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May 21, 2021

**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 Rebuttal Testimony  
Docket No. E-7, Sub 1247**

Dear Ms. Campbell:

Please find enclosed Duke Energy Carolinas, LLC's Rebuttal Testimony of Janet A. Jones, in the above-referenced proceeding.

If you have any questions, please do not hesitate to contact me. Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Jirak", written in a cursive style.

Jack E. Jirak

Enclosure

cc: Parties of Record

OFFICIAL COPY

May 21 2021

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-7, SUB 1247

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Duke Energy Carolinas, LLC  
Pursuant to G.S. 62-110.8 and Commission  
Rule R8-71 for Approval of CPRE  
Compliance Report and CPRE Cost  
Recovery Rider

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**REBUTTAL TESTIMONY  
OF JANET A. JONES**

OFFICIAL COPY

May 21 2021

1    **Q.    PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2    A.    My name is Janet A. Jones, and my business address is 550 South Tryon  
3           Street, Charlotte, North Carolina.

4    **Q.    HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS**  
5           **PROCEEDING?**

6    A.    Yes, on February 23, 2021, I caused to be pre-filed with the Commission  
7           my direct testimony and 6 exhibits and 6 supporting workpapers on behalf  
8           of Duke Energy Carolinas, LLC (“DEC” or the “Company”). On May 3,  
9           2021, I caused to be pre-filed with the Commission my direct supplemental  
10          testimony and revised exhibits.

11   **Q.    WHAT IS THE PRIMARY PURPOSE OF THIS PROCEEDING?**

12   A.    The primary purpose of this proceeding is to obtain Commission approval  
13          of the Company’s proposed Rider CPRE rates pursuant to N.C. Gen. Stat.  
14          § 62-110.8(g) and Commission Rule R8-71(j).

15   **Q.    HAS ANY PARTY RECOMMENDED AN ADJUSTMENT TO THE**  
16          **CPRE RIDER RATES PROPOSED BY THE COMPANY?**

17   A.    No.

18   **Q.    WHAT HAS THE COMPANY PROPOSED WITH RESPECT TO**  
19          **COST RECOVERY FOR THE COMPANY-OWNED FACILITIES**  
20          **THAT WERE SELECTED AS WINNING PROJECTS IN TRANCHE**  
21          **1?**

22   A.    The Company has proposed cost recovery for the Company-owned CPRE  
23          facilities on a market basis in lieu of cost-of-service recovery. Specifically,

1 the Company will recover the costs associated with these Company-owned  
2 facilities at the \$/MWh price at which those facilities bid into the CPRE  
3 Tranche 1 RFP and were selected by the IA.

4 **Q. DOES PUBLIC STAFF AGREE THAT RECOVERY FOR**  
5 **COMPANY-OWNED CPRE FACILITIES BASED ON THE**  
6 **MARKET PRICE AS PROPOSED BY THE COMPANY IS**  
7 **APPROPRIATE?**

8 A. Yes.

9 **Q. WHAT FURTHER RECOMMENDATION DOES PUBLIC STAFF**  
10 **MAKE WITH RESPECT TO THE COMPANY-OWNED CPRE**  
11 **FACILITIES?**

12 A. Public Staff witness Jeff Thomas recommends that the Commission  
13 “require that DEC continue to seek market-based recovery of its CPRE  
14 facilities after the initial term.”

15 **Q. HAS THE COMMISSION ALREADY ADDRESSED THE ISSUE OF**  
16 **POST-TERM COST RECOVERY FOR COMPANY-OWNED**  
17 **FACILITIES?**

18 A. Yes. Commission Rule R8-71(l)(4) established guidelines with respect to  
19 post-term cost recovery options for both Company-owned and third-party  
20 owned CPRE facilities.

21 **Q. HOW LONG IS THE INITIAL TERM FOR CPRE PROJECTS?**

22 A. The initial term for CPRE projects is 20 years.

1    **Q.    IS IT NECESSARY TO RESOLVE THE ISSUE OF POST-TERM**  
2           **RECOVERY IN THE CONTEXT OF THIS CPRE RIDER**  
3           **PROCEEDING?**

4    A.    No. The purpose of this proceeding is to establish the Rider CPRE rates for  
5           the billing period that runs through August 31, 2022. It is not necessary at  
6           this time to address post-term cost recovery that will not be determined until  
7           after 2040.

8    **Q.    WHAT IS THE COMPANY'S CURRENT ASSUMPTION**  
9           **REGARDING ITS POST-TERM COST RECOVERY?**

10   A.    As stated in the CPRE Tranche 1 and Tranche 2 RFPs, the Company priced  
11           its facilities based on the assumption that it would be entitled to continue to  
12           receive market-based recovery after the initial CPRE term.

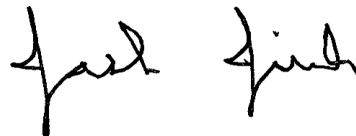
13   **Q.    DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

14   A.    Yes.

## CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Rebuttal Testimony, in Docket No. E-7, Sub 1247, 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 21<sup>st</sup> day of May, 2021.

A handwritten signature in black ink, appearing to read "Jack Jirak", written in a cursive style.

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