



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

September 9, 2019

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

Re: Docket No. E-2, Sub 1206

Dear Ms. Campbell:

In his testimony filed August 19, 2019, in this docket, Public Staff witness Michael C. Maness indicated that the Duke Energy Progress, LLC, intended to file supplemental testimony revising its DSM/EE billing factors and that the Public Staff would thereafter make a supplemental filing addressing the Company's adjustments and revised rates. On September 5, 2019, the Company filed the Supplemental Testimony of Carolyn T. Miller and Supplemental Exhibits of Carolyn T. Miller and Robert P. Evans reflecting revisions due to: (1) adjustments to the Portfolio Performance Incentive generated by the EnergyWise and EnergyWise for Business programs for Vintage 2017, Vintage 2018 and Vintage 2020, and the resulting reallocation of the Vintage 2018 avoided cost settlement; and (2) adjustments to DSDR program costs due to intangible depreciation expense recorded in excess of the useful life of the related assets. The Public Staff has reviewed these proposed adjustments and revised rates and has found them to be reasonable and appropriate. Therefore, the Public Staff recommends that the Commission approve the billing rates subject to any true ups in future cost recovery proceedings consistent with the Initial Mechanism and the Revised Mechanism, as amended, as well as other relevant orders of the Commission.

Executive Director
733-2435

Communications
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Economic Research
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Legal
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Transportation
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Accounting
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Sincerely,

Electronically Submitted
/s/ Lucy E. Edmondson
Staff Attorney
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cc: Parties of Record