

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 931
DOCKET NO. E-7, SUB 1032

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 931)	
)	
In the Matter of)	
Application of Duke Energy Progress, LLC, for)	
Approval of Demand-Side Management and)	ORDER REQUESTING
Energy Efficiency Cost Recovery Rider)	COMMENTS
Pursuant to N.C.G.S. § 62-133.9 and)	
Commission Rule R8-69)	
)	
DOCKET NO. E-7, SUB 1032)	
)	
In the Matter of)	
Application of Duke Energy Carolinas, LLC, for)	
Approval of New Cost Recovery Mechanism)	
and Portfolio of Demand-Side Management and)	
Energy Efficiency Programs)	

BY THE CHAIRMAN: On January 20, 2015, the Commission issued an Order Approving Revised Cost Recovery Mechanism and Granting Waivers (DEP Mechanism Order), in Docket No. E-2, Sub 931. The Order approved changes to the demand-side management and energy efficiency (DSM/EE) mechanism by which Duke Energy Progress, LLC (DEP) recovers its DSM/EE costs and incentives (DEP Mechanism). In Ordering Paragraph No. 7, the Commission directed

That the Public Staff shall initiate a formal review of the Company's Mechanism not later than February 1, 2019, unless requested to do so earlier by the Commission, the Company, or another interested party. The Public Staff's review should specifically address whether the incentives in the Commission-approved Mechanism are producing significant DSM and EE results; whether the customer rate impacts from the DSM/EE rider are reasonable and appropriate; whether overall portfolio performance targets should be adopted; and any other relevant issues that may be identified during the review process.

DEP Mechanism Order, at 7.

On August 23, 2017, in Docket No. E-7, Sub 1032, the Commission issued an Order Approving DSM/EE Rider, Revising DSM/EE Mechanism, and Requiring Filing of Proposed Customer Notice. The Order, among other things, revised the DSM/EE mechanism by which Duke Energy Carolinas, LLC (DEC) recovers its DSM/EE costs and incentives (DEC Mechanism), effective January 1, 2018.

On February 1, 2019, the Public Staff filed a Motion to Establish Comment Cycle in Docket Nos. E-2, Sub 931 and E-7, Sub 1032. In summary, the Public Staff recommended that the Commission initiate a review of the DEP and DEC Mechanisms in a joint proceeding, with initial comments due in 120 days and reply comments due 30 days thereafter. In addition, the Public Staff recommended that the parties address the topics specified by the Commission in Ordering Paragraph No. 7 of the DEP Mechanism Order, as well as other relevant issues. Further, the Public Staff recommended that if parties have suggested changes to the DEP Mechanism that those changes be presented by filing a redlined version of the DEP Mechanism filed as Maness Exhibit I on September 4, 2018, in Docket No. E-2, Sub 1174, and a redlined version of the DEC Mechanism filed as Maness Exhibit II on May 22, 2018, in Docket No. E-7, Sub 1164.

Based on the Public Staff's motion and the record in these dockets, the Chairman finds good cause to request comments and reply comments addressing possible changes to the DEP and DEC Mechanisms. Further, all comments and reply comments shall be filed in Docket Nos. E-2, Sub 931 and E-7, Sub 1032.

IT IS, THEREFORE, ORDERED as follows:

1. That on or before June 7, 2019, the Public Staff and intervenors may file comments addressing possible changes to the DEP and DEC Mechanisms.
2. That on or before June 7, 2019, interested parties who have not previously been granted intervention in these dockets may file a petition to intervene.
3. That on or before July 10, 2019, the parties may file reply comments.
4. That in addition to other relevant issues, the parties should address the following topics:
 - (a) Whether the incentives in the current DEP and DEC Mechanisms are producing significant DSM and EE results.
 - (b) Whether the customer rate impacts of the DSM/EE riders are reasonable and appropriate.
 - (c) Whether overall DSM/EE program portfolio performance targets should be adopted.

5. That if parties have suggested changes to either mechanism those changes shall be presented by filing a redlined version of the DEP Mechanism filed as Maness Exhibit I on September 4, 2018, in Docket No. E-2, Sub 1174, and a redlined version of the DEC Mechanism filed as Maness Exhibit II on May 22, 2018, in Docket No. E-7, Sub 1164.

ISSUED BY ORDER OF THE COMMISSION.

This the 6th day of February, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk