review in Docket E-2, Sub 931.

Aug 18 2017

Sincerely,

For Southern Alliance for Clean Energy, South Carolina Coastal Conservation League, Sierra Club, and Natural Resources Defense Council

<u>s/Gudrun Thompson</u> Southern Environmental Law Center 601 West Rosemary Street, Suite 220 Chapel Hill, NC 27516

Signed with permission:

For Duke Energy Carolinas, LLC

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For NC WARN

John D. Runkle NC WARN 2121 Damascus Church Road Chapel Hill, NC 27516

cc: Parties of Record