

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-2, SUB 1146

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Duke Energy Progress, LLC,	)
Pursuant to G.S. 62-133.2 and Commission	)
Rule R8-55 Regarding Fuel and Fuel-Related	)
Cost Adjustments for Electric Utilities	)
	ORDER REQUIRING PUBLICATION OF SECOND PUBLIC NOTICE

BY THE CHAIRMAN: On June 21, 2017, Duke Energy Progress, LLC (DEP), filed an application in the above-captioned docket for a change in DEP's rates to recover its fuel and fuel-related costs. The changes proposed in DEP's application would result in an increase of the present fuel and fuel-related (fuel) rates of all customer classes, with the amount of the increase varying for different customer classes. For example, the application stated that the increase in the monthly bill of a typical residential customer using 1,000 kilowatt hours per month would be \$2.18, excluding the regulatory fee. The proposed changes in fuel rates would be effective for service rendered on and after December 1, 2017.

On July 6, 2017, the Commission issued an Order Scheduling Hearing, Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice (Scheduling Order). The Scheduling Order, among other things, scheduled a public hearing in this matter for Tuesday, September 19, 2017, in Raleigh, North Carolina. In addition, the Scheduling Order required DEP to publish a Public Notice of the hearing date, time, and place, and of the proposed change in monthly fuel rates.

On September 6, 2017, after the Public Notice of the original proposed fuel rate changes had been published by DEP pursuant to the Commission's Scheduling Order, DEP filed supplemental testimony and exhibits that revised DEP's original application for cost recovery and its proposed monthly fuel charges. The revisions, if approved by the Commission, would result in fuel charges higher than the charges stated in the original Public Notice published by DEP.

Based on the foregoing and the record herein, the Chairman finds good cause to require DEP to publish a Second Public Notice, attached hereto as Appendix A, providing notice of the additional testimony and exhibits and the resulting change in DEP's proposed fuel rates.

IT IS, THEREFORE, ORDERED as follows:

1. That DEP shall publish a Second Public Notice, attached hereto as Appendix A, in a newspaper or newspapers having general circulation in its service area on two dates prior to the public hearing, with the publications preferably being several days apart, the first publication of which shall occur as soon as reasonably practicable; and
2. That DEP shall file affidavits of publication on or before the date of the hearing.

ISSUED BY ORDER OF THE COMMISSION.

This the 7<sup>th</sup> day of September, 2017.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Linnetta Threath".

Linnetta Threath, Acting Deputy Clerk

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BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Duke Energy Progress, LLC, )  
Pursuant to G.S. 62-133.2 and Commission ) SECOND PUBLIC NOTICE  
Rule R8-55 Regarding Fuel and Fuel-Related )  
Cost Adjustments for Electric Utilities )

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing in an annual fuel and fuel-related charge adjustment proceeding for Duke Energy Progress, LLC (DEP). The public hearing has been scheduled to begin Tuesday, September 19, 2017, at 9:30 a.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The proceeding is being held pursuant to the provisions of G.S. 62-133.2 and Commission Rule R8-55 for the purpose of determining whether an increment or decrement rider is required in order to reflect changes in the cost of fuel and fuel-related (fuel) costs over or under the base fuel rate established for DEP in its last general rate case. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

Duke Energy Progress filed an application and testimony relative to the subject matter of the proceeding on June 21, 2017. According to DEP's initial application, the proposed changes in fuel rates would result in an increase of the present fuel rates of all customer classes, with the amount of the increase varying for different customer classes. For example, DEP's initial application proposed an increase of \$2.18 in the monthly bill of a typical residential customer using 1,000 kilowatt hours per month, excluding the regulatory fee.

On July 6, 2017, the Commission issued an Order Scheduling Hearing, Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice (Scheduling Order). The Scheduling Order, among other things, required DEP to publish a Public Notice of the hearing date, time, and place, and of the proposed changes in monthly fuel rates.

Through supplemental testimony and exhibits filed on September 6, 2017, after the Public Notice of the original proposed fuel charges had been published by DEP pursuant to the Commission's Scheduling Order, DEP revised its proposed monthly fuel rates. The revisions, if approved by the Commission, would result in fuel charges higher than the charges stated in the original Public Notice published by DEP. For example, DEP's revised application proposes an increase of \$3.46 in the monthly bill of a typical residential

customer using 1,000 kilowatt hours per month, excluding the regulatory fee. The proposed changes in all customers' fuel rates would be effective for service rendered on and after December 1, 2017.

In addition, DEP's supplemental testimony states that DEP experienced an under-recovery of \$41.9 million of fuel costs incurred in the 2016-2017 test year. DEP proposes to delay its recovery of this \$41.9 million of fuel costs until DEP's 2018 fuel cost proceeding, and will not request interest on this amount during the period of its delayed recovery. However, if the Commission declines to accept DEP's proposed delayed recovery of this \$41.9 million in fuel costs, then this amount would be added to and result in a further increase in DEP's fuel charges for service rendered on and after December 1, 2017.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEP's application is available for review by the public. Also, documents may be viewed on the Commission's website at [www.ncuc.net](http://www.ncuc.net).

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Correspondence concerning the DEP fuel rider proceeding and the hearing scheduled thereon should be directed to the Public Staff. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Consumer Protection-Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Written statements are not evidence unless the writers appear at a public hearing and testify concerning the information contained in their written statements.

Persons desiring to intervene in this proceeding as formal parties should file a petition to intervene pursuant to Commission Rules R1-5 and R1-19.

ISSUED BY ORDER OF THE COMMISSION.

This the 7<sup>th</sup> day of September, 2017.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threatt, Acting Deputy Clerk