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December 21, 2021

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 Proposed Customer Notice and Request

for Expedited Review

Docket No. E-2, Sub 1273

Dear Ms. Dunston:

Pursuant to the North Carolina Utilities Commission's ("Commission") *Order Approving DSM/EE Rider and Requiring Filing of Proposed Customer Notice* issued December 17, 2021 in Docket No. E-2, Sub 1273, enclosed is the proposed Notice to Customers of Change in Rates developed by Duke Energy Progress, LLC ("DEP") and the Public Staff.

DEP respectfully requests that the Commission review and approve the proposed Customer Notice as soon as possible to allow DEP sufficient time for the design, printing and programming of the notice to be included in customer bills during January 2022.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

Kendrick C. Fentress

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Enclosure

cc: Parties of Record

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1273

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC For Approval
of Demand-Side Management and Energy Efficiency
Cost Recovery Rider Pursuant to N.C.G.S. § 62-133.9
and Commission Rule R8-69

NOTICE TO
CUSTOMERS OF
CHANGES IN
RATES

NOTICE IS HEREBY GIVEN that on December 17, 2021, the North Carolina Utilities Commission entered an order in Docket No. E-2, Sub 1273 (DSM/EE Order), approving a change in the Annual Billing Adjustments Rider BA charged by Duke Energy Progress, LLC (DEP) for retail electric service in North Carolina. Rider BA is designed, in part, to collect the reasonable and prudent costs incurred by DEP to adopt and implement demand-side management (DSM) and energy efficiency (EE) measures, as well as appropriate utility incentives approved by the Commission, and to true up any under-recovery or over-recovery of costs and incentives under applicable DSM/EE riders previously in effect.

On June 15, 2009, and as revised on November 25, 2009, in Docket No. E-2, Sub 931, the Commission approved an initial mechanism for recovery of costs incurred and incentives earned for implementing DSM and EE measures in accordance with North Carolina law. On January 20, 2015 and October 20, 2020, also in Docket No. E-2, Sub 931, the Commission approved a revised mechanism for the same purposes. Pursuant to these mechanisms, and as a result of the DSM/EE Order, the DSM and EE rates stated in Rider BA have been revised, and new rates have been placed into effect as of January 1,2022.

The rate changes associated with DEP's DSM and EE programs followed Commission review of DEP's DSM/EE expenses and proposed utility incentives during the test period January 1, 2020 through December 31, 2020, as well as DEP's estimates for the calendar year 2022 rate period. The net changes in the DSM and EE rates from the rates approved effective January 2022 are as follows: Residential – an increase of \$0.067 cents per kilowatt hour (kWh); Small, Medium, and Large General Service (EE component) – a decrease of (\$0.023) cents per kWh; Small, Medium, and Large General Service (DSM component) – a decrease of (\$0.010) cents per kWh; and Lighting – an increase of \$0.036 cents per kWh.

Commercial customers with annual consumption of 1,000,000 kWh or greater in the prior calendar year and with their own energy efficiency or demand control programs, and all industrial customers with their own energy efficiency or demand control programs, may elect not to participate in DEP's DSM/EE programs and may thereby avoid paying either or both the DSM and EE charges. Because these rates are included in a customer's tariff charges, eligible commercial and industrial customers electing not to participate in DEP's programs will receive an offsetting credit on their monthly bills.

Summary of Rate Impact

These billing adjustments are effective January 1, 2022. The total monthly impact of the rate change for a residential customer consuming 1,000 kWh per month is an increase of \$0.67. The total monthly impact for commercial and industrial customers will vary based upon consumption and the customer's participation in DEP's demand-side management and energy efficiency programs.

ISSUED BY ORDER OF THE COMMISSION.

This the __th day of December, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Proposed Customer Notice, in Docket No. E-2, Sub 1273, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1st Class Postage Prepaid, properly addressed to parties of record.

This the 21st day of December, 2021.

Kendrick C. Fentress

Associate General Counsel

Kendrick C. Serstress

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