

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1073

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Duke Energy Carolinas, LLC,)
for Approval of Demand-Side Management)
and Energy Efficiency Cost Recovery Rider)
Pursuant to G.S. 62-133.9 and Commission)
Rule R8-69)
	ORDER SCHEDULING ADDITIONAL PUBLIC HEARING AND REQUIRING PUBLIC NOTICE

BY THE PRESIDING COMMISSIONER: On March 4, 2015, Duke Energy Carolinas, LLC (DEC) filed its application for approval of demand-side management (DSM) and energy efficiency (EE) cost recovery pursuant to G.S. 62-133.9 and Commission Rule R8-69 in the above-captioned docket.

On March 18, 2015, the Commission issued an Order Scheduling Hearing, Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice. The Order, among other things, scheduled a public hearing in this matter for Tuesday, June 2, 2015, in Raleigh, North Carolina. In addition, pursuant to Commission Rule R8-69(f) DEC was required to publish notice of the hearing date, time and the proposed change in DSM/EE rates.

By its application DEC requested a total annual revenue decrease of approximately \$26.8 million, effective January 1, 2016, from the DSM/EE rider currently in effect. The application further stated the specific per kilowatt-hour (kWh) amounts by which the rates of residential and non-residential customers would decrease or increase. In addition, the specific rate changes were included in a Public Notice published in newspapers by DEC.

On May 15, 2015, DEC filed additional testimony and exhibits in this docket. In its additional testimony, DEC states that based on the Public Staff's audit of DEC's proposed rates and recommended adjustments, and other factors, DEC requests an increase in the residential and non-residential DSM/EE rates initially included in DEC's application.

Also, on May 15, 2015, DEC filed a Motion for Additional Public Hearing and Public Notice of Revised Proposed Rates. In summary, DEC requests that the Commission schedule an additional public hearing in this docket concerning the change in rates proposed by DEC and that the Commission require DEC to publish notice of the date and time of the hearing and DEC's proposed DSM/EE rate changes.

Based on the foregoing and the record herein, the Presiding Commissioner finds good cause to schedule an additional public hearing in this docket. Further, the Presiding Commissioner finds good cause to require that DEC publish the Public Notice attached hereto as Attachment A providing notice of the additional public hearing.

IT IS, THEREFORE, ORDERED as follows:

1. That an additional public hearing in this docket shall be, and is hereby, scheduled to be held at 10:00 a.m. on Tuesday, July 7, 2015, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering the annual DSM/EE cost recovery proceeding for DEC.

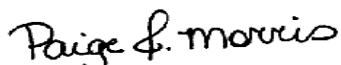
2. That DEC shall publish the Public Notice attached hereto as Appendix A in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks, the first publication of which shall occur at least 30 days prior to the hearing.

3. That DEC shall file affidavits of publication on or before the date of the hearing.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of May, 2015.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Paige J. Morris".

Paige J. Morris, Deputy Clerk

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BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Carolinas, LLC,)
for Approval of Demand-Side Management)
and Energy Efficiency Cost Recovery Rider) PUBLIC NOTICE
Pursuant to G.S. 62-133.9 and Commission)
Rule R8-69)

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled an additional public hearing in the annual demand-side management (DSM) and energy efficiency (EE) cost recovery proceeding for Duke Energy Carolinas, LLC (DEC). The additional public hearing is scheduled to begin at 10:00 a.m. on Tuesday, July 7, 2015, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. This proceeding is being held pursuant to the provisions of G.S. 62-133.9 and Commission Rule R8-69, for the purpose of determining whether an increment or decrement rider is required to allow DEC to recover all reasonable and prudent costs incurred for adoption and implementation of new DSM and new EE measures and appropriate incentives. The Commission conducted a public hearing in this proceeding, as well as an evidentiary hearing to receive the testimony and exhibits of expert witnesses, on June 2, 2015. The additional public hearing is being held to allow the opportunity for public comment and testimony on Duke Energy Carolinas, LLC's revised proposed total DSM and EE rates in this proceeding.

On March 4, 2015, Duke Energy Carolinas, LLC, filed an application and testimony relative to the subject matter of the proceeding. By its application DEC requested a total annual revenue decrease of approximately \$26.8 million, effective January 1, 2016, from the DSM/EE rider currently in effect. This request would have resulted in a decrease of 0.2415 cents per kilowatt-hour (kWh) for residential customers. The effect of the request on current non-residential customers would depend upon each customer's particular participation in DEC's DSM or EE programs. However, as initially proposed by DEC the rates of non-residential customers who have participated in all of DEC's DSM and EE programs since 2009 would have increased by 0.1147 cents per kWh.

Through supplemental testimony and exhibits filed on May 15, 2015, after the notice of the original proposed changes had been published pursuant to the Commission's Order Scheduling Hearing, Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice, DEC revised its proposed DSM/EE rider to request a smaller, \$25.8 million decrease in total annual revenue. Accordingly, DEC's revised request would result in a decrease of 0.2368 cents per kWh for residential customers. The effect of this request would decrease the monthly bill of a

residential customer using 1,000 kWh of electricity by \$2.37. The effect of DEC's revised request on current non-residential customers would depend upon each customer's particular participation in DEC's DSM or EE programs. However, DEC's revised rates for non-residential customers who have participated in all of DEC's DSM and EE programs since 2009 would result in an increase of 0.1144 cents per kWh.

Non-residential customers may obtain detailed information about the rider increases or decreases applicable to their particular circumstances by contacting their DEC account representatives directly or DEC's Customer Service number at 1-800-777-9898. Industrial and large commercial customers that have opted out of and never participated in DEC's DSM and EE programs pursuant to G.S. 62-133.9 are not subject to the DSM/EE rider.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEC's application is available for review by the public. Also, documents may be viewed on the Commission's website at www.ncuc.net.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Correspondence concerning the DSM/EE rider proceeding and the additional hearing scheduled thereon should be directed to the Public Staff. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4326.

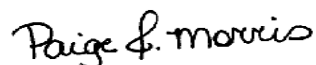
The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Roy Cooper, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Written statements are not evidence unless the writers appear at a public hearing and testify concerning the information contained in their written statements.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of May, 2015.

NORTH CAROLINA UTILITIES COMMISSION



Paige J. Morris, Deputy Clerk