



Jack E. Jirak
Deputy General Counsel
Mailing Address:
NCRH 20 / P.O. Box 1551
Raleigh, NC 27602

o: 919.546.3257
f: 919.546.2694

jack.jirak@duke-energy.com

May 21, 2021

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 Carolinas, LLC's Rebuttal Testimony
Docket No. E-7, Sub 1247**

Dear Ms. Campbell:

Please find enclosed Duke Energy Carolinas, LLC's Rebuttal Testimony of Janet A. Jones, in the above-referenced proceeding.

If you have any questions, please do not hesitate to contact me. Thank you for your assistance with this matter.

Sincerely,

Jack E. Jirak

Enclosure

cc: Parties of Record

OFFICIAL COPY

May 21 2021

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-7, SUB 1247

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)

)
)
)
Application of Duke Energy Carolinas, LLC)
Pursuant to G.S. 62-110.8 and Commission)
Rule R8-71 for Approval of CPRE)
Compliance Report and CPRE Cost)
Recovery Rider)

**REBUTTAL TESTIMONY
OF JANET A. JONES**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Janet A. Jones, and my business address is 550 South Tryon
3 Street, Charlotte, North Carolina.

4 **Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS**
5 **PROCEEDING?**

6 A. Yes, on February 23, 2021, I caused to be pre-filed with the Commission
7 my direct testimony and 6 exhibits and 6 supporting workpapers on behalf
8 of Duke Energy Carolinas, LLC (“DEC” or the “Company”). On May 3,
9 2021, I caused to be pre-filed with the Commission my direct supplemental
10 testimony and revised exhibits.

11 **Q. WHAT IS THE PRIMARY PURPOSE OF THIS PROCEEDING?**

12 A. The primary purpose of this proceeding is to obtain Commission approval
13 of the Company’s proposed Rider CPRE rates pursuant to N.C. Gen. Stat.
14 § 62-110.8(g) and Commission Rule R8-71(j).

15 **Q. HAS ANY PARTY RECOMMENDED AN ADJUSTMENT TO THE**
16 **CPRE RIDER RATES PROPOSED BY THE COMPANY?**

17 A. No.

18 **Q. WHAT HAS THE COMPANY PROPOSED WITH RESPECT TO**
19 **COST RECOVERY FOR THE COMPANY-OWNED FACILITIES**
20 **THAT WERE SELECTED AS WINNING PROJECTS IN TRANCHE**
21 **1?**

22 A. The Company has proposed cost recovery for the Company-owned CPRE
23 facilities on a market basis in lieu of cost-of-service recovery. Specifically,

1 the Company will recover the costs associated with these Company-owned
2 facilities at the \$/MWh price at which those facilities bid into the CPRE
3 Tranche 1 RFP and were selected by the IA.

4 **Q. DOES PUBLIC STAFF AGREE THAT RECOVERY FOR**
5 **COMPANY-OWNED CPRE FACILITIES BASED ON THE**
6 **MARKET PRICE AS PROPOSED BY THE COMPANY IS**
7 **APPROPRIATE?**

8 A. Yes.

9 **Q. WHAT FURTHER RECOMMENDATION DOES PUBLIC STAFF**
10 **MAKE WITH RESPECT TO THE COMPANY-OWNED CPRE**
11 **FACILITIES?**

12 A. Public Staff witness Jeff Thomas recommends that the Commission
13 “require that DEC continue to seek market-based recovery of its CPRE
14 facilities after the initial term.”

15 **Q. HAS THE COMMISSION ALREADY ADDRESSED THE ISSUE OF**
16 **POST-TERM COST RECOVERY FOR COMPANY-OWNED**
17 **FACILITIES?**

18 A. Yes. Commission Rule R8-71(l)(4) established guidelines with respect to
19 post-term cost recovery options for both Company-owned and third-party
20 owned CPRE facilities.

21 **Q. HOW LONG IS THE INITIAL TERM FOR CPRE PROJECTS?**

22 A. The initial term for CPRE projects is 20 years.

1 **Q. IS IT NECESSARY TO RESOLVE THE ISSUE OF POST-TERM**
2 **RECOVERY IN THE CONTEXT OF THIS CPRE RIDER**
3 **PROCEEDING?**

4 A. No. The purpose of this proceeding is to establish the Rider CPRE rates for
5 the billing period that runs through August 31, 2022. It is not necessary at
6 this time to address post-term cost recovery that will not be determined until
7 after 2040.

8 **Q. WHAT IS THE COMPANY'S CURRENT ASSUMPTION**
9 **REGARDING ITS POST-TERM COST RECOVERY?**

10 A. As stated in the CPRE Tranche 1 and Tranche 2 RFPs, the Company priced
11 its facilities based on the assumption that it would be entitled to continue to
12 receive market-based recovery after the initial CPRE term.

13 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

14 A. Yes.

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Rebuttal Testimony, in Docket No. E-7, Sub 1247, has been served by electronic mail, hand delivery, or by depositing a copy in the United States mail, postage prepaid, properly addressed to parties of record.

This the 21st day of May, 2021.



Jack E. Jirak
Deputy General Counsel
Duke Energy Corporation
P.O. Box 1551/NCRH 20
Raleigh, North Carolina 27602
(919) 546-3257
Jack.jirak@duke-energy.com