STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1173 DOCKET NO. E-2, SUB 1204 DOCKET NO. E-2, SUB 1205 DOCKET NO. E-2, SUB 1207

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1173 In the Matter of Application of Duke Energy Progress, LLC, Pursuant to N.C.G.S. § 62-133.2 and Commission Rule R8-55 Relating to Fuel and Fuel-Related Costs Adjustments for Electric Utilities)))))))))))) ORDER APPROVING NOTICE TO CUSTOMERS OF CHANGES IN RATES)))))
DOCKET NO. E-2, SUB 1204 In the Matter of Application of Duke Energy Progress, LLC, Pursuant to N.C.G.S. § 62-133.2 and Commission Rule R8-55 Relating to Fuel and Fuel-Related Costs Adjustments for Electric Utilities	
DOCKET NO. E-2, SUB 1205 In the Matter of Application of Duke Energy Progress, LLC, for Approval of Renewable Energy and Energy Efficiency Portfolio Standard Cost Recovery Rider Pursuant to N.C.G.S. § 62-133.8 and Commission Rule R8-67	
DOCKET NO. E-2, Sub 1207 In the Matter of Application of Duke Energy Progress, LLC, Pursuant to N.C.G.S. § 62-133.14 and Commission Rule R8-70 for Approval of a Joint Agency Asset Costs))))))

BY THE PRESIDING COMMISSIONERS: On November 25, 2019, the Commission issued an Order in Docket No. E-2, Sub 1204 that approved a fuel charge adjustment rate rider for Duke Energy Progress, LLC (DEP). In addition, the Commission issued an Order

on November 19, 2019, in Docket No. E-2, Sub 1205 that approved a change in the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) rate rider for DEP to allow DEP to recover its costs of providing electricity produced by renewable energy resources. Further, the Commission issued an Order on October 30, 2019, in Docket No. E-2, Sub 1207 that approved a rate rider to allow DEP to recover the costs associated with DEP's purchase of the ownership interests of North Carolina Eastern Municipal Power Agency in five electric generating plants. Lastly, the Fuel EMF Deficiency Rider approved in Docket No. E-2, Sub 1173 has expired and is being removed from rates. The above-described changes in DEP's rates are effective for service rendered on and after December 1, 2019.

On November 27, 2019, DEP filed a proposed Notice to Customers of Changes in Rates that was developed by DEP and the Public Staff to reflect the rate rider changes approved by the Commission in the above noted Orders.

The Presiding Commissioners in the above-referenced dockets have reviewed the proposed Notice to Customers of Changes in Rates and find good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of November, 2019.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1173 DOCKET NO. E-2, SUB 1204 DOCKET NO. E-2, SUB 1205 DOCKET NO. E-2, SUB 1207

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1173 In the Matter of Application of Duke Energy Progress, LLC, Pursuant to N.C.G.S. § 62-133.2 and Commission Rule R8-55 Relating to Fuel and Fuel-Related Costs Adjustments for Electric Utilities))))))
In the Matter of Application of Duke Energy Progress, LLC, Pursuant to N.C.G.S. § 62-133.2 and Commission Rule R8-55 Relating to Fuel and Fuel-Related Costs Adjustments for Electric Utilities)))) NOTICE TO CUSTOMERS OF) CHANGES IN RATES)))
DOCKET NO. E-2, SUB 1205 In the Matter of Application of Duke Energy Progress, LLC, for Approval of Renewable Energy and Energy Efficiency Portfolio Standard Cost Recovery Rider Pursuant to N.C.G.S. § 62- 133.8 and Commission Rule R8-67)))))))
DOCKET NO. E-2, Sub 1207 In the Matter of Application of Duke Energy Progress, LLC, Pursuant to N.C.G.S. § 62-133.14 and Commission Rule R8-70 for Approval of a Joint Agency Asset Rider for Recovery of Joint Agency Asset Costs)))))))

NOTICE IS HEREBY GIVEN that, as required by legislation passed by the North Carolina General Assembly, the North Carolina Utilities Commission (Commission) has authorized Duke Energy Progress, LLC (DEP), to adjust its rates to recover certain costs

associated with its costs of fuel, purchasing renewable energy, and costs associated with its purchase of the ownership interests of the North Carolina Eastern Municipal Power Agency in several DEP generating plants. The Commission's Orders regarding these adjustments were issued on October 30, 2019 in Docket No. E-2, Sub 1207 and on November 19, 2019 in Docket No. E-2, Sub 1205, and on November 25, 2019 in Docket No. E-2, Sub 1204.

NOTICE IS FURTHER GIVEN that the Fuel EMF Deficiency Rider approved in Docket No. E-2, Sub 1173 has expired and is removed from rates effective December 1, 2019.

Fuel-related Rate Change

The rate change associated with DEP's fuel costs followed Commission review of DEP's fuel and fuel-related expenses during the 12-month period ended March 31, 2019, and forecasted costs through November 30, 2020. The decrease for each rate class is as follows: Residential – 0.188 cents per kilowatt-hour (kWh); Small General Service – 0.223 cents per kWh; Medium General Service – 0.146 cents per kWh; Large General Service – 0.092 cents per kWh; and Lighting – 0.389 cents per kWh, all including the regulatory fee. These fuel rates are subject to further review by the Commission and to an upward adjustment if the Commission in its final Order in Docket No. E-2, Sub 1204 determines that the rates should be higher.

Renewable Energy and Energy Efficiency Portfolio Standard (REPS) Rate Change

The rate change associated with DEP's obligation to purchase energy produced by renewable resources followed Commission review of DEP's renewable energy costs for the 12-month period ended March 31, 2019, and forecasted costs through November 30, 2020. The increase in the monthly charge per customer authorized by the Commission for each class of customers is as follows: \$0.03 for the residential class and \$0.29 for the commercial class, including the regulatory fee. In addition, the Commission approved a decrease of \$13.59 per customer per month, including the regulatory fee, for the industrial class. For purposes of this rate, a "customer" is defined as all accounts (metered and unmetered) serving the same person or company of the same revenue classification located on the same or contiguous properties. Upon written notification from a customer to DEP, accounts meeting these criteria shall be coded to receive only one monthly REPS charge, regardless of the class of customer.

Joint Agency Asset Rider

The rate change associated with DEP's purchase of certain generating plants from North Carolina Eastern Municipal Power Agency followed Commission review of DEP's costs through the 12-month period ended December 31, 2018, and forecasted costs through November 30, 2020. The change in the monthly charge for residential customers is a decrease of 0.051 cents per kWh, including the regulatory fee. The impact on other customers varies based upon their rate schedules. Fuel savings associated with DEP's

purchase of the generating plants are passed through to customers in DEP's fuel and fuel-related rates.

Summary of Rate Impact

All of these billing adjustments are effective December 1, 2019. The total monthly impact of all rate changes for a residential customer consuming 1,000 kWh per month is a decrease of \$2.58. The total monthly impact for commercial, industrial, and lighting customers will vary based upon consumption.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of November, 2019.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk