

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1000
DOCKET NO. E-2, SUB 1001
DOCKET NO. E-2, SUB 1002

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1000

In the Matter of)
Application of Carolina Power & Light Company,)
d/b/a Progress Energy Carolinas, Inc., for)
Approval of Renewable Energy and Energy)
Efficiency Portfolio Standard Cost Recovery)
Rider Pursuant to G.S. 62-133.8 and Commission)
Rule R8-67)

DOCKET NO. E-2, SUB 1001

In the Matter of)
Application of Carolina Power & Light Company,)
d/b/a Progress Energy Carolinas, Inc., Pursuant)
to G.S. 62-133.2 and Commission Rule R8-55)
Relating to Fuel and Fuel-Related Costs)
Adjustment for Electric Utilities)

ORDER APPROVING
NOTICE TO CUSTOMERS
OF CHANGE IN RATES

DOCKET NO. E-2, SUB 1002

In the Matter of)
Application of Carolina Power & Light Company,)
d/b/a Progress Energy Carolinas, Inc., for)
Approval of Demand-Side Management and)
Energy Efficiency Cost Recovery Rider Pursuant)
to G.S. 62-133.9 and Commission Rule R8-69)

BY THE PRESIDING COMMISSIONERS: On November 10, 2011, the Commission issued an Order in Docket No. E-2, Sub 1000 that approved a change in the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) rate rider for Progress Energy Carolinas, Inc. (PEC). On November 14, 2011, the Commission issued an Order in Docket No. E-2, Sub 1001 that approved a fuel charge adjustment for PEC and an Order in Docket No. E-2, Sub 1002 that approved a change in the demand-side management and energy efficiency rate rider for PEC. Each of these Orders required

PEC to work with the Public Staff to prepare a joint notice to customers concerning the approved rate changes and to file the proposed joint notice for Commission approval.

On November 15, 2011, pursuant to the Orders in these dockets PEC filed a proposed Notice to Customers of Change in Rates that was developed by PEC and the Public Staff.

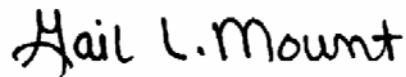
The Presiding Commissioners have reviewed the proposed Notice to Customers of Change in Rates and find good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 18th day of November, 2011.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Gail L. Mount". The signature is written in a cursive, flowing style.

Gail L. Mount, Deputy Clerk

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**NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1000
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DOCKET NO. E-2, SUB 1001)	NOTICE TO CUSTOMERS
)	OF CHANGE IN RATES
In the Matter of)	
Application of Carolina Power & Light Company,)	
d/b/a Progress Energy Carolinas, Inc., Pursuant)	
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NOTICE IS GIVEN that, as required by legislation passed in 2007 by the North Carolina General Assembly, the North Carolina Utilities Commission has authorized Progress Energy Carolinas, Inc. (PEC) to adjust its rates to recover certain costs associated with its costs of purchasing renewable energy, its costs of fuel and its costs associated with programs implemented to encourage more efficient use of electricity by its customers. The Commission's Orders were issued on November 10, 2011, in Docket No. E-2, Sub 1000 and on November 14, 2011, in Docket No. E-2, Subs 1001 and 1002.

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

The rate change associated with PEC's obligation to purchase electricity produced by renewable resources followed Commission review of PEC's renewable energy costs during the 16-month period ended July 31, 2011, and forecasted costs through November 30, 2012. The change in the monthly rate per customer for each class of customers authorized by the Commission is as follows: Residential – 2 cents decrease; Commercial Class – \$3.82 increase; Industrial Class – \$16.59 increase. 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 the utility, accounts meeting these criteria shall be coded to receive only one monthly REPS charge, regardless of the class of customer.

Fuel-related Rate Increase

The rate increase associated with PEC's fuel costs followed Commission review of PEC's fuel and fuel-related expenses during the 16-month period ended July 31, 2011 and forecasted costs through November 30, 2012. The increase for each rate class is as follows: Residential – 0.275 cents per kWh; Small General Service – 0.296 cents per kWh; Medium General Service – 0.211 cents per kWh; Large General Service – 0.176 cents per kWh; and Lighting – 0.596 cents per kWh.

Demand Side Management and Energy Efficiency Related Rate Increase

The rate increase associated with PEC's programs to encourage its customers to use electricity more efficiently followed Commission review of PEC's expenses during the 16-month period ended July 31, 2011 and forecasted costs through November 30, 2012. The increase in the monthly rate per customer is as follows: Residential – 0.108 cents per kWh; Small General Service – 0.065 cents per kWh; Medium General Service – 0.065 cents per kWh; Large General Service – 0.065 cents per kWh; and Lighting – 0.019 cents per kWh. Commercial customers with annual consumption of 1,000,000 kWh or greater in the prior calendar year and all industrial customers with their own energy efficiency or demand control programs may elect not to participate in PEC's programs and may thereby avoid paying these charges. Because these rates are included in a customer's tariff charges, commercial and industrial customers electing not to participate in PEC's programs will receive an offsetting credit on their monthly bills.

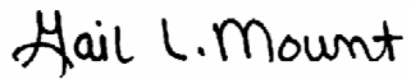
Summary of Rate Impact

All of these billing adjustments are effective December 1, 2011. The total monthly impact of all three rate changes for a residential customer consuming 1,000 kWh per month is an increase of \$3.81. The total monthly impact for commercial and industrial customers will vary based upon consumption and customers' participation in PEC's demand-side management and energy efficiency programs.

ISSUED BY ORDER OF THE COMMISSION.

This the 18th day of November, 2011.

NORTH CAROLINA UTILITIES COMMISSION

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Gail L. Mount, Deputy Clerk