

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1252

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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 CUSTOMERS OF CHANGE
IN RATES

BY THE PRESIDING COMMISSIONER: On December 17, 2020, in the above-captioned docket the Commission issued an Order approving demand-side management and energy efficiency (DSM/EE) rate changes for service by Duke Energy Progress, LLC (DEP), effective on January 1, 2021. Further, the Commission directed that DEP develop a customer notice to inform customers about the DSM/EE rate changes.

On December 23, 2020, DEP filed a proposed Notice to Customers of Change in Rates that was developed by DEP and the Public Staff to reflect the DSM/EE rate changes approved by the Commission.

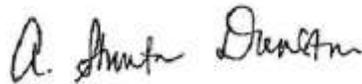
The Presiding Commissioner has reviewed the proposed Notice to Customers of Change in Rates and finds good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 29th day of December, 2020.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Deputy Clerk

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DOCKET NO. E-2, SUB 1252

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC, for)
Approval of Demand-Side Management and) **NOTICE TO CUSTOMERS**
Energy Efficiency Cost Recovery Rider) **OF CHANGE IN RATES**
Pursuant to N.C.G.S. § 62-133.9 and)
Commission Rule R8-69)

NOTICE IS HEREBY GIVEN that on December 17, 2020, the North Carolina Utilities Commission entered an order in Docket No. E-2, Sub 1252 (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.

On June 15, 2009, and as revised on November 25, 2009, in Docket No. E-2, Sub 31, 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, 2021.

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, 2019 through December 31, 2019, as well as DEP's estimates for the calendar year 2021 rate period. The net changes in the current DSM and EE rates compared to the rates approved effective January 2021 are as follows: Residential rates will increase 0.100 cents per kilowatt hour (kWh); Small, Medium, and Large General Service (EE component) will decrease (0.042) cents per kWh; Small, Medium, and Large General Service (DSM component) will increase 0.006 cents per kWh; and Lighting will increase .037 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.

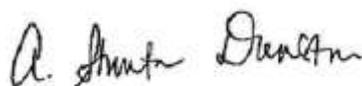
Summary of Rate Impact

These billing adjustments are effective January 1, 2021. The total monthly impact of the rate change for a residential customer consuming 1,000 kWh per month is an increase of \$1.00. 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 29th day of December, 2020.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Deputy Clerk