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July 15, 2022

**VIA ELECTRONIC FILING**

Ms. A. Shonta Dunston  
Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Progress, LLC's Request to Initiate Technical Conference Regarding the Projected Transmission and Distribution Projects to be Included in a Performance-Based Regulation Application  
Docket No. E-2, Sub 1300**

Dear Ms. Dunston:

Pursuant to Rule R1-17B(c)(2) of the Rules of Practice and Procedure of the North Carolina Utilities Commission and the Commission's June 15, 2022 *Order Scheduling Technical Conference and Setting Procedures For Technical Conference*, Duke Energy Progress, LLC (the "Company") submits the following projected transmission and distribution project information for the July 25, 2022 Technical Conference (the "T&D Information Filing"):

- Executive Summary
- 2022 DEP T&D MYRP Technical Conference Presentation
- DEP Exhibit TC-1: MYRP Distribution Program Summaries
- DEP Exhibit TC-2: MYRP Transmission Project Summaries
- DEP Exhibit TC-3: MYRP Distribution Project List
- DEP Exhibit TC-4: MYRP Distribution Project Details
- DEP Exhibit TC-5: MYRP Distribution Substation Scope
- DEP Exhibit TC-6: MYRP Transmission Project List
- DEP Exhibit TC-7: MYRP Transmission Project Details
- DEP Exhibit TC-8A: MYRP Distribution Automation Cost Benefit Analysis
- DEP Exhibit TC-8B: MYRP Distribution Equipment Retrofit Cost Benefit Analysis
- DEP Exhibit TC-8C: MYRP Distribution HR Laterals Cost Benefit

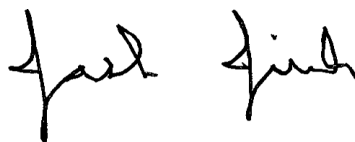
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- Analysis
- DEP Exhibit TC-8D: MYRP Distribution H&R Public Interference Cost Benefit Analysis
  - DEP Exhibit TC-8E: MYRP Distribution H&R Storm Cost Benefit Analysis
  - DEP Exhibit TC-8F: MYRP Distribution LDI Cost Benefit Analysis
  - DEP Exhibit TC-8G: MYRP Distribution SOG Cost Benefit Analysis
  - DEP Exhibit TC-8H: MYRP Distribution TUG Cost Benefit Analysis
  - DEP Exhibit TC-8I: MYRP Distribution Cost Benefit Analysis Portfolio Summary
  - DEP Exhibit TC-9A: MYRP Transmission Portfolio Summary Cost Benefit Analysis
  - DEP Exhibit TC-9B: MYRP Transmission Breakers Cost Benefit Analysis
  - DEP Exhibit TC-9C: MYRP Transmission Capacity & Customer Planning Cost Benefit Analysis
  - DEP Exhibit TC-9D: MYRP Transmission Substation H&R Cost Benefit Analysis
  - DEP Exhibit TC-9E: MYRP Transmission System Intelligence Cost Benefit Analysis
  - DEP Exhibit TC-9F: MYRP Transmission T Line H&R Cost Benefit Analysis
  - DEP Exhibit TC-9G: MYRP Transmission Transformers Cost Benefit Analysis

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack E. Jirak". The signature is fluid and cursive, with the first name "Jack" and last name "Jirak" clearly distinguishable.

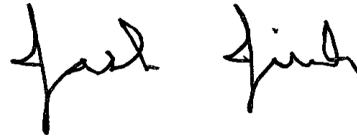
Jack E. Jirak

cc: Christopher J. Ayers, Executive Director, Public Staff  
Lucy Edmondson, Interim Chief Counsel, Public Staff

**CERTIFICATE OF SERVICE**

I certify that a copy of Duke Energy Progress, LLC's T&D Information Filing, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid, to parties of record.

This the 15<sup>th</sup> day of July, 2022.

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

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## EXECUTIVE SUMMARY

### DUKE ENERGY PROGRESS LLC TRANSMISSION AND DISTRIBUTION MYRP TECHNICAL CONFERENCE PRESENTATION MATERIALS

**Docket No. E-2, Sub 1300**

#### Background

On October 13, 2021, Governor Cooper signed into law House Bill 951, which, among other things, authorized the Commission to approve for electric public utilities Performance-Based Regulation (“PBR”) plans, including a Multi-Year Rate Plan (“MYRP”), decoupling for residential customers, and one or more Performance Incentive Mechanisms. On February 10, 2022, the North Carolina Utilities Commission (“Commission”) adopted rules for implementing the statute, which require electric public utilities to file a request for a technical conference 90 days prior to filing a 30-day notice of a general rate case that will include a PBR application. Duke Energy Progress, LLC (“DEP” or “the Company”) filed such a request on June 8, 2022, in Docket No. E-2, Sub 1300. The purpose of the Technical Conference is to present the projected transmission and distribution projects to be included in the PBR application. Accordingly, DEP has included in this filing proposed projected transmission and distribution projects and information supporting the need for these investments and how they will benefit customers. The Company will also present information on the proposed MYRP transmission and distribution investments in the Technical Conference scheduled by the Commission on July 25, 2022.

#### Executive Summary

DEP’s investment in transmission and distribution programs/projects continues to be heavily influenced by the Megatrends impacting the electric generation, transmission, and distribution industry in North Carolina and nationally. These Megatrends were identified and discussed at

length in DEP's last general rate case proceeding in Docket No. E-2, Sub 1219 and illustrate (1) the need for grid improvement, (2) technical advancements in renewables and Distributed Energy Resources ("DERs"), (3) increased efforts to address threats to grid infrastructure, (4) impacts of more severe weather, (5) concentrated urban population growth, (6) evolving customer expectations around service continuity and reliability, and (7) enhanced environmental expectations and requirements to reduce carbon and greenhouse gas emissions. These Megatrends impact DEP's operations in all regards ranging from the scope and scale of what might be characterized as regular maintenance of existing facilities, to the implementation of new technologies needed to facilitate grid transformation. Given the continuing influence of these factors, DEP used a data-driven process to select projects that, in its estimation, are best suited to enhance grid resiliency and flexibility, expand the use of renewables and DER on its system, and provide equitable access to grid benefits for customers. The relevant support for each proposed program/project is set forth in the materials included in this filing and demonstrate the need for and prudence of the proposed MYRP programs/projects.

The Company understands that the Commission's review of the Carbon Plan is ongoing at this point. The projects included in this filing are foundational to a clean energy transition and would be pursued as part of prudent utility resource planning and under any of the Carbon Plan scenarios filed by the Company on May 16, 2022, in Docket No. E-100, Sub 179.

Additionally, the Commission has opened a docket (Docket No. M-100, Sub 164) on the Infrastructure Investment and Jobs Act ("IIJA") and funding opportunities that may be available. The Company is evaluating these opportunities, intends to pursue opportunities that will optimize benefits for customers, and will keep the Commission updated on the status of its efforts. If the Company receives a grant for one of the projects included in the MYRP prior to the close of the

evidentiary hearing in the general rate proceeding, the Company will update the revenue requirement for the project to reflect the funding. If the grant for one of the projects included in the MYRP is received after the close of the evidentiary hearing, the Company commits to ensuring that customers receive the benefit of the grant either through a regulatory liability or other mechanism approved by the Commission. The Company would look to tools similar to those employed to ensure customers received the benefit of the decrease in the federal income tax rate resulting from the 2017 Tax Cut & Jobs Act (Docket No. E-100, Sub 148).

Finally, the project and cost estimates included in these materials are as of a point in time. The Company may revise the estimates or projects included in the PBR application to be filed on or after October 6, 2022. The Company looks forward to discussing its proposal for projected MYRP transmission and distribution investments with the Commission on July 25, 2022.