

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-2, SUB 1190  
DOCKET NO. E-7, SUB 1185  
DOCKET NO. E-100, SUB 90

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1190

In the Matter of )  
Application by Duke Energy Progress, LLC, )  
for Approval of Renewable Advantage Rider )

DOCKET NO. E-7, SUB 1185 )

In the Matter of )  
Application by Duke Energy Carolinas, LLC, )  
for Approval of Renewable Advantage Rider )

ORDER APPROVING  
INCREASE IN PRICE OF  
RENEWABLE ENERGY  
CREDITS AND NOTICE TO  
CUSTOMERS

DOCKET NO. E-100, SUB 90 )

In the Matter of )  
Investigation of Voluntary Green and )  
Public Benefit Check-Off Programs – )  
NC GreenPower )

BY THE CHAIR: On July 22, 2022, Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP) (collectively, Duke) filed requests for Commission approval of a \$1.00 per month increase in the monthly rates of their voluntary programs offering residential and small business customers the option to purchase Renewable Energy Credits (RECs) to offset all or a portion of their electrical consumption.

The Commission approved the Renewable Advantage Riders in its Order Approving Renewable Advantage Rider and NC Greenpower Program Changes, issued on October 15, 2019, in the above-captioned dockets (Renewable Advantage Rider Order). The Renewable Advantage Riders allow a residential or small business customer to offset a portion or all of that customer’s consumption through acquiring multiple blocks in 250 kilowatt-hour (kWh) increments of RECs. The Renewable Advantage Rider tariffs describe a REC as being equal to 1,000 kWh from a renewable resource. These RECs are secured from both in-state and out-of-state renewable resources and include RECs from solar photovoltaic, wind-powered, hydroelectric, and biomass-powered resources. All RECs acquired under the Riders are retired on behalf of the Riders’ participants. In its

Renewable Advantage Rider Order, the Commission agreed that these offerings “may promote the use of renewable attributes from renewable energy resources.”<sup>1</sup>

Because the Renewable Advantage Riders are voluntary, participating customers support the use of renewable energy without impacting non-participating customers. All of Duke’s costs for the Renewable Advantage Rider Program, including billing, marketing, REC acquisition, and other costs, are recovered through the monthly rate paid by the participating customers. Duke indicates that as originally conceived, the costs for the Renewable Advantage Rider Programs would be recovered by 2026 through the monthly rates. REC costs, however, have increased more than forecasted in the original business modeling. Additionally, during the COVID-19 pandemic, customer attrition increased, resulting in lower customer participation. In response, beginning January 1, 2022, Duke reduced total marketing costs by ending less efficient marketing and bringing the marketing in-house. Duke has determined that a monthly rate increase is necessary to break even by 2026. As a result, Duke has requested to increase the voluntary monthly rate from \$3.00 to \$4.00 per block. With this proposed increase, a typical residential participating customer with an average monthly usage of 1,000 kWh would pay \$16.00 per month more than standard tariff rates if all of that customer’s usage were supplied from renewable resources.

Duke is not seeking any changes to NC GreenPower Rider GP with its requests.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on August 15, 2022. The Public Staff stated that it had reviewed Duke’s request and agrees that the tariff increase is necessary. Therefore, the Public Staff recommended approval of the proposed tariff modifications and customer notice.

After careful consideration, the Commission finds good cause to approve the tariff modifications and customer notice filed by Duke Energy and orders that the proposed notice be provided to Duke’s Renewable Advantage customers.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 16th day of August, 2022.

NORTH CAROLINA UTILITIES COMMISSION



Joann R. Snyder, Deputy Clerk

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<sup>1</sup> Renewable Advantage Rider Order at 3.