

Compliance Costs - EMF Period April 1, 2023 to March 31, 2024

Calculate Set-aside and other incremental costs per customer class:

Line No.	Customer Class	Number of CEPS Accounts ⁽¹⁾	Annual per account cost cap	Calculated annual revenue cap	Cost cap allocation factor	Allocated annual Set-aside, Other Incremental, Customer Solar Programs, and Research cost
1	Residential	1,324,318	\$ 27	\$ 35,756,586	51.8%	\$ 15,644,046
2	General	210,171	\$ 150	\$ 31,525,650	45.6%	\$ 13,792,947
3	Industrial	1,790	\$ 1,000	\$ 1,790,000	2.6%	\$ 783,152
4	Totals	<u>1,536,279</u>		<u>\$ 69,072,236</u>	100%	<u>\$ 30,220,145</u>

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Calculate General Requirement incremental costs per customer class:

Line No.	Customer Class	Number of RECs for General compliance ^{(3) (a)}	% of EE RECs supplied by class ⁽²⁾	REC requirement supplied by EE by class ^(b)	Number of General RECs net of EE ^{(c) = (a) - (b)}	General cost allocation factor ^{(c) / (d)}	Allocated annual General incremental costs
5	Residential	2,326,331	52.35%	1,013,334	1,312,997	51.3%	\$ 5,113,761
6	General	2,051,065	45.44%	879,577	1,171,488	45.8%	\$ 4,562,623
7	Industrial	116,458	2.21%	42,779	73,679	2.9%	\$ 286,959
8	Totals	<u>4,493,854</u>	100.00%	<u>1,935,690</u>	<u>2,558,164</u>	100.0%	<u>\$ 9,963,343</u>
		(4)		(5)	(d)		Williams Ex No. 1, Pg 1 Line 13

Total cost allocation by customer class - EMF Period:

	Total Incremental CEPS cost by class	% Incremental CEPS cost by class
9 Residential	\$ 20,757,807	51.66%
10 General	\$ 18,355,570	45.68%
11 Industrial	\$ 1,070,111	2.66%
12 Total	<u>\$ 40,183,488</u>	100.00%

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- (1) Average number of accounts subject to CEPS charge during the EMF Period.
- (2) EE allocated to account type according to actual relative contribution by customer class of EE RECs.
- (3) Total General RECs per note (4) * "Cost Cap Allocation Factor" by class per line Nos. 1-3 above.
- (4) General REC requirement for calendar 2023 (total requirement net of solar, poultry, and swine set-asides)
- (5) Total REC requirement met with EE savings - capped at 40% total - allocated by class according to contribution by class

Total compliance requirement - calendar 2023	4,839,224
Maximum allowed to be met with EE savings	40%
REC requirement supplied by EE savings	<u>1,935,690</u>

DUKE ENERGY PROGRESS, LLC

Docket No. E-2, Sub 1343

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Calculate incremental cost under/(over) collection per customer class - EMF Period:

Line No.	Customer class	Allocated annual Set-aside, Other Incremental, Customer Solar Programs, and Research cost (a)	Allocated annual General incremental costs (b)	Total incremental costs incurred (c) = (a) + (b)	Actual CEPS rider revenues realized (d)	CEPS EMF - under/(over)-collection, before interest (c) - (d)	Interest on over-collection ⁽¹⁾	CEPS EMF - under/(over)-collection
1	Residential	\$ 15,644,046	\$ 5,113,761	\$ 20,757,807	\$ 21,627,603	\$ (869,796)	\$ (144,966)	\$ (1,014,762)
2	General	\$ 13,792,947	\$ 4,562,623	\$ 18,355,570	\$ 19,267,212	\$ (911,642)	\$ (151,940)	\$ (1,063,582)
3	Industrial	\$ 783,152	\$ 286,959	\$ 1,070,111	\$ 1,120,230	\$ (50,119)	\$ (8,353)	\$ (58,472)
4	Total	\$ 30,220,145	\$ 9,963,343	\$ 40,183,488	\$ 42,015,045	\$ (1,831,557)	\$ (305,259)	\$ (2,136,816)

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Notes:

- (1) Interest calculated at annual rate of 10% for number months from mid-point of EMF period to mid-point of prospective rider billing period.

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