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March 23, 2022

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 Progress, LLC's Notice of Expiration of Excess Deferred
Income Tax Rider EDIT 1A
Docket No. E-2, Sub 1219**

Dear Ms. Dunston:

On March 8, 2022, Duke Energy Progress, LLC ("DEP" or the "Company") filed a letter notifying the Commission that the EDIT-1A Rider established by Ordering Paragraph 25 of the April 16, 2021 Rate Order in the above-referenced docket will expire and be removed from rates effective for service rendered on and after March 16, 2022. DEP also stated that it had revised tariff language pertaining to Storm Securitization in the Large General Service (Real Time Pricing) Schedule LGS-RTP to be consistent with other DEP tariffs, language that had been inadvertently omitted from the previous tariff, LGS-RTP-71. On March 16, 2022, the Commission issued its *Order Approving Removal of EDIT-1A Rider But Requiring Explanation of Other Proposed Tariff Revisions* ("March 16, 2022 Order"). Pursuant to the March 16, 2022 Order, DEP provides the below additional information about the other proposed revisions to its tariffs.

ALS, SLS, SLR and TSS Rate Changes

Rider EDIT-1 was applicable to the per fixture/signal rates based on the estimated monthly kilowatt hours per fixture/signal as described in the tariffs (e.g., see the image below of the Additional Charges included in the Monthly Rate on Rate Schedule ALS). For DEP, the rider rates are embedded within the energy rates for the electric usage calculated for each fixture/signal offering. Thus, when a rider changes, DEP updates the energy portion of the rate by multiplying the kilowatt hours by the rate change. Therefore, the per fixture/signal rates changed when EDIT-1 ended, which is consistent with how other riders such as Competitive Procurement of Renewable Energy, Joint Agency Asset, etc. are treated when there is a pricing change. The Company provided its workpapers to the Public Staff for review before filing the proposed rate changes associated with the expiration of the EDIT-1 rider.

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- (c) Ten years for service to all Masterpiece Series facilities, the LED site lighter and shoe-box fixtures, LED facilities (only if installed under the Rate plus a monthly charge option), and for service utilizing fixtures, poles, and posts determined by Company as Special Order nonstandard; or
- (d) Twenty years for service utilizing fixtures, poles, and posts determined by Company as Custom Design nonstandard.
- (e) For temporary lighting facilities, the Customer shall pay the total estimated installed cost plus removal cost minus salvage value of the facilities installed to provide such service in lieu of a Contract Period.

Company may require Customer to initially make a termination deposit which will not exceed the termination amount computed in accordance with the Outdoor Lighting Service Regulations. Such termination deposit will be refunded in equal amounts at the end of each full year service is rendered. This annual refund will be the termination deposit divided by the number of years in the Contract Period.

GENERAL

Service rendered under this Schedule is subject to the provisions of Company's Outdoor Lighting Service Regulations filed with the state regulatory commission.

ADDITIONAL CHARGES

The MONTHLY RATE includes fuel, DSM, and EE Billing Adjustment Factors set forth in Annual Billing Adjustments Rider BA, Excess Deferred Income Tax Riders EDIT-1 and EDIT-3, and EDIT-4, Regulatory Asset and Liability Rider RAL, Storm Cost Recovery SCR, Joint Agency Asset Rider JAA, and Competitive Procurement of Renewable Energy CPRE.

Supersedes Schedule ALS-70
Effective for service rendered on and after January 1, 2022
NCUC Docket No. E-2, Sub 1273

JRRR Strikeout on LGS-RTP

The Rider JRRR decrement of \$.00033 per kWh expired on December 31, 2020. When the Company filed its compliance tariffs in Docket No. E-2, Sub 1153 (see Attachment A - Redlined G11-NC Schedule LGS-RTP-65 Tariff), it failed to strike out the "JRRR" wording in the Rider Adjustment section of the LGS-RTP tariff. The LGS-RTP tariff works in conjunction with the LGS and LGS-TOU tariffs, which were correctly redlined. The oversight to update the LGS-RTP tariff was a typographical error. The Company did not continue to bill the JRRR rider for services rendered after December 31, 2020.

Storm Securitization Rewording on LGS-RTP

The Company also recommended revision of the Storm Securitization Rider wording on Schedule LGS-RTP to match the wording on Schedules LGS and LGS-TOU related to the Storm Securitization charge. The wording change was suggested to make it clear that the Storm Securitization charges are to appear as a separate line item for all energy usage including incremental energy usage above the customer's baseline versus incremental energy usage being billed within the rider adjustment summary on the bill. Though customers subject to Schedule LGS-RTP have been billed correctly, the Company feels that it is important to make the tariff as clear as possible to avoid internal and external confusion regarding the placement of the Storm Securitization charges on the

bill for all billed energy usage. See Attachment B – LGS-RTP Illustrative Example 03-18-2022, which provides an example of the confusion caused by the current tariff language in comparison to the proposed wording changes on an illustrative customer bill.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'KR' followed by a stylized flourish.

Kathleen H. Richard

Enclosures

cc: Parties of Record

Duke Energy Progress, LLC
(North Carolina Only)

G-11

LARGE GENERAL SERVICE
(REAL TIME PRICING)
SCHEDULE LGS-RTP-~~6365~~

AVAILABILITY

This Schedule is available for electric service to a maximum of eighty-five (85) nonresidential Customer accounts with a Contract Demand that equals or exceeds 1,000 kW.

This Schedule is not available: (1) for short-term or temporary service; (2) for electric service in conjunction with Incremental Power Service Rider IPS or Dispatched Power Rider No. 68; (3) for electric service in conjunction with Economic Development Rider ED and Large Load Curtailable Rider LLC, except as provided for in the RTP Base Charge; or (4) for any new Customer with a Contract Demand in excess of 50,000 kW.

Power delivered under this Schedule shall not be used for resale, or as a substitute for power contracted for or which may be contracted for under any other schedule of Company, except at the option of Company, under special terms and conditions expressed in writing in the contract with Customer. Customer shall be required to furnish and maintain a communication link and equipment suitable to support remote reading of Company's meter serving Customer and to support daily receipt of the Hourly Real Time Pricing (RTP) rates. Customer may use emergency or back-up generation to respond to RTP hourly rates without receiving standby service.

APPLICABILITY

This Schedule is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one meter.

TYPE OF SERVICE

The types of service to which this Schedule is applicable are alternating current, 60 hertz, three-phase 3 or 4 wires, at Company's standard voltages of 480 volts or higher. When Customer desires two or more types of service, which types can be supplied from a three-phase 4 wire type, without voltage transformation, only the type of service necessary for Customer's requirements will be supplied under this Schedule.

CONTRACT DEMAND

The Contract Demand shall be the kW of demand specified in the Service Agreement.

CUSTOMER BASELINE LOAD (CBL)

Company shall establish a Customer Baseline Load (CBL), expressed in kilowatt-hours, using one complete year of Customer-specific hourly load data that, in Company's opinion, represents Customer's electricity consumption pattern and is typical of Customer's operation for billing under the otherwise applicable tariffs and from which to measure changes in consumption for billing pursuant to this Schedule. For situations in which hourly load data are not available, a CBL will be constructed by Company using load shapes of Customers with similar usage patterns and from relevant information provided by Customer and verified by Company. The initial CBL shall consider verifiable changes in Customer's operation such as (1) installation of permanent energy efficiency measures; (2) permanent removal or addition of Customer's equipment; (3) one-time extraordinary events such as natural disasters; (4) annual plant shutdowns or other random variations in the load patterns; and (5) other on-going changes in demand. The CBL for new Customers will be calculated in the same manner as the CBL for existing Customers. Establishment of a CBL is a precondition for use of this Schedule.

SUBSEQUENT CBL ADJUSTMENT

After the initial CBL is established, it shall only be subject to an adjustment at Customer's request by providing 30-days advance written notice. Any downward adjustment is subject to Company's concurrence and will be consistent with the principles of initial CBL establishment.

CBL CALENDAR MAPPING

To provide Customer with the appropriate CBL for the RTP Service Year, the hourly consumptions established by the CBL shall be calendar-mapped to the corresponding day of the RTP Service Year. Calendar-mapping is a day-matching method to ensure that Mondays are matched to Mondays, holidays to holidays, etc.

The CBL shall be established by first identifying holidays and then grouping the remaining days (i.e., Mondays, Tuesdays, etc.) and averaging over the calendar month to result in hourly consumption for a typical week in each calendar month. The CBL result shall then be adjusted for each calendar month to reflect annual plant shutdowns, holidays, or other known work stoppages during the next RTP Service Year. Calendar-mapping is performed prior to each annual renewal of service under this Schedule after adjustments, if any, are made to the CBL.

MONTHLY RATE

The monthly rate shall consist of the following charges:

I. RTP Administrative Charge:

\$165.00

II. RTP Base Charge:

RTP Base Charge = Monthly Bill for the CBL consumption and monthly billing demand of the current billing month pursuant to the conventional LGS Class tariffs under which Customer either previously received service or would have elected to receive service prior to electing this Schedule. When the conventional tariffs include Economic Development Rider ED or Large Load Curtailable Rider LLC, the provisions of these Riders shall only apply to the CBL usage.

III. RTP Hourly Energy Charge Adjustment:

RTP Hourly Energy Charge = $\Sigma\{\text{Hourly RTP Rate} \times (\text{Hourly Consumption} - \text{CBL Consumption})\}$

where:

Σ = The summation of the RTP charges and credits for each hour of the current billing month.

The Hourly RTP Rate shall be determined based upon the following formula:

Hourly RTP Rate = $(\text{MENERGY} + \text{CAP} + \text{ADDER}) \times (1 + \text{TAXES})$

where:

MENERGY = Marginal Energy Cost per kilowatt-hour including marginal fuel, variable operating and maintenance expenses, and delivery losses

CAP = Tiered Capacity Charge per kilowatt-hour applicable whenever the day-ahead forecast of the ratio of hourly available generation to hourly demand is equal or less than 1.15

ADDER = $\beta \times (\text{Class Rate-Hourly Marginal Cost})$, but not less than zero

where:

β = a fixed value equal to 0.20

Class Rate = the prior calendar year average rate per kilowatt-hour under the conventional tariffs applicable to the LGS class, as updated annually effective with the February billing

Hourly Marginal Cost = the sum of the specific hour's kilowatt-hour price for MENERGY and CAP, all as defined above

TAXES = NC Regulatory Fee (currently 0.13%)

IV. Facilities Demand Charge:

per kW of Facilities Demand for service provided from:

Transmission System (voltage of 69 kV or higher) without transformation	\$1.88/kW
Transmission System (voltage of 69 kV or higher) with one transformation	\$2.42/kW
Distribution System (voltage below 69 kV) without transformation	\$3.34/kW
Distribution System (voltage below 69 kV) with one transformation	\$3.80/kW

The kW of Facilities Demand shall be the greater of (1) the Contract Demand or (2) the maximum demand registered or recorded by Company's meter during a 15-minute interval in the current billing month, in excess of the maximum 15-minute billing demand included in the CBL applicable to the current billing month. The Contract Demand used to determine the Facilities Demand shall exclude any Standby Service kW, when applicable.

V. Rider Adjustments:

DSM/EE/JRRR/CPRE Incremental Charge = $(\text{Actual Consumption} - \text{CBL Consumption}) \times \text{Rider Adjustment}$

where:

Actual Consumption = kWh consumed during the billing month

CBL Consumption = kWh billed as the CBL during the billing month

Rider Adjustment = Sum of the DSM/EE, DSM/EE EMF, Rider JRRR and CPRE rate adjustments during the current billing month

VI. Renewable Energy Portfolio Standard (REPS) Adjustment:

The monthly bill shall include a REPS Adjustment based upon the revenue classification:

Commercial/Governmental Classification - \$6.98/month
Industrial/Public Authority Classification - \$47.88/month

Upon written request, only one REPS Adjustment shall apply to premises serving the same customer for all accounts of the same revenue classification. If a customer has accounts which serve in an

auxiliary role to a main account on the same premises, no REPS charge should apply to the auxiliary accounts regardless of their revenue classification (see Annual Billing Adjustments Rider BA).

PROVISION OF STANDBY SERVICE

If service is received under a standby or back-up service tariff prior to service under this Schedule, the use of standby service shall be excluded from initial determination of the CBL. The RTP Base Charge, as set forth in the Monthly Rate provision above, shall include billing of Supplementary Service but shall not include charges related to use of Standby Service. The Monthly Rate provisions of the applicable standby or back-up service tariff shall be calculated assuming no standby or back-up service was used with any actual use of Standby Service being billed pursuant to the RTP Hourly Energy Charge provisions of this Schedule. All other provisions of the applicable standby or back-up service tariff apply.

POWER FACTOR ADJUSTMENT

When the power factor in the current billing month is less than 85%, the monthly bill will be increased by a sum equal to \$0.32 multiplied by the difference between the maximum reactive kilovolt-amperes (kVAr) registered by a demand meter suitable for measuring the demand used during a 15-minute interval and 62% of the maximum kW demand registered in the current billing month.

CUSTOMER RATE NOTIFICATION

Company will notify Customer of the hourly prices via electronic mail, or other method of communications acceptable to Company, by 4 p.m. of the preceding business day. Prices for Saturday, Sunday, and Monday will generally be available on the preceding Friday. For a recognized holiday and the day following the holiday, prices will be available the preceding Company business day. Whenever prices are provided in excess of a day ahead and updated projections would result in significantly different prices, Company reserves the right to issue revised prices provided such prices are conveyed no later than 4 p.m. on the preceding calendar day.

Company is not responsible or liable for Customer's failure to receive and act upon the hourly prices. If Customer does not receive these prices, it is Customer's responsibility to inform Company so that future prices may be supplied.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

PAYMENTS

Bills are due when rendered and are payable within 15 days from the date of the bill. If any bill is not so paid, Company has the right to suspend service in accordance with its Service Regulations. In addition, any bill not paid on or before the expiration of twenty-five (25) days from the date of the bill is subject to an additional charge of 1% per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT PERIOD

The Contract Period shall be monthly and will be automatically renewed unless terminated by either party by giving not less than thirty (30) days written notice of termination.

GENERAL

Service rendered under this Schedule is subject to the provisions of the Service Regulations and any changes therein, substitutions therefore, or additions thereto lawfully made.

Where Customer's other source of power is connected electrically or mechanically to equipment which may be operated concurrently with service supplied by Company, Customer shall install and maintain at his expense such devices as may be necessary to protect his equipment and service and to automatically disconnect his generating equipment, which is operated in parallel with Company, when service used by Customer is affected by electrical disturbances on Company's or Customer's systems. Should Company determine that Customer's facilities are not adequate to protect Company's facilities, Company may install the necessary facilities and Customer shall pay for the extra facilities in accordance with Company's Service Regulations.

Company makes no representation regarding the benefits of Customer subscribing to this Schedule. Customer, in its sole discretion, shall determine the feasibility and benefits of Customer subscribing to this Schedule.

Supersedes Schedule LGS-RTP-~~6263~~

Effective for service rendered on and after ~~December 7, 2020~~ January 1, 2021

NCUC Docket No. E-2, Subs ~~1250, 1251, 1253, 1252~~ and ~~1254-1153~~

Current Tariff Wording

V. Rider Adjustments:
DSM/EE/JRRR/CPRE/STS Incremental Charge = (Actual Consumption – CBL Consumption) X
Rider Adjustment
where:
Actual Consumption = kWh consumed during the billing month
CBL Consumption = kWh billed as the CBL during the billing month
Rider Adjustment = Sum of the DSM/EE, DSM/EE EMF, Rider JRRR, CPRE, and STS
rate adjustments during the current billing month

Billing Calculation Display on Bill - Illustrative LGS-RTP Example

CBL = 3,600,000 kWh & 4,000 kW
Total Energy Usage = 5,000,000 kWh & 6,000 kW
RTP Hourly Rates Illustrative / All other pricing LGS-TOU Series 72 & Rider BA27A

	Line Item Total
Basic Customer Charge	\$ 200.00
Admin Customer Charge	\$ 165.00
Energy Charge On-Pk	
1,000,000 kWh @ \$.04788	\$ 47,880.00
Energy Charge Off-Pk	
2,600,000 kWh @ \$.04279	\$ 111,254.00
Demand Charge On-Pk Winter	
4,000 kW @ \$19.61	\$ 78,440.00
Off-Peak Excess kW Winter	
2,000 kW @ \$1.05	\$ 2,100.00
RTP Hourly Energy Charge plus .13% Tax	\$ 49,063.70
Storm Recovery Charge	
3,600,000 kWh @ \$0.00013	\$ 468.00
Incremental Usage Adjustment*	\$ 10,584.00
Energy Efficiency Credit	\$ (33,900.00)
Demand Side Management Credit	\$ (2,650.00)
REPS Charge	\$ 49.42
Bill total	\$ 263,654.12

*Incremental Usage Adjustment Calculation Would Not Be Displayed on Bill

1,400,000 kWh @ .00731	DSM/EE Adjust	\$ 10,234.00
1,400,000 kWh @ .00013	Storm	\$ 182.00
1,400,000 kWh @ .00012	CPRE	\$ 168.00
1,400,000 kWh@.00000	JRRR	\$ -

Proposed Tariff Wording

V. Rider Adjustments:
DSM/EE/CPRE Incremental Charge = (Actual Consumption – CBL Consumption) X
Rider Adjustment
where:
Actual Consumption = kWh consumed during the billing month
CBL Consumption = kWh billed as the CBL during the billing month
Rider Adjustment = Sum of the DSM/EE, DSM/EE EMF, and CPRE rate adjustments
during the current billing month

Billing Calculation Display on Bill - Illustrative LGS-RTP Example

CBL = 3,600,000 kWh & 4,000 kW
Total Energy Usage = 5,000,000 kWh & 6,000 kW
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	Line Item Total
Basic Customer Charge	\$ 200.00
Admin Customer Charge	\$ 165.00
Energy Charge On-Pk	
1,000,000 kWh @ \$.04788	\$ 47,880.00
Energy Charge Off-Pk	
2,600,000 kWh @ \$.04279	\$ 111,254.00
Demand Charge On-Pk Winter	
4,000 kW @ \$19.61	\$ 78,440.00
Off-Peak Excess kW Winter	
2,000 kW @ \$1.05	\$ 2,100.00
RTP Hourly Energy Charge plus .13% Tax	\$ 49,063.70
Storm Recovery Charge	
5,000,000 kWh @ \$0.00013	\$ 650.00
Incremental Usage Adjustment*	\$ 10,402.00
Energy Efficiency Credit	\$ (33,900.00)
Demand Side Management Credit	\$ (2,650.00)
REPS Charge	\$ 49.42
Bill total	\$ 263,654.12

*Incremental Usage Adjustment Calculation Would Not Be Displayed on Bill

1,400,000 kWh @ .00731	DSM/EE Adjust	\$ 10,234.00
1,400,000 kWh @ .00012	CPRE	\$ 168.00

The proposed wording change creates the appropriate line item treatment for storm securitization charges

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Notice of Expiration of Excess Deferred Income Tax Rider EDIT 1A, in Docket No. E-2, Sub 1219, 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 23rd day of March, 2022.



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