



March 29, 2021

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell
Office of the Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4335

**Re: Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's
Joint Petition for Financing Orders
Docket Nos. E-7, Sub 1243 and E-2, Sub 1262**

Dear Ms. Campbell:

Enclosed for filing in the above-referenced proceedings on behalf of Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (together, the "Companies") please find the *Motion for Second Temporary Waiver and Extension of Time*.

Please feel free to contact me with any questions or concerns. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Camal O. Robinson".

Camal O. Robinson

COR:kma

Enclosure

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-7, SUB 1243
DOCKET NO. E-2, SUB 1262

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	DUKE ENERGY CAROLINAS,
Joint Petition of Duke Energy)	LLC AND DUKE ENERGY
Carolinas, LLC and Duke Energy)	PROGRESS, LLC'S MOTION FOR
Progress, LLC for Issuance of Storm)	SECOND TEMPORARY WAIVER
Recovery Financing Orders)	OF THE 135-DAY TIMEFRAME
)	TO ISSUE FINANCING ORDERS
)	VIA AN ADDITIONAL 30-DAY
)	EXTENSION OF TIME

NOW COME Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (DEP”) (collectively, the “Companies”) and hereby move for the North Carolina Utilities Commission (“Commission”) to issue an order in the above-captioned dockets acknowledging and accepting the Companies’ notice, contained in the body of this Motion, of its second extension of its temporary waiver (to May 10, 2021) of the 135-day timeframe for issuance of financing orders (“Second Motion”).

In support of this Second Motion, the Companies show as follows:

DETAILED RECITATION OF THE GROUNDS FOR THIS MOTION

1. On October 26, 2020, DEC and DEP filed their Joint Petition for Financing Orders, requesting the Commission to grant authorization for the

financing of the Companies' storm recovery costs¹ incurred as a result of Hurricanes Florence, Michael, Dorian, and Winter Storm Diego (collectively, the "Storms"), as a cost-saving measure for the benefit of the Companies' customers. The Companies further requested that the Commission find that their storm recovery costs and related financing costs are appropriately financed by debt secured by storm recovery property, and that the Commission issue orders for DEC and DEP by which each utility may accomplish such financing using a securitization structure authorized by N.C. Gen. Stat. § 62-172 ("Financing Orders"), so that the Companies may recover their prudently incurred storm recovery costs ("Joint Petition").

2. The Companies' Joint Petition also explained that N.C. Gen. Stat. § 62-172(b) authorizes the Companies to finance through securitization the amount of storm recovery costs found by the Commission to be recoverable, but that as of the filing of the Joint Petition, the Companies were still awaiting orders in their 2019 rate cases² with the determination that the storm recovery costs were reasonable and prudent, and that the Companies could not proceed with securitization until such orders were received.

¹ The Companies' Joint Petition specifically explained that the "storm recovery costs" to be securitized consist of DEC and DEP's incremental operation and maintenance ("O&M") expenses deferred as regulatory assets, as well as the associated capital investments incurred during the Storms and accrued carrying charges as presented in Docket No. E-7, Sub 1214 and Docket No. E-2, Sub 1219, which were deemed reasonable and prudent in Public Staff testimony and acknowledged as such in each Company's general rate case Agreement and Stipulation of Partial Settlement with the Public Staff.

² Docket Nos. E-7, Sub 1214 and E-2, Sub 1219.

3. On November 6, 2020, the Commission issued its *Order Scheduling Hearing, Requiring Filing of Testimony, and Establishing Discovery Guidelines*.

4. On December 17, 2020, Carolina Industrial Group for Fair Utility Rates II (“CIGFUR II”) and III (“CIGFUR III”) (together with CIGFUR II, “CIGFUR”) filed a Petition to Intervene.

5. On December 18, 2020, the Commission granted CIGFUR’s Petition to Intervene.

6. On January 25, 2021, the Companies, together with the Public Staff, Attorney General’s Office, and Sierra Club filed a Coal Combustion Residuals Settlement Agreement (“CCR Settlement”) in the Companies’ ongoing general rate case, Docket Nos. E-2, Sub 1219 and E-7, Sub 1214 (“2019 Rate Case Dockets”).

7. N.C. Gen. Stat. 62-172(b)(3)a.2. states that “[n]o later than 135 days after the petition is filed, the Commission shall issue a financing order or an order rejecting the petition....”

8. On January 27, 2021, the Companies filed a Motion for Temporary Waiver of the 135-Day Timeframe to Issue Financing Orders Via a 30-Day Extension of Time (“First Motion”), requesting an additional 30 days for the Commission to issue a final order in this proceeding. In its First Motion, the Companies explained that the Commission’s determination in the 2019 Rate Case Dockets of whether the storm recovery costs were reasonable and prudent is required prior to the Companies being able to proceed with financing authorized in the above captioned dockets. The Companies further explained that due to the

then-recent CCR Settlement filed in the 2019 Rate Case Dockets, the Commission's ability to issue an order setting forth the determination of the prudence of the Companies' storm recovery costs prior to the time necessary to issue the Financing Orders in the above captioned dockets may be delayed. Accordingly, the Companies requested a temporary waiver of the 135-day timeframe to receive the Financing Orders and a 30-day extension through and including April 9, 2021, for the Commission to issue the Financing Orders.

9. From January 28, 2021 through January 29, 2021, a hearing was held on the above-captioned matter. During the hearing, the Public Staff indicated support for the Companies' First Motion.

10. On February 1, 2021, the Commission issued its *Order Granting Relief*, granting the Companies' First Motion and extending the timeframe for the Commission to issue Financing Orders through and including April 9, 2021.

11. Most recently, on February 28, 2021, the Companies filed updated proposed Financing Orders and a post-hearing brief. On that same day, the Public Staff also filed proposed Financing Orders and a post-hearing brief.

12. As of the filing of this Second Motion, the Commission has not yet issued Orders in the Companies' 2019 Rate Case Dockets. The Companies acknowledge that as a result of the post-hearing and post-briefing reopening of the records to consider additional evidence in the 2019 Rate Case Dockets, and in consideration of the complexity of the records in those cases, additional time is warranted for the Commission to issue its decisions and written orders in those

matters, thereby resulting in a corresponding impact on the timing of the issuance of the Financing Orders in these dockets.

13. Therefore, the Companies move the Commission for a temporary waiver of the 135-day timeframe to receive orders on the Companies' Joint Petition, and request that the 135-day timeframe in this proceeding be extended by a second 30-day period, through and including May 10, 2021. This second 30-day extension will grant the Commission time to rule on the prudence of the Companies' storm recovery costs in the Companies' respective general rate cases, which determination is required prior to the Companies being able to proceed with securitization.³

14. The Companies recognize that Orders being issued on the Companies' Joint Petition by May 10, 2021 will result in a corresponding delay of the Companies' proposed storm recovery bond issuance date of June 1, 2021, as originally requested in the Companies' Joint Petition. The Companies will work to issue the storm recovery bonds as expeditiously as feasibly possible under the circumstances.

15. No party will be prejudiced by the entry of an Order granting the relief sought by the Companies through this Second Motion. To the contrary, the relief sought will be to the benefit of all parties, by providing additional flexibility and time for the Commission to consider the Companies' request and issue a written order detailing its findings of fact and conclusions of law.

³ N.C. Gen. Stat. § 62-172(b).

16. Counsel for the Companies has contacted counsel for the Public Staff and CIGFUR regarding this Second Motion. No party has advised that it objects to this Second Motion.

CONCLUSION

THEREFORE, the Companies respectfully move:

1. That the Commission grant an additional temporary waiver of the 135-day statutory timeframe to issue orders on the Companies' Joint Petition in this proceeding via a second 30-day extension of time through and including May 10, 2021, to issue such final orders in this proceeding.
2. That the Commission grant such other and further relief as the Commission deems just and proper.

Respectfully submitted this, the 29th day March, 2021.



Camal O. Robinson
Associate General Counsel
Duke Energy Corporation
550 South Tryon Street
Charlotte, North Carolina 28202
(980) 373-2631
camal.robinson@duke-
energy.com

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing public *Motion for Second Temporary Waiver and Extension of Time* as filed in Docket Nos. E-7, Sub 1243 and E-2, Sub 1262, were served via electronic delivery or mailed, first-class, postage prepaid, upon all parties of record.

This, the 29^h day of March, 2021.

/s/Kristin M. Athens

Kristin M. Athens
McGuireWoods LLP
501 Fayetteville Street, Suite 500
PO Box 27507 (27611)
Raleigh, North Carolina 27601
Telephone: (919) 835-5909
kathens@mcguirewoods.com

*Attorney for Duke Energy Carolinas,
LLC and Duke Energy Progress, LLC*