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November 7, 2019

# 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 Compliance Tariff NCUC Docket No. E-7, Sub 1192

Dear Ms. Campbell:

Pursuant to Commission Rule R8-25(a) and the Commission's order dated October 18, 2019 in the above-referenced docket, enclosed for filing is Duke Energy Carolinas, LLC's compliance tariff showing the effective date of January 1, 2020. DEC respectfully notes that the Company's and Public Staff's Joint Proposed Order in this matter erroneously included parenthesis around the 2015 Non-Residential DSM increment rider of 0.0001 cents per kWh, making it look like a decrement. This was a scrivener's error on the Company's part, and unfortunately it was reproduced in the Commission's final order. In the Company's filings before the Commission and reviewed by the Public Staff, the 2015 Non-Residential DSM increment rider was shown correctly as an increment. Therefore, the Company, after consultation with the Public Staff on this matter, has correctly reflected the 2015 Non-Residential DSM increment rider of 0.0001 cents per kWh.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

Kendrick C. Fentress

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Enclosure

cc: Parties of Record

### Rider EE (NC) ENERGY EFFICIENCY RIDER

## APPLICABILITY (North Carolina Only)

Service supplied under the Company's rate schedules is subject to approved adjustments for new energy efficiency and demandside management programs approved by the North Carolina Utilities Commission (NCUC). The Rider Adjustments are not included in the Rate Schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

As of January 1, 2020, cost recovery under Rider EE consists of the four-year term program, years 2014-2017, as well as rates under the continuation of that program for years 2018-2020 as outlined below. This Rider applies to service supplied under all rate schedules, except rate schedules OL, FL, PL, GL and NL for program years 2015-2020.

### GENERAL PROVISIONS

This Rider will recover the cost of new energy efficiency and demand-side management programs beginning January 1, 2014, using the method approved by the NCUC as set forth in Docket No. E-7 Sub 1032, Order dated October 29, 2013, as revised by Docket No. E-7, Sub 1130, Order dated August 23, 2017.

#### TRUE-UP PROVISIONS

Rider amounts will initially be determined based on estimated kW and kWh impacts related to expected customer participation in the programs, and will be trued-up as actual customer participation and actual kW and kWh impacts are verified. If a customer participates in any vintage of programs, the customer is subject to the true-ups as discussed in this section for any vintage of programs in which the customer participated.

## RIDER EE OPT OUT PROVISION FOR QUALIFYING NON-RESIDENTIAL CUSTOMERS

The Rider EE increment applicable to energy efficiency programs and/or demand-side management programs will not be applied to the energy charge of the applicable rate schedule for customers qualified to opt out of the programs where:

- a. The customer has notified the Company that it has implemented, or has plans for implementing, alternative energy efficiency measures in accordance with quantifiable goals.
- b. Electric service to the customer must be provided under:
  - 1. An electric service agreement where the establishment is classified as a "manufacturing industry" by the Standard Industrial Classification Manual published by the United States Government and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. Additionally, all other agreements billed to the same entity associated with the manufacturing industry located on the same or contiguous properties are also eligible to opt out.
  - 2. An electric service agreement for general service as provided for under the Company's rate schedules where the customer's annual energy use is 1,000,000 kilowatt hours or more. Additionally, all other agreements billed to the same entity with lesser annual usage located on the same or contiguous properties are also eligible to opt out.

The following additional provisions apply for qualifying customers who elect to opt out:

For customers who elect to opt out of energy efficiency programs, the following provisions also apply:

- Qualifying customers may opt out of the Company's energy efficiency programs each calendar year only during the annual two-month enrollment period between November 1 and December 31 immediately prior to a new Rider EE becoming effective on January 1. (Qualifying new customers have sixty days after beginning service to opt out).
- Customers may not opt out of individual energy efficiency programs offered by the Company. The choice to opt out applies to the Company's entire portfolio of energy efficiency programs.
- If a customer participates in any vintage of energy efficiency programs, the customer, irrespective of future opt out decisions, remains obligated to pay the remaining portion of the lost revenues for each vintage of energy efficiency programs in which the customer participated.
- Customers who elect to opt out during the two-month annual enrollment period immediately prior to the new Rider EE
  becoming effective may elect to opt in to the Company's energy efficiency programs during the first 5 business days of
  March each calendar year. Customers making this election will be back-billed retroactively to the effective date of the
  new Rider EE.

For customers who elect to opt out of demand-side management programs, the following provisions also apply:

• Qualifying customers may opt out of the Company's demand-side management program during the enrollment period between November 1 and December 31 immediately prior to a new Rider EE becoming effective on January 1 of the applicable year. (Qualifying new customers have sixty days after beginning service to opt out).

## Rider EE (NC) ENERGY EFFICIENCY RIDER

- If a customer elects to participate in a demand-side management program, the customer may not subsequently choose to opt out of demand-side management programs for three years.
- Customers who elect to opt out during the two-month annual enrollment period immediately prior to the new Rider EE
  becoming effective may elect to opt in to the Company's demand-side management program during the first 5 business
  days of March each calendar year. Customers making this election will be back-billed to the effective date of the new
  Rider EE.

Any qualifying non-residential customer that has not participated in an energy efficiency or demand-side management program may opt out during any enrollment period, and has no further responsibility to pay Rider EE amounts associated with the customer's opt out election for energy efficiency and/or demand-side management programs.

## ENERGY EFFICIENCY RIDER ADJUSTMENTS (EEA) FOR ALL PROGRAM YEARS

The Rider EE amounts applicable to the residential and nonresidential rate schedules for the period January 1, 2020 through December 31, 2020 including utility assessments are as follows:

Residential	Vintage 2015 <sup>1</sup> ,2016 <sup>1</sup> , 2017 <sup>1</sup> , 2018 <sup>1</sup> Vintage 2017 <sup>2</sup> , 2018 <sup>2</sup> , 2019 <sup>2</sup> , 2020 <sup>2</sup> Total Residential Rate	0.0944¢ per kWh <u>0.3891¢ per kWh</u> 0.4835¢ per kWh
Nonresidentia	<u>l</u>	
Vintage	e 2015 <sup>3</sup>	
Energy Efficiency		0.0064¢ per kWh
Demand Side Management		0.0001¢ per kWh
Vintage	e 2016 <sup>3</sup>	
Energy Efficiency		0.0512¢ per kWh
De	emand Side Management	0.0001¢ per kWh
Vintage	e 2017 <sup>3</sup>	
Energy Efficiency		0.0957¢ per kWh
De	emand Side Management	0.0000¢ per kWh
Vintage	e 2018 <sup>3</sup>	
Energy Efficiency		0.0827¢ per kWh
Demand Side Management		0.0077¢ per kWh
Vintage	e 2019 <sup>3</sup>	
Energy Efficiency		0.0509¢ per kWh
Demand Side Management		0.0000¢ per kWh
Vintage	e 2020 <sup>3</sup>	
Energy Efficiency		0.3082¢ per kWh
Demand Side Management		0.1101¢ per kWh
Total Nonresidential		0.7131¢ per kWh

<sup>&</sup>lt;sup>1</sup> Includes the true-up of program costs, shared savings and lost revenues from Year 1 of Vintage 2018 and Year 2 of Vintage 2017, and Year 3 of 2016 and Year 4 of 2015.

Each factor listed under Nonresidential is applicable to nonresidential customers who are not eligible to opt out and to eligible customers who have not opted out. If a nonresidential customer has opted out of a Vintage(s), then the applicable energy efficiency and/or demand-side management charge(s) shown above for the Vintage(s) during which the customer has opted out, will not apply to the bill.

<sup>&</sup>lt;sup>2</sup> Includes prospective component of Vintage 2017, 2018, 2019 and 2020

<sup>&</sup>lt;sup>3</sup> Not Applicable to Rate Schedules OL, FL, PL, GL, and NL.

# **CERTIFICATE OF SERVICE**

I certify that a copy of Duke Energy Carolinas, LLC's Compliance Tariff, in Docket No. E-7, Sub 1192, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1<sup>st</sup> Class Postage Prepaid, properly addressed to parties of record.

This the 7<sup>th</sup> day of November, 2019.

Kendrick C. Fentress

Associate General Counsel

**Duke Energy Corporation** 

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