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OFFICIAL COPY

Aug 27 2018

August 27, 2018

VIA ELECTRONIC FILING

Ms. M. Lynn Jarvis
Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Carolinas, LLC's Proposed Notice to Customers
Docket Nos. E-7, Subs 1162 and 1163**

Dear Ms. Jarvis:

Pursuant to the North Carolina Utilities Commission's ("Commission") August 17, 2018 *Order Approving Proposed REPS and REPS EMF Riders* in Docket No. E-7, Sub 1162 and its August 20, 2018 *Order Approving Fuel Charge Adjustment* in Docket No. E-7, Sub 1163, enclosed is the proposed Notice to Customers of Change in Rates developed by Duke Energy Carolinas, LLC ("DEC") and the Public Staff.

DEC respectfully requests that the Commission review the Customer Notice as soon as possible to allow DEC sufficient time for the design, printing and programming of the notice to be included in customer bills during September 2018.

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

Sincerely,

Kendrick C. Fentress

Enclosure

cc: Parties of Record

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**DOCKET NO. E-7, SUB 1163
DOCKET NO. E-7, SUB 1162**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-7, SUB 1163

In the matter of Application by Duke
Energy Carolinas, LLC Pursuant to G.S. 62-
133.2 and NCUC R8-55 Relating to Fuel and
Fuel-Related Cost Adjustment for Electric
Utilities

DOCKET NO. E-7, SUB 1162

In the matter of Application by Duke
Energy Carolinas, LLC for Approval of
Renewable Energy and Energy Efficiency
Portfolio Standard (REPS) Compliance Report
and Cost Recovery Rider Pursuant to G.S. 62-
133.8 and NCUC R8-67

**NOTICE TO
CUSTOMERS OF
CHANGE IN RATES**

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission entered an Order in Docket No. E-7, Sub 1163, on August 20, 2018, after public hearing, approving fuel and fuel related charge rate increases of 0.1238¢/kilowatt-hour (kWh), 0.0984¢/kWh and 0.0738¢/kWh (including regulatory fee) for the Residential, General Service/Lighting and Industrial customer classes, respectively, or an increase of approximately \$58.4 million on an annual basis, in the rates and charges paid by the retail customers of Duke Energy Carolinas, LLC (Duke Energy Carolinas or the Company) in North Carolina.

These changes are effective for service rendered on and after September 1, 2018. The rate increase was ordered by the Commission after a review of Duke Energy Carolinas' fuel and fuel-related expenses during the 12-month period ended December 31, 2017, and represents actual changes experienced by the Company with respect to its reasonable cost of fuel and fuel-related costs during the test period. The net fuel and fuel-related cost factors for the Residential, General Service/Lighting and Industrial customer classes are 1.7983¢/kWh, 1.9382¢/kWh and 2.0233 ¢/kWh respectively (excluding regulatory fee).

The changes in the approved fuel and fuel-related rates described above will result in monthly net rate increases of approximately \$1.24 for each 1,000 kWh of usage per month for the Residential customer class, \$0.98 for each 1,000 kWh of usage per month for the General Service/Lighting customer class and \$0.74 for each 1,000 kWh of usage per month for the Industrial customer class.

NOTICE IS ALSO HEREBY GIVEN that the North Carolina Utilities Commission entered an Order in Docket No. E-7, Sub 1162 on August 17, 2018, approving changes in the Company's Renewable Energy and Energy Portfolio Standard (REPS) riders by customer class. These charges are designed to collect approximately \$4 million of incremental costs incurred to comply with the REPS requirements, pursuant to G.S. 62-133.8.

Effective for service on and after September 1, 2018, the monthly REPS riders, by customer class, are as follows: Residential, \$0.07 per month; General Service, \$1.03 per month; and Industrial Service \$(6.44) per month, including regulatory fee. These monthly charges reflect decreases by customer class of \$(0.76) per month for Residential, \$(2.68) per month for General Service, and \$(21.59) per month for Industrial.

THE OVERALL IMPACT OF CHANGE IN ALL RIDERS ON A RESIDENTIAL CUSTOMER using 1,000 kWh per month, reflecting the combined effect of the changes in the fuel and fuel-related rate and the monthly REPS rate, as described above, will be an increase of \$0.48 per month.

ISSUED BY ORDER OF THE COMMISSION.

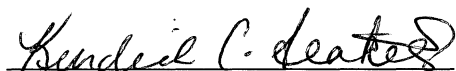
This the ___th day of August, 2018.

NORTH CAROLINA UTILITIES COMMISSION
M. Lynn Jarvis, Chief Clerk

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Proposed Notice to Customers of Change in Rates in Docket Nos. E-7, Sub 1162 and Sub 1163 has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid properly addressed to parties of record.

This the 27th day of August, 2018.



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