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December 18, 2019

**VIA ELECTRONIC FILING**

Ms. Kimberley A. Campbell, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Progress, LLC's Proposed Customer Notice and Request  
for Expedited Review  
Docket Nos. E-2, Sub 1142, 1153 and 1206**

Dear Ms. Campbell:

Pursuant to the North Carolina Utilities Commission's ("Commission") *Order Approving DSM/EE Rider and Requiring Filing of Proposed Customer Notice* issued December 13, 2019 in Docket No. E-2, Sub 1206 and the *Order Approving Job Retention Pilot Program True-up Rider and Customer Notice* issued December 3, 2019 in Docket Nos. E-2, Sub 1142 and E-2, Sub 1153, enclosed is the proposed Notice to Customers of Change in Rates developed by Duke Energy Progress, LLC ("DEP") and the Public Staff.

DEP respectfully requests that the Commission review and approve the proposed Customer Notice as soon as possible to allow DEP sufficient time for the design, printing and programming of the notice to be included in customer bills during January 2019.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

Kendrick C. Fentress

Enclosure

cc: Parties of Record

OFFICIAL COPY

Dec 18 2019

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-2, SUB 1142  
DOCKET NO. E-2, SUB 1153  
DOCKET NO. E-2, SUB 1206

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1142	)	
In the Matter of	)	
Application of Duke Energy Progress, LLC, for Adjustment	)	
of Rates and Charges Applicable to Electric Utility Service	)	
in North Carolina	)	
	)	
DOCKET NO. E-2, SUB 1153	)	
In the Matter of	)	NOTICE TO
Petition of Duke Energy Progress, LLC for an Order	)	CUSTOMERS OF
Approving a Job Retention Rider	)	CHANGES IN
	)	RATES
	)	
DOCKET NO. E-2, SUB 1206	)	
In the Matter of	)	
Application of Duke Energy Progress, LLC For Approval	)	
of Demand-Side Management and Energy Efficiency	)	
Cost Recovery Rider Pursuant to N.C.G.S. § 62-133.9	)	
and Commission Rule R8-69	)	

NOTICE IS HEREBY GIVEN that on December 13, 2019, the North Carolina Utilities Commission entered an order in Docket No. E-2, Sub 1206 (DSM/EE Order), approving a change in the Annual Billing Adjustments Rider BA charged by Duke Energy Progress, LLC (DEP) for retail electric service in North Carolina. Rider BA is designed, in part, to collect the reasonable and prudent costs incurred by DEP to adopt and implement demand-side management (DSM) and energy efficiency (EE) measures, as well as appropriate utility incentives approved by the Commission, and to true up any under-recovery or over-recovery of costs and incentives under applicable DSM/EE riders previously in effect.

NOTICE IS ALSO HEREBY GIVEN that pursuant to an order issued by the Commission on December 3, 2019, in Docket Nos. E-2, Sub 1142 and E-2, Sub 1153, DEP is adjusting its rates to refund the over-recovery of revenue realized under the Job Retention Recovery rider, with an effective date of January 1, 2020.

## **Demand-Side Management and Energy Efficiency**

On June 15, 2009, and as revised on November 25, 2009, in Docket No. E-2, Sub 931, the Commission approved an initial mechanism for recovery of costs incurred and incentives earned for implementing DSM and EE measures in accordance with North Carolina law. On January 20, 2015, also in Docket No. E-2, Sub 931, the Commission approved a revised mechanism for the same purposes. On November 27, 2017, in Docket No. E-2, Sub 1145, the Commission issued its Order Approving DSM/EE Rider and Requiring Filing of Proposed Customer Notice, in which it approved an agreement between DEP and the Public Staff to further revise certain provisions of the revised mechanism. Pursuant to these mechanisms, and as a result of the DSM/EE Order, the DSM and EE rates stated in Rider BA have been revised, and new rates have been placed into effect as of January 1, 2020.

The rate changes associated with DEP's DSM and EE programs followed Commission review of DEP's DSM/EE expenses and proposed utility incentives during the test period January 1, 2018 through December 31, 2018, as well as DEP's estimates for the calendar year 2020 rate period. The net changes in the DSM and EE rates from the rates approved effective January 2020 are as follows: Residential – a decrease of (0.090) cents per kilowatt hour (kWh); Small, Medium, and Large General Service (EE component) – a decrease of (0.077) cents per kWh; Small, Medium, and Large General Service (DSM component) – an increase of 0.012 cents per kWh; and Lighting – a decrease of (0.049) cents per kWh.

Commercial customers with annual consumption of 1,000,000 kWh or greater in the prior calendar year and with their own energy efficiency or demand control programs, and all industrial customers with their own energy efficiency or demand control programs, may elect not to participate in DEP's DSM/EE programs and may thereby avoid paying either or both the DSM and EE charges. Because these rates are included in a customer's tariff charges, eligible commercial and industrial customers electing not to participate in DEP's programs will receive an offsetting credit on their monthly bills.

### **Job Retention Pilot Program True-up Rider**

The Job Retention Recovery Rider was approved in Duke Energy Progress' 2018 general rate case in NCUC Docket No. E-2, Sub 1142 to support a one-year pilot program intended to retain industrial jobs in North Carolina and expired on August 31, 2019. Revenues over-recovered in the Rider are being refunded to customers over a 12-month period effective for service rendered on or after January 1, 2020. This results in a \$0.33 decrease in the monthly bill for a typical residential customer using 1,000 kWh.

## Summary of Rate Impact

These billing adjustments are effective January 1, 2020. The total monthly impact of the rate change for a residential customer consuming 1,000 kWh per month is a decrease of \$1.23. The total monthly impact for commercial and industrial customers will vary based upon consumption and the customer's participation in DEP's demand-side management and energy efficiency programs.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_ day of December, 2019.

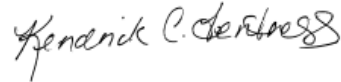
NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

**CERTIFICATE OF SERVICE**

I certify that a copy of Duke Energy Progress, LLC's Proposed Customer Notice, in Docket Nos. E-2, Subs 1142, 1153 and 1206, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1<sup>st</sup> Class Postage Prepaid, properly addressed to parties of record.

This the 18<sup>th</sup> day of December, 2019.



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