



Jack E. Jirak
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August 26, 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 Carolinas, LLC and Duke Energy Progress, LLC's
Notice of Settlement in Insurance Case
Docket Nos. E-7, Sub 1146 and E-2, Sub 1142**

Dear Ms. Dunston:

Pursuant to Ordering Paragraph No. 43 of the Commission's June 22, 2018 *Order Accepting Stipulation, Deciding Contested Issues and Requiring Revenue Reduction* in Docket No. E-7, Sub 1146, and pursuant to Ordering Paragraph No. 9 of the Commission's February 23, 2018 *Order Accepting Stipulation, Deciding Contested Issues and Granting Partial Rate Increase* in Docket No. E-2, Sub 1142 (collectively the "2017 Rate Case Orders"), please find enclosed additional confidential settlement agreements executed in connection with the coal ash insurance recovery litigation, along with separate confidential summary memos for each settlement agreement. The proceeds from these settlements will be allocated between Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (together, the "Companies") based on the total ash inventory from the applicable generating facilities and will not be allocated to a specific period.

The Companies respectfully request that the confidential reports and settlement agreements (including the amount of such settlement) be protected from public disclosure pursuant to N.C. Gen. Stat. §132-1.2; the information is part of confidential settlements in the pending Insurance Case, and public disclosure of this information would harm the Companies' efforts to prosecute the litigation against other insurance carriers for the benefit of their customers. The Companies will provide copies of the confidential information to parties who have executed an appropriate confidentiality agreement.

Pursuant to the January 25, 2021 Coal Combustion Residuals (“CCR”) Settlement Agreement approved by the Commission in Docket No. E-7, Sub 1214 for DEC on March 31, 2021, and Docket No. E-2, Sub 1219 for DEP on April 16, 2021, once funds are received, the Companies will apply the amounts of the proceeds due to customers in the form of an offset to CCR Costs, pursuant to the terms of the Agreement.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack E. Jirak". The signature is written in a cursive style with a large initial "J".

Jack E. Jirak

Enclosures

cc: Parties of Record

DOCKET NOS. E-7, SUB 1146

AND E-2, SUB 1142

**CONFIDENTIAL REPORTS ON
SETTLEMENTS AND CONFIDENTIAL
SETTLEMENT AGREEMENTS**

FILED UNDER SEAL

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Notice of Settlement in Insurance Case, in Docket Nos. E-7, Sub 1146 and E-2, Sub 1142, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid, to parties of record.

This the 26th day of August, 2021.



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