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**FILED**

**AUG 28 2009**

Clerk's Office  
N.C. Utilities Commission

**OFFICIAL COPY**

August 28, 2009

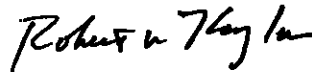
Ms. Renné C. Vance, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4325

RE: Docket No. E-7, Sub 831

Dear Ms. Vance:

Enclosed for filing are the original and thirty (30) copies of Duke Energy Carolinas, LLC's Late Filed-Exhibits in the above referenced docket.

Sincerely,



Robert W. Kaylor

*Full Dist. only*

Enclosures

cc: Parties of Record

**FILED****AUG 28 2009****Nominal Total Program Costs by Vintage, North Carolina Only***\$ in Millions*

Program Name	Total	Year 1	Administration		Clerk's Office
			Year 2	Year 3	NC Utilities Commission
Total Administration	\$40.1	\$4.7	\$5.7	\$11.2	\$18.5

	Total	Year 1	Year 2	Year 3	Year 4
Energy Efficiency Education Program for Schools	\$20.2	\$1.7	\$2.5	\$5.9	\$10.1
Low Income Services	\$14.7	\$1.2	\$1.7	\$4.0	\$7.8
Power Manager	\$0.6	\$0.1	\$0.1	\$0.1	\$0.1
PowerShare	\$1.0	\$0.4	\$0.2	\$0.2	\$0.2
Residential Energy Assessments	\$9.3	\$1.2	\$1.3	\$2.7	\$4.0
Residential Smart Saver Energy Efficient Products	\$5.4	\$1.3	\$1.4	\$1.1	\$1.6
Smart Saver for Non-Residential Customers	\$16.3	\$2.2	\$2.4	\$4.7	\$7.0
Total Implementation / Assessments	\$67.5				

	Total	Year 1	Year 2	Year 3	Year 4
Energy Efficiency Education Program for Schools	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Low Income Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Power Manager	\$17.9	\$4.5	\$4.5	\$4.5	\$4.5
PowerShare	\$32.8	\$2.9	\$7.3	\$11.3	\$11.3
Residential Energy Assessments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Residential Smart Saver Energy Efficient Products	\$13.0	\$2.0	\$2.3	\$3.4	\$5.4
Smart Saver for Non-Residential Customers	\$28.4	\$3.6	\$4.0	\$8.3	\$12.6
Total Incentives Paid to Participants	\$92.1				

	Total	Year 1	Year 2	Year 3	Year 4
Total Program Costs (1)	\$199.7	\$25.7	\$33.4	\$57.4	\$83.2

	Total	Year 1	Year 2	Year 3	Year 4
Total Pre-tax Company Incentive (2)	\$48.5	\$9.9	\$11.3	\$12.5	\$14.7

**Notes:**

(1) Total program costs are based on 100% achievement

(2) Pre-tax company incentive is equal to NC revenues less program costs, not including gross receipts tax or regulatory fee, at 100% achievement, and does not include net lost revenues

(3) Used the Company's proposed allocation factor to calculate state specific costs

(a) Energy Efficiency Allocation 72.2%

(NC kWh Sales / System Retail kWh Sales)

(b) Demand Side Management Allocation 74.0%

(NC Peak Demand / System Retail Peak Demand)

(4) The Company's portfolio of programs has been approved (Docket 2009-166-E) in South Carolina and is currently being deployed

(5) Calculation of the Company's total pre-tax incentive using the Company's proposed allocation methodology

	Year 1	Year 2	Year 3	Year 4
Revenues from Farmer Settlement Exhibit 3 at 85% Achievement				
Residential Avoided Cost Revenue Requirement	\$17.8	\$21.6	\$32.7	\$47.8
Non-Residential Avoided Cost Revenue Requirement	\$12.5	\$16.3	\$26.8	\$35.5
Total Revenues at 85% Achievement	\$30.3	\$37.9	\$59.4	\$83.2
Revenues Increased to 100% Achievement	\$35.7	\$44.6	\$69.9	\$97.9
Less Total Program Costs	\$25.7	\$33.4	\$57.4	\$83.2
Pre-tax Company Incentive	\$9.9	\$11.3	\$12.5	\$14.7

## Nominal Total Avoided Costs by Vintage, North Carolina Only

Used the Company's proposed allocation factor to calculate state specific costs

Energy Efficiency Allocation

72.2%

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Demand Side Management Allocation

74.0%

Projected Avoided Capacity and Energy Costs		Year					All Years	
Nominal Avoided Capacity Costs by Vintage		Total	1	2	3	4	% EE	% DSM
<b>Residential Programs</b>								
Energy Efficiency Education program for Schools	\$	26,248,972	\$ 2,041,987	\$ 3,095,544	\$ 7,709,754	\$ 13,401,686	100%	
Low Income Energy Efficiency and Weatherization Assistance	\$	6,684,988	\$ 948,071	\$ 1,047,753	\$ 1,808,021	\$ 2,881,141	100%	
Residential Energy Assessments	\$	7,304,395	\$ 908,583	\$ 1,023,228	\$ 2,119,781	\$ 3,252,802	100%	
Residential Smart Saver® Energy Efficiency	\$	12,161,744	\$ 2,427,320	\$ 2,743,263	\$ 2,737,282	\$ 4,253,879	100%	
Total Residential Energy Efficiency Avoided Capacity Costs	\$	52,400,095	\$ 6,325,962	\$ 7,909,788	\$ 14,374,838	\$ 23,789,507		
Power Manager	\$	53,716,694	\$ 12,935,940	\$ 13,259,339	\$ 13,590,822	\$ 13,930,593		100%
Total Residential Avoided Capacity Costs	\$	106,116,788	\$ 19,261,902	\$ 21,169,127	\$ 27,965,660	\$ 37,720,100		
<b>Non-Residential Programs</b>								
Non-Residential Energy Assessments	\$	-	\$ -	\$ -	\$ -	\$ -	100%	
Smart Saver® for Non-Residential Customers	\$	55,680,987	\$ 6,299,928	\$ 7,509,165	\$ 16,194,642	\$ 25,677,251	100%	
Total Non-Residential Energy Efficiency Avoided Capacity Costs	\$	55,680,986	\$ 6,299,928	\$ 7,509,165	\$ 16,194,642	\$ 25,677,251		
Power Share®	\$	54,989,495	\$ 4,556,187	\$ 12,081,324	\$ 18,939,251	\$ 19,412,733		100%
Total Non-Residential Avoided Capacity Costs	\$	110,670,480	\$ 10,856,114	\$ 19,590,488	\$ 35,133,893	\$ 45,089,984		
Total Energy Efficiency Avoided Capacity Costs	\$	108,081,081	\$ 12,625,889	\$ 15,418,953	\$ 30,569,479	\$ 49,466,759		
Total DSM Avoided Capacity Costs	\$	108,706,188	\$ 17,492,127	\$ 25,340,662	\$ 32,530,073	\$ 33,343,325		
Total Avoided Capacity Costs	\$	216,787,268	\$ 30,118,016	\$ 40,759,615	\$ 63,099,553	\$ 82,810,084		
Percent of Avoided Capacity Costs for Energy Efficiency Programs		49.9%	41.9%	37.8%	48.4%	59.7%		
Percent of Avoided Capacity Costs for DSM Programs		50.1%	58.1%	62.2%	51.6%	40.3%		

## Nominal Avoided Energy Costs by Vintage

<b>Residential Programs</b>								
Energy Efficiency Education program for Schools	\$	77,863,467	\$ 7,839,313	\$ 9,694,357	\$ 22,462,455	\$ 37,867,343	100%	
Low Income Energy Efficiency and Weatherization Assistance	\$	37,018,478	\$ 5,359,021	\$ 5,688,871	\$ 9,885,055	\$ 16,085,530	100%	
Residential Energy Assessments	\$	32,606,965	\$ 3,926,580	\$ 4,351,383	\$ 9,331,995	\$ 14,997,005	100%	
Residential Smart Saver® Energy Efficiency	\$	61,166,801	\$ 12,997,623	\$ 14,222,987	\$ 13,144,869	\$ 20,801,321	100%	
Total Residential Energy Efficiency Avoided Energy Costs	\$	208,655,707	\$ 30,122,537	\$ 33,957,597	\$ 54,824,373	\$ 89,751,199		
Power Manager	\$	-	\$ -	\$ -	\$ -	\$ -		100%
Total Residential Avoided Energy Costs	\$	208,655,707	\$ 30,122,537	\$ 33,957,597	\$ 54,824,373	\$ 89,751,199		

**Non-Residential Programs**

Non-Residential Energy Assessments	\$	-	\$	-	\$	-	\$	-	100%
Smart Saver® for Non-Residential Customers	\$	121,198,236	\$	14,828,618	\$	16,711,049	\$	35,044,326	100%
Total Non-Residential Energy Efficiency Avoided Energy Costs	\$	121,198,235	\$	14,828,618	\$	16,711,049	\$	35,044,326	
Power Share®	\$	-	\$	-	\$	-	\$	-	100%
Total Non-Residential Avoided Energy Costs	\$	121,198,235	\$	14,828,618	\$	16,711,049	\$	35,044,326	
Total Energy Efficiency Avoided Energy Costs	\$	329,853,941	\$	44,951,155	\$	50,668,646	\$	89,868,699	
Total DSM Avoided Energy Costs	\$	-	\$	-	\$	-	\$	-	
Total Avoided Energy Costs	\$	329,853,941	\$	44,951,155	\$	50,668,646	\$	89,868,699	
Percent of Avoided Energy Costs for Energy Efficiency Programs		100.0%		100.0%		100.0%		100.0%	
Percent of Avoided Energy Costs for DSM Programs		0.0%		0.0%		0.0%		0.0%	

**Nominal Total Avoided Costs by Vintage****Residential Programs**

Energy Efficiency Education program for Schools	\$	104,112,440	\$	9,881,300	\$	12,789,900	\$	30,172,209	100%
Low Income Energy Efficiency and Weatherization Assistance	\$	43,703,465	\$	6,307,093	\$	6,736,624	\$	11,693,076	100%
Residential Energy Assessments	\$	39,911,360	\$	4,835,163	\$	5,374,611	\$	11,451,776	100%
Residential Smart Saver® Energy Efficiency	\$	73,328,545	\$	15,424,943	\$	16,966,250	\$	15,882,150	100%
Total Residential Energy Efficiency Avoided Costs	\$	261,055,802	\$	36,448,499	\$	41,867,385	\$	69,199,211	
Power Manager	\$	53,716,694	\$	12,935,940	\$	13,259,339	\$	13,590,822	100%
Total Residential Avoided Costs	\$	314,772,495	\$	49,384,439	\$	55,126,724	\$	82,790,033	

**Non-Residential Programs**

Non-Residential Energy Assessments	\$	-	\$	-	\$	-	\$	-	100%
Smart Saver® for Non-Residential Customers	\$	176,879,222	\$	21,128,546	\$	24,220,214	\$	51,238,968	100%
Total Non-Residential Energy Efficiency Avoided Costs	\$	176,879,220	\$	21,128,546	\$	24,220,214	\$	51,238,968	
Power Share®	\$	54,989,495	\$	4,556,187	\$	12,081,324	\$	18,939,251	100%
Total Non-Residential Avoided Costs	\$	231,868,715	\$	25,684,732	\$	36,301,538	\$	70,178,219	
Total Energy Efficiency Avoided Costs	\$	437,935,022	\$	57,577,044	\$	66,087,599	\$	120,438,179	
Total DSM Avoided Costs	\$	108,706,188	\$	17,492,127	\$	25,340,662	\$	32,530,073	
Total Avoided Costs	\$	546,641,210	\$	75,069,171	\$	91,428,262	\$	152,968,252	
Percent of Avoided Costs for Energy Efficiency Programs		80.1%		76.7%		72.3%		78.7%	85.3%
Percent of Avoided Costs for DSM Programs		19.9%		23.3%		27.7%		21.3%	14.7%

**Avoided Capacity Costs as Percent of Total Avoided Costs****Residential Programs**

Energy Efficiency Education program for Schools	25.2%	20.7%	24.2%	25.6%	26.1%
Low Income Energy Efficiency and Weatherization Assistance	15.3%	15.0%	15.6%	15.5%	15.2%
Residential Energy Assessments	18.3%	18.8%	19.0%	18.5%	17.8%
Residential Smart Saver® Energy Efficiency	16.6%	15.7%	16.2%	17.2%	17.0%
Total Residential Energy Efficiency Avoided Costs	20.1%	17.4%	18.9%	20.8%	21.0%
Power Manager	100.0%	100.0%	100.0%	100.0%	100.0%
Total Residential Avoided Costs	33.7%	39.0%	38.4%	33.8%	29.6%

**Non-Residential Programs**

Non-Residential Energy Assessments					
Smart Saver® for Non-Residential Customers	31.5%	29.8%	31.0%	31.6%	32.0%
Total Non-Residential Energy Efficiency Avoided Costs	31.5%	29.8%	31.0%	31.6%	32.0%
Power Share®	100.0%	100.0%	100.0%	100.0%	100.0%
Total Non-Residential Avoided Costs	47.7%	42.3%	54.0%	50.1%	45.2%
Total Energy Efficiency Avoided Costs	24.7%	21.9%	23.3%	25.4%	25.5%
Total DSM Avoided Costs	100.0%	100.0%	100.0%	100.0%	100.0%
Total Avoided Costs	39.7%	40.1%	44.6%	41.3%	36.5%

**Avoided Energy Costs as Percent of Total Avoided Costs****Residential Programs**

Energy Efficiency Education program for Schools	74.8%	79.3%	75.8%	74.4%	73.9%
Low Income Energy Efficiency and Weatherization Assistance	84.7%	85.0%	84.4%	84.5%	84.8%
Residential Energy Assessments	81.7%	81.2%	81.0%	81.5%	82.2%
Residential Smart Saver® Energy Efficiency	83.4%	84.3%	83.8%	82.8%	83.0%
Total Residential Energy Efficiency Avoided Costs	79.9%	82.6%	81.1%	79.2%	79.0%
Power Manager	0.0%	0.0%	0.0%	0.0%	0.0%
Total Residential Avoided Costs	66.3%	61.0%	61.6%	66.2%	70.4%

**Non-Residential Programs**

Non-Residential Energy Assessments					
Smart Saver® for Non-Residential Customers	68.5%	70.2%	69.0%	68.4%	68.0%
Total Non-Residential Energy Efficiency Avoided Costs	68.5%	70.2%	69.0%	68.4%	68.0%
Power Share®	0.0%	0.0%	0.0%	0.0%	0.0%
Total Non-Residential Avoided Costs	52.3%	57.7%	46.0%	49.9%	54.8%
Total Energy Efficiency Avoided Costs	75.3%	78.1%	76.7%	74.6%	74.5%
Total DSM Avoided Costs	0.0%	0.0%	0.0%	0.0%	0.0%
Total Avoided Costs	60.3%	59.9%	55.4%	58.7%	63.5%

<u>Present Value of Total Avoided Costs by Vintage<sup>1</sup></u>		Year			
<u>Residential Programs</u>		1	2	3	4
Energy Efficiency Education program for Schools	\$	8,438,412	\$ 10,729,010	\$ 25,076,400	\$ 42,276,647
Low Income Energy Efficiency and Weatherization Assistance	\$	5,382,454	\$ 5,618,200	\$ 9,455,735	\$ 14,895,629
Residential Energy Assessments	\$	4,119,235	\$ 4,550,129	\$ 9,678,969	\$ 15,367,350
Residential Smart Saver® Energy Efficiency	\$	12,778,446	\$ 13,917,473	\$ 11,975,918	\$ 18,628,411
Total Residential Energy Efficiency Avoided Costs	\$	30,718,547	\$ 34,814,811	\$ 56,187,022	\$ 91,168,037
Power Manager	\$	12,935,940	\$ 13,259,339	\$ 13,590,822	\$ 13,930,593
Total Residential Avoided Costs	\$	43,654,487	\$ 48,074,150	\$ 69,777,844	\$ 105,098,630
<u>Non-Residential Programs</u>					
Non-Residential Energy Assessments	\$	-	\$ -	\$ -	\$ -
Smart Saver® for Non-Residential Customers	\$	14,407,862	\$ 16,449,718	\$ 34,878,713	\$ 54,635,388
Total Non-Residential Energy Efficiency Avoided Costs	\$	14,407,862	\$ 16,449,718	\$ 34,878,713	\$ 54,635,388
Power Share®	\$	4,556,187	\$ 12,081,324	\$ 18,939,251	\$ 19,412,733
Total Non-Residential Avoided Costs	\$	18,964,049	\$ 28,531,041	\$ 53,817,964	\$ 74,048,121
Total Energy Efficiency Avoided Costs	\$	45,126,409	\$ 51,264,529	\$ 91,065,735	\$ 145,803,425
Total DSM Avoided Costs	\$	17,492,127	\$ 25,340,662	\$ 32,530,073	\$ 33,343,325
Total Avoided Costs	\$	62,618,536	\$ 76,605,191	\$ 123,595,808	\$ 179,146,751

(1) This table shows the present value of avoided costs by vintage (i.e. all totals in vintage 2 have been discounted back to year two). Therefore, revenues can be calculated for each year by multiplying the totals in each vintage by the appropriate avoided cost percentage and then by 85% to equal revenues shown in Farmer Exhibit 3. For example, to calculate revenues for year 2:

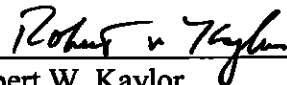
	Year 2 Avoided Cost	Avoided Cost %	Billing %	Revenues
Total Energy Efficiency Program Avoided Costs	\$ 51,264,529	50%	85%	\$ 21,787,425
Total DSM Program Avoided Costs	\$ 25,340,662	75%	85%	\$ 16,154,672
Total	\$ 76,605,191			\$ 37,942,097

<u>Farmer Supplemental Exhibit 3</u>		Year 2
Residential Avoided Cost Revenue Requirement		\$ 21,641,504
Non-Residential Avoided Cost Revenue Requirement		\$ 16,300,593
Total (Not including Net Lost Revenues, GRT, or regulatory fee)		\$ 37,942,097

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Late-Filed Exhibits Docket No. E-7, Sub 831 has been served by electronic mail (e-mail), hand delivery or by depositing a copy in the United States Mail, first class postage prepaid, properly addressed to parties of record.

This the 28<sup>th</sup> day of August, 2009.

  
\_\_\_\_\_  
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