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April 4, 2014

VIA ELECTRONIC FILING

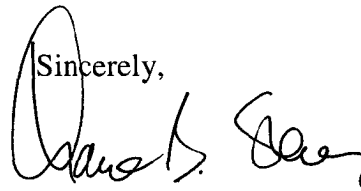
Ms. Gail L. Mount, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

**RE: Duke Energy Carolinas, LLC and Duke Energy Progress, Inc. Reply
to Initial Comments
Docket No. E-100, Sub 83**

Dear Ms. Mount:

I enclose Duke Energy Carolinas, LLC and Duke Energy Progress, Inc.'s Reply to Initial Comments on North Carolina Sustainable Energy Association's Motion for Disclosure and Equitable Relief for filing in connection with the referenced matter.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

Lawrence B. Somers

Enclosures

cc: Parties of Record

OFFICIAL COPY
Apr 04 2014

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-100, SUB 83**

In the Matter of)	DUKE ENERGY CAROLINAS,
)	LLC AND DUKE ENERGY
Investigation of Net Metering)	PROGRESS, INC.'S REPLY TO
)	INITIAL COMMENTS ON
)	NORTH CAROLINA
)	SUSTAINABLE ENERGY
)	ASSOCIATION'S MOTION FOR
)	DISCLOSURE AND
)	EQUITABLE RELIEF
)	

Pursuant to the North Carolina Utilities Commission's ("NCUC" or "the Commission") March 4, 2014 *Order Requesting Comments*, Duke Energy Carolinas, LLC ("Duke Energy Carolinas" or "DEC") and Duke Energy Progress, Inc. ("Duke Energy Progress" or "DEP")(collectively "the Companies") hereby reply to the initial comments of Dominion North Carolina Power ("Dominion"), Sierra Club and North Carolina Waste Awareness and Reduction Network ("NCWARN"), filed in response to the North Carolina Sustainable Energy Association's ("NCSEA") motion for disclosure and equitable relief, and restate their request for the Commission to reject NCSEA's baseless motion and deny all relief requested therein.

I. NCSEA'S MOTION FOR DISCLOSURE IS MOOT

As an initial matter, the Companies note that NCSEA's motion for disclosure is moot. The Companies' system operational impact study ("the Impact Study") requested by NCSEA and referenced in the Companies' Response to NCSEA's Motion for Disclosure and Equitable Relief, filed on March 3, 2014, has been completed and provided to NCSEA and other parties, pursuant to data requests in Docket No. E-100, Sub 140. The Impact Study, completed and published on March 24, is also publicly

available on Pacific Northwest National Laboratory's website.¹ The Impact Study speaks for itself and the Companies will continue to review and analyze the results to assist in the integration of solar resources into their respective portfolios. The Companies continue to enhance and refine their understanding of the operational impacts of solar resource integration, particularly relating to the long-term achievement of the North Carolina Renewable Energy and Energy Efficiency Portfolio Standards ("REPS"), purchases of power pursuant to the Public Utility Regulatory Policy Act of 1978 ("PURPA"), and customer offerings like its net energy metering ("NEM") tariffs and Duke Energy Carolinas' pilot Green Source Rider. No other relevant studies or reports currently exist. As such, any request to compel the Companies to produce this previously provided and publicly-available study is entirely moot.

II. COMMENTS FILED BY SIERRA CLUB AND NCWARN OFFER NO ADDITIONAL FACTUAL OR LEGAL SUPPORT FOR NCSEA'S MOTION AND SHOULD BE DISREGARDED

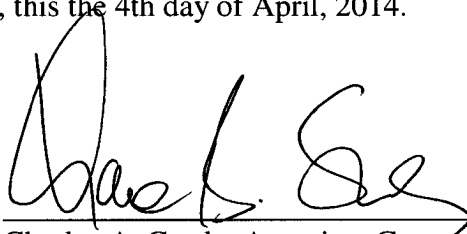
With respect to NCSEA's unprecedented request to fix and lock in the Companies' respective NEM tariffs for the next 10 years, Duke Energy Carolinas and Duke Energy Progress agree with and support the comments filed by Dominion. The Companies stand by their initial comments filed in this docket with respect to this over-reaching and self-interested request. The comments of Sierra Club and NCWARN fail to provide any additional justification than that offered by NCSEA itself, and further incorrectly presume that the Companies have made some sort of request to modify their currently-effective NEM tariffs.

¹ http://www.pnnl.gov/main/publications/external/technical_reports/PNNL-23226.pdf

As should be clear to all parties in this docket, neither Duke Energy Carolinas nor Duke Energy Progress has filed any petition or otherwise made any request to modify its Commission-approved NEM tariffs. Absent such a request or petition, and until a modification is actually approved by the Commission, the Companies' respective tariffs exclusively govern NEM for their customers in North Carolina. Any suggestion to the contrary is absolutely false. As stated in the Companies' initial response to NCSEA's motion, to the extent that the Companies would like to affirmatively change the substance and design of its NEM tariffs, they will file the appropriate request with the Commission.

WHEREFORE, for the reasons stated herein and in their initial response, Duke Energy Carolinas and Duke Energy Progress respectfully request that the Commission deny NCSEA's motion for disclosure and equitable relief in its entirety.

Respectfully submitted, this the 4th day of April, 2014.



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CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolina, LLC and Duke Energy Progress, Inc.'s Reply to Initial Comments has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid, properly addressed to the following parties of record:

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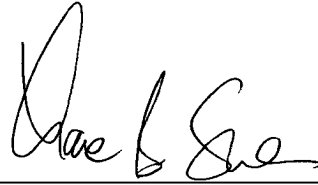
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This the 4th day of April, 2014.

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