

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1073

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Duke Energy Carolinas, LLC,)
For Approval of Demand-Side Management) ORDER APPROVING
and Energy Efficiency Cost Recovery) NOTICE TO CUSTOMERS
Rider Pursuant to G.S. 62-133.9 and) OF CHANGE IN RATES
Commission Rule R8-69)

BY THE PRESIDING COMMISSIONER: On August 21, 2015, the Commission issued an Order in Docket No. E-7, Sub 1073 (DSM/EE Order) that approved a change in the Energy Efficiency Rider (Rider EE) for Duke Energy Carolinas, LLC (DEC), to allow DEC to recover its costs of providing demand-side management and energy efficiency (DSM/EE) programs to its North Carolina customers. The DSM/EE Order also required DEC to work with the Public Staff to prepare a notice to customers concerning the approved Rider EE changes and to file the proposed joint notice for Commission approval.

On November 6, 2015, the Public Staff filed a proposed Notice to Customers that was developed by DEC and the Public Staff.

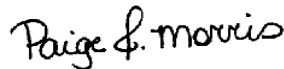
The Presiding Commissioner has reviewed the proposed Notice to Customers and finds good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 9th day of December, 2015.

NORTH CAROLINA UTILITIES COMMISSION



Paige J. Morris, Deputy Clerk

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In the Matter of
Application of Duke Energy Carolinas, LLC,)
For Approval of Demand-Side Management) NOTICE TO CUSTOMERS
and Energy Efficiency Cost Recovery) OF CHANGE IN RATES
Rider Pursuant to G.S. 62-133.9 and)
Commission Rule R8-69)

NOTICE IS HEREBY GIVEN that on August 21, 2015, the North Carolina Utilities Commission (Commission) entered an Order in Docket No. E-7, Sub 1073 (DSM/EE Order), approving a change in the Energy Efficiency Rider (Rider EE) charged by Duke Energy Carolinas, LLC (DEC), for retail electric service in North Carolina. Rider EE is designed to collect the reasonable and prudent costs incurred by DEC 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 the DSM/EE rider previously in effect.

As a result of the DSM/EE Order, Rider EE has been revised and new Rider EE amounts are effective for the period January 1, 2016, through December 31, 2016. The approved Rider EE has been calculated to collect revenues of \$181,673,423 (including rate adders for the North Carolina regulatory fee), based on the forecasted kilowatt-hour (kWh) sales for the 2016 rate period.

The revised Rider EE provides for a Residential increment rider of 0.3621 cents per kWh. The impact of this change on the typical residential bill using 1000 kWh per month is a decrease of \$2.37 per month compared to the rider previously in effect.

The DSM/EE Order provides for Rider EE amounts for Nonresidential customer classes by vintage year participation as follows:

- Calendar Year 2016 (Vintage Year 2016) participants: EE increment rider of 0.2164 cents per kWh; and DSM increment rider of 0.0709 cents per kWh,
- Calendar Year 2015 (Vintage Year 2015) participants: EE increment rider of 0.0345 cents per kWh,
- Calendar Year 2014 (Vintage Year 2014) participants: EE increment rider of 0.0406 cents per kWh; and DSM decrement rider of (0.0044) cents per kWh,

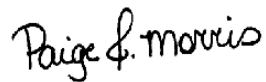
- Calendar Year 2013 (Vintage Year 4) participants: EE increment rider of 0.0326 cents per kWh; and DSM increment rider of 0.0005 cents per kWh,
- Calendar Year 2012 (Vintage Year 3) participants: EE increment rider of 0.0261 cents per kWh; and DSM decrement rider of (0.0017) cents per kWh,
- Calendar Year 2011 (Vintage Year 2) participants: EE increment rider of 0.0148 cents per kWh; and DSM increment rider of 0.0019 cents per kWh, and
- June 1, 2009, to December 31, 2010, (Vintage Year 1) participants: EE increment rider of 0.0027 cents per kWh; and DSM increment rider of 0.0017 cents per kWh.

For customers who are eligible to opt out of participation in DEC's DSM/EE programs, the effect of the revised Rider EE amounts will vary depending on opt-out elections. These customers may obtain detailed information about the amounts applicable to their particular circumstances by contacting their DEC account representatives directly or DEC's Customer Service at 1-800-653-5307.

ISSUED BY ORDER OF THE COMMISSION.

This the 9th day of December, 2015.

NORTH CAROLINA UTILITIES COMMISSION



Paige J. Morris, Deputy Clerk