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March 29, 2019

VIA ELECTRONIC FILING

Ms. M. Lynn Jarvis
Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC 27699-4300

**RE: Docket Nos. E-2, Sub 1142 and E-7, Sub 1146
Duke Energy Carolinas, LLC and Duke Energy Progress, LLC
Notification of Coal Inventory Report Delay**

Dear Ms. Jarvis:

On February 23, 2018, the North Carolina Utilities Commission (“Commission”) issued its *Order Accepting Stipulations, Deciding Contested Issues and Granting Partial Rate Increase* in Docket No. E-2, Sub 1142. Ordering paragraph 13 states “[t]hat on or before December 31, 2018, the Company and the Public Staff shall complete an analysis showing the appropriate coal inventory level given market and generation changes since the Company’s last rate case in Docket No. E-2, Sub 1023.” Further, on June 22, 2018, the Commission issued its *Order Accepting Stipulations Deciding Contested Issues, and Requiring Revenue Reduction* in Docket No. E-7, Sub 1146. Ordering paragraph 15 states “[t]hat on or before March 31, 2019, the Company, in consultation with the Public Staff, shall complete an analysis showing the appropriate coal inventory level given market and generation changes since the Company’s rate case in Docket No. E-7, Sub 1026.”

As previously communicated to the Commission, Duke Energy Progress, LLC (“DEP”) and Duke Energy Carolinas, LLC (“DEC” and together with DEP, “Duke”) determined that to ensure consistency of the studies between DEP and DEC, both studies should be completed in parallel by the same independent consultant. The Public Staff agreed with this approach.

While the Commission did not require these studies to be filed, Duke and the Public Staff desire to keep the Commission informed of the status of reports. On December 31, 2018, the Public Staff filed a notice with the Commission in the above-captioned dockets indicating the intent of the parties to complete the reports on or prior to March 31, 2019. However, due to the need to conduct further technical analysis and certain other circumstances outside of the control of the parties, the reports will not be completed by March 31, 2019. Both Duke and the Public Staff are working diligently to facilitate the

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completion of the studies and currently anticipate that both studies will be complete by April 30, 2019.

Counsel for the Public Staff has authorized to Duke to file this letter on behalf of both parties.

Should you have any questions or need further assistance, please contact me.

Sincerely,

/s/ Robert W. Kaylor

Robert W. Kaylor

RWK/gsf
Enclosures

CERTIFICATE OF SERVICE

I certify that a copy of the Notification of Coal Inventory Report Delay of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC, in Docket Nos. E-2, Sub 1142 and E-7, Sub 1146 has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to parties of record.

This the 29th day of March, 2019.

/s/ Robert W. Kaylor

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