

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

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

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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)	ORDER APPROVING
)	NOTICE TO
DOCKET NO. E-2, SUB 1142)	CUSTOMERS
)	OF CHANGES
In the Matter of)	IN RATES
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)	
Petition of Duke Energy Progress, LLC, for an Order)	
Approving a Job Retention Rider)	

BY THE PRESIDING COMMISSIONERS: On December 3, 2019, in Docket Nos. E-2, Subs 1142 and 1153, the Commission issued an Order Approving Job Retention Pilot Program True-Up Rider and Customer Notice (JRPP Order). In summary, the JRPP Order approved a true-up rider for the JRPP recently terminated by Duke Energy Progress, LLC (DEP), for service by DEP on and after January 1, 2020. In addition, the JRPP Order approved a customer notice about the true-up rider in the form of a bill message, and directed that the bill message be included in the Notice to Customers of Change in Rates to be developed for the demand-side management and energy efficiency (DSM/EE) rate changes that were pending approval by the Commission in Docket No. E-2, Sub 1206.

On December 13, 2019, in Docket No. E-2, Sub 1206, the Commission approved DSM/EE rate changes for service by DEP on and after January 1, 2020, and directed that DEP work with the Public Staff to develop a customer notice about the DSM/EE rate changes.

On December 18, 2019, DEP filed a proposed Notice to Customers of Changes in Rates that was developed by DEP and the Public Staff to reflect the rate changes approved by the Commission in the above noted orders.

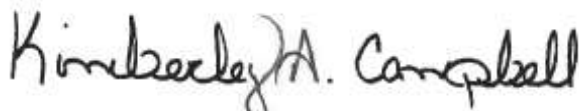
The Presiding Commissioners in the above-referenced dockets have reviewed the proposed Notice to Customers of Changes in Rates and find good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 23rd day of December, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Kimberley A. Campbell". The signature is written in a cursive, flowing style.

Kimberley A. Campbell, Chief Clerk

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DOCKET NO. E-2, SUB 1206
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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 1, 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 (JRRR) was approved in Duke Energy Progress' 2018 general rate case in Commission Docket No. E-2, Sub 1142 to support a one-year pilot program intended to retain industrial jobs in North Carolina. The JRRR expired on August 31, 2019. Revenues over-recovered in the JRRR 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 23rd day of December, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Kimberley A. Campbell". The signature is written in a cursive style with a large initial 'K'.

Kimberley A. Campbell, Chief Clerk