

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1193
DOCKET NO. E-2, SUB 1219

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1193)	
)	
In the Matter of)	
Application of Duke Energy Progress, LLC, for)	ORDER ACKNOWLEDGING
an Accounting Order to Defer Incremental)	THE NOTICE GIVEN BY DUKE
Storm Damage Expenses Incurred as a Result)	ENERGY PROGRESS, LLC, OF
of Hurricanes Florence and Michael and Winter)	ITS FURTHER PROSPECTIVE
Storm Diego)	WAIVER OF ITS RIGHT TO
)	SEEK TO IMPLEMENT ITS
DOCKET NO. E-2, SUB 1219)	ORIGINAL PROPOSED RATES
)	BY OPERATION OF N.C.G.S.
In the Matter of)	§ 62-134(b)
Application by Duke Energy Progress, LLC, for)	
Adjustment of Rates and Charges Applicable)	
to Electric Utility Service in North Carolina)	

BY THE PRESIDING COMMISSIONER: On October 30, 2019, Duke Energy Progress, LLC (DEP), filed an application for a general rate case in Docket No. E-2, Sub 1219. On November 14, 2019, the Commission issued its Order Establishing General Rate Case and Suspending Rates (Rates Suspension Order) and on December 6, 2019, the Commission issued its Order Scheduling Investigation and Hearings, Establishing Intervention and Testimony Due Dates and Discovery Guidelines, and Requiring Public Notice (Scheduling Order). By subsequent order, the Commission consolidated DEP's Application for an Accounting Order to Defer Incremental Storm Damage Expenses Incurred as a Result of Hurricanes Florence and Michael and Winter Storm Diego in Docket No. E-2, Sub 1193 into Docket No. E-2, Sub 1219 (collectively, Sub 1219).

On April 3, 2020, DEP filed a motion requesting that the Commission issue an order addressing several procedural issues. As part of the motion, and subject to its right to implement temporary rates under N.C. Gen. Stat. § 62-135 and to seek appropriate accounting treatment relief, DEP gave notice of its prospective waiver of its right to seek to implement its original proposed rates by operation of N.C.G.S. § 62-134(b) through December 31, 2020, in the event that the postponement of the hearing rendered it infeasible for the Commission to issue an order prior to the rate suspension period under N.C.G.S. § 62-134.

On April 7, 2020, the Commission issued an Order Addressing Procedural Matters, which, among other things, accepted DEP's prospective waiver.

In subsequent orders the Commission addressed several aspects of procedure in Sub 1219, including scheduling the DEP-specific expert witness hearing to begin on September 29, 2020.

On September 16, 2020, DEP filed with the Commission a Motion for an Order Accepting the Company's Notice of Its Extension of Its Waiver of Its Right to Implement Its Original Proposed Rates Per N.C.G.S. § 62-134(b). As part of the motion DEP recognized that, as a result of the COVID-19 pandemic requiring the postponement of the scheduling order deadlines in this rate case and other dockets pending before the Commission, it might be difficult for the Commission to issue its written order of decision in this case prior to December 31, 2020. As a result, the Company provided notice that it was extending its waiver of its right to seek to implement its original proposed rates in this proceeding by operation of N.C.G.S. § 62-134(b), initially waived through December 31, 2020, to March 1, 2021.

On September 18, 2020, the Commission issued its Order Acknowledging the Notice Given by DEP of its Prospective Waiver of its Right to Seek to Implement its Original Proposed Rates by Operation of N.C.G.S. § 62-134(b) through March 1, 2021.

On December 11, 2020, the North Carolina Supreme Court issued an opinion on the appeal of, *inter alia*, certain Commission coal ash cost recovery findings and conclusions in the 2018 DEC and DEP Rate Case orders issued in Docket Nos. E-2, Sub 1142 and E-7, Sub 1146. Among other things, the Supreme Court's decision remanded the cases to the Commission for further findings and analysis regarding the Public Staff's Equitable Sharing proposal.

On January 22, 2021, the Companies reached a Coal Combustion Residuals Settlement Agreement (CCR Settlement Agreement) with the Public Staff, the Office of the Attorney General, and Sierra Club (Settling Parties) resolving all coal ash cost recovery issues for the 2017 and 2019 rate cases as well as providing for a coal ash cost recovery framework through early 2030. The CCR Settlement Agreement was filed on January 25, 2021 and Settlement Supporting Testimony was filed by DEC and DEP on January 29, 2021, along with a motion requesting that the Commission reopen the DEC and DEP 2019 Rate Case record to include the settlement agreement and testimony as part of the record for its consideration before issuing its orders in the 2019 rate cases.

Also on January 29, 2021, DEP filed a Motion for an Order Accepting the Company's Notice of Its Second Extension of Its Waiver of Its Right to Implement Its Original Proposed Rates Per N.C.G.S. § 62-134(b). In it, DEP acknowledged that if the Commission approves the Settling Parties' motion to reopen the record and include and consider the CCR Settlement Agreement and Settlement Supporting Testimony in the 2019 DEC and DEP rate case records, that it may be difficult for the Commission in the 2019 DEP rate case to adequately review, consider, and issue its written order in this

docket by March 1, 2021. As a result, DEP provided notice that it is further extending its waiver of its right to seek to implement its original proposed rates in this proceeding by operation of N.C.G.S. § 62-134(b), initially waived through December 31, 2020, and subsequently extended to March 1, 2021, for a second time to extend its waiver to April 1, 2021. DEP further contended that no party will be prejudiced by the entry of an order granting the relief sought.

Based on the foregoing and the records in these dockets, the Presiding Commissioner finds good cause to acknowledge DEP's notice of its further prospective waiver of its right to seek to implement its original proposed rates by operation of N.C.G.S. § 62-134(b) until April 1, 2021.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 4th day of February, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in dark ink, appearing to read "Joann R. Snyder", is written over a faint, larger version of the same signature.

Joann R. Snyder, Deputy Clerk