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April 1, 2021

**VIA ELECTRONIC FILING**

Ms. Kimberley A. Campbell, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Carolinas, LLC's Existing DSM Program Rider  
Docket Nos. E-7, Sub 487, 828, 1026 and 1146**

Dear Ms. Campbell:

Enclosed for filing in these dockets is Duke Energy Carolinas, LLC's ("DEC" or the "Company") Existing DSM Program Rider ("EDPR"). The EDPR was proposed as part of the Agreement and Stipulation of Partial Settlement entered into by the Company and various parties to Docket No. E-7, Sub 828. The Commission approved the Stipulation, including Section 11 pertaining to EDPR, in its December 20, 2007 *Order Approving Stipulation and Deciding Non-Settled Issues* ("Order"). Pursuant to the Order, the Company requests approval of its proposed EDPR to be effective for the period July 1, 2021 through June 30, 2022. Enclosed are the revised EDPR tariff and supporting work papers. The Company proposes that the existing EDPR rider amount of (.0007) cents per kWh (excluding gross receipts tax and regulatory fee) be replaced by a new rider amount of (0.0019) cents per kWh (excluding gross receipts tax and regulatory fee), effective for service rendered on and after July 1, 2020. The base existing DSM program costs amount of 0.0067 cents per kWh, approved in Docket No. E-7, Sub 1146, became effective August 1, 2018.

The Company respectfully requests approval of the revised proposed EDPR by June 21, 2021, in order to implement the approved rate by July 1, 2021.

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

Sincerely,

Kendrick C. Fentress

Enclosure

cc: Parties of Record

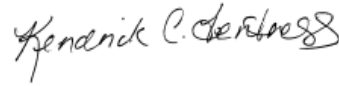
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CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Existing DSM Program Rider in Docket Nos. E-7, Sub 487, 828, 1026 and 1146 has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1<sup>st</sup> Class Postage Prepaid, properly addressed to parties of record.

This the 1<sup>st</sup> day of April, 2021.



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EXISTING DSM PROGRAM COSTS ADJUSTMENT RIDER (NC)

APPLICABILITY (North Carolina Only)

Service supplied under the Company’s rate schedules is subject to approved Demand Side Management (DSM) program costs adjustments, if any, over or under the rate incorporated in the approved rate schedules.

EXISTING DSM PROGRAM RATE ADJUSTMENTS

The Commission has ordered effective for service rendered on and after January 1, 2008 that such an adjustment shall be included in the Company’s rate schedules and an appropriate existing DSM program costs adjustment rider be filed together with the rate schedules to implement the changes to the existing DSM program costs components.

BASE EXISTING DSM PROGRAM COSTS

The Base Existing DSM Program Costs amount established effective August 1, 2018 in Docket No. E-7, Sub 1146 is 0.0067 ¢/kWh.

EXISTING DSM PROGRAM COST ADJUSTMENT FACTOR

A rider adjustment will be applied to the energy charges of all NC Retail rate schedules in an amount to the nearest one ten-thousandth of a cent, as determined by the following formula, to the extent determined reasonable and proper by the Commission. This adjustment is not included in the rate schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

$$A = D / S$$

Where:

- A = Existing DSM Program Costs Rate Adjustment per kilowatt hour applied to the applicable base rates rounded to the nearest one ten-thousandths of a cent
- D = DSM deferral account balance for the period calculated as  $((C \times \text{NC Allocation Factor}) - E) + R$

Where:

- C = Program costs from existing DSM programs as defined in Docket Nos. E-7, Sub 487, E-100, Sub 64, and E-100, Sub 75
- NC Allocation Factor = NC Retail summer coincident peak / Total system summer coincident peak from current Cost of Service Study
- E = Base Existing DSM Program Costs established August 1, 2018 in Docket No. E-7, Sub 1146 of 0.0067 ¢/kWh, multiplied by actual NC Retail kWh sales for the applicable period
- R = Return calculated by applying, on a monthly basis, the net-of-tax overall rate of return approved in the last general rate case and compounding annually
- S = Projected Sales, defined as projected North Carolina Retail jurisdictional kilowatt hour sales from all classes of customers for the applicable July 1 – June 30 rider period

	<u>Effective July 1, 2021</u>
Change in Existing DSM Costs	-0.0019 ¢/kWh
Regulatory Fee Multiplier	× 1.001302
Change in Rates	-0.0019 ¢/kWh

EXISTING DSM PROGRAM COSTS ADJUSTMENT RIDER (NC)

The appropriate regulatory fee will be applied to rate adjustments approved under this Rider. The rider calculation will be subject to appropriate modification to reflect changes in income tax laws or regulations, subject to Commission approval.

Beginning in 2009, the Company shall file the Existing DSM Program Costs Adjustment Rider on April 1 of each year following the calendar year under consideration, to be effective July 1 of that year.

**Amended DSM Calculation**

**2021 DSM Program Costs Adjustment Rider (NC)**

A=D/S

A= Existing DSM Program Costs Rate Adjustment per kilowatt hour applied to the applicable base rates rounded to the nearest one ten-thousandths of a cent

**(0.0019)** ¢/kwh

D= DSM deferral account balance for the period calculated as (((C x NC Allocation Factor)-E) + R) including beginning balance

\$ (1,128,887)

Where:

C= Program costs from existing DSM Programs as defined in Docket Nos. E-7, Sub 487, E-100, Sub 64, and E-100, Sub 75.

\$ 3,922,381

NC Allocation Factor= NC Retail summer coincident peak / Total system summer coincident peak from the current Cost of Service Study

67.0007000%

E= Base Existing DSM Program Costs established August 1, 2018 in Docket No. E-7, Sub 1146 of 0.0067 cents/ kWh, multiplied by actual NC Retail kWh sales for the applicable period

\$ 3,719,295

R= Return calculated by applying, on a monthly basis, the net-of-tax overall rate of return approved in the last general rate case and compounding annually

\$ (37,615)

S= Projected Sales, defined as projected North Carolina Retail jurisdictional kilowatt hour sales from all classes of customers for the applicable July 1 - June 30 rider period.

58,271,470,238

**AMENDED DEMAND SIDE MANAGEMENT COST DEFERRALS  
CALENDAR YEAR 2020**

<b>2021 DSM Program Costs Adjustment Rider (NC)</b>	<b>DSM COSTS INCURRED</b>	<b>NC ALLOCATION @</b>	<b>RETAIL KWH SALES NC (sold &amp; used, &lt;less&gt; resale)</b>	<b>DSM COSTS RECOVERED THRU RATES PER KWH</b>	<b>(OVER)/UNDER COLLECTION DURING 2020</b>
<b>Rates</b>		<b>67.0007%</b>		<b>\$0.0000670</b>	
<b>BEGINNING BAL.</b>					
JANUARY	339,176	227,250	4,799,050,153	321,536	(94,286)
FEBRUARY	404,608	271,090	4,852,514,770	325,118	(54,028)
MARCH	376,075	251,973	4,419,004,658	296,073	(44,101)
APRIL	335,449	224,753	4,009,530,882	268,639	(43,885)
MAY	232,901	156,045	3,737,497,506	250,412	(94,367)
JUNE	315,845	211,618	4,445,349,080	297,838	(86,220)
JULY	343,209	229,952	5,381,133,760	360,536	(130,584)
AUGUST	352,757	236,350	5,679,285,065	380,512	(144,162)
SEPTEMBER	370,066	247,947	5,143,265,080	344,599	(96,652)
OCTOBER	288,406	193,234	4,161,108,724	278,794	(85,560)
NOVEMBER	290,216	194,447	4,768,316,561	319,477	(125,030)
DECEMBER	273,673	183,363	4,115,807,397	275,759	(92,396)
<b>YTD ACTIVITY</b>	<b>3,922,381</b>	<b>2,628,023</b>	<b>55,511,863,636</b>	<b>3,719,295</b>	<b>(1,091,272)</b>
<b>ENDING BALANCE</b>					

**Return Calculation 2021**

	<b>2020 (Over)/Under Balance, Including 2019 Ending Balance</b>	<b>DSM COSTS RECOVERED (RETURNED) THRU EDPR IN 2020 PER KWH</b>	<b>NET MONTHLY INCR./(DECR). DEFERRED DSM ACCT. 186.22</b>	<b>CUMULATIVE BASIS FOR COMPUTING RETURN</b>	<b>MONTHLY CURRENT INCOME TAX</b>	<b>CUMULATIVE DEFERRED INCOME TAX</b>	<b>NET DEFERRED BALANCE A/T (INCL. PY INT)</b>	<b>MONTHLY A/T RETURN ON DEFERRAL 6.84%/YR</b>	<b>YTD AFTER TAX INTEREST INCOME</b>
<b>Rates</b>		<b>(\$0.0000430)</b>			<b>23.3503%</b>			<b>0.57000%</b>	
		<b>(\$0.0000070)</b>							
<b>BEGINNING BAL.</b>		<b>Note 1</b>							
	(972,218)			(972,218)	0	(227,016)	(745,202)		
JANUARY	(94,286)	(206,359)	112,073	(860,145)	26,169	(200,846)	(659,298)	(4,003)	(4,003)
FEBRUARY	(54,028)	(208,658)	154,630	(705,514)	36,107	(164,740)	(540,775)	(3,420)	(7,423)
MARCH	(44,101)	(190,017)	145,916	(559,598)	34,072	(130,668)	(428,930)	(2,764)	(10,187)
APRIL	(43,885)	(172,410)	128,525	(431,073)	30,011	(100,657)	(330,416)	(2,164)	(12,351)
MAY	(94,367)	(160,712)	66,345	(364,728)	15,492	(85,165)	(279,563)	(1,738)	(14,089)
JUNE	(86,220)	(191,150)	104,930	(259,798)	24,501	(60,664)	(199,134)	(1,364)	(15,453)
JULY	(130,584)	(37,668)	(92,916)	(352,713)	(21,696)	(82,360)	(270,354)	(1,338)	(16,791)
AUGUST	(144,162)	(39,755)	(104,407)	(457,121)	(24,379)	(106,739)	(350,382)	(1,769)	(18,560)
SEPTEMBER	(96,652)	(36,003)	(60,649)	(517,770)	(14,162)	(120,901)	(396,869)	(2,130)	(20,690)
OCTOBER	(85,560)	(29,128)	(56,433)	(574,203)	(13,177)	(134,078)	(440,125)	(2,385)	(23,075)
NOVEMBER	(125,030)	(33,378)	(91,652)	(665,855)	(21,401)	(155,479)	(510,376)	(2,709)	(25,784)
DECEMBER	(92,396)	(28,811)	(63,586)	(729,441)	(14,847)	(170,327)	(559,114)	(3,048)	(28,832)
<b>YTD ACTIVITY</b>	<b>(1,091,272)</b>	<b>(1,334,049)</b>	<b>242,777</b>		<b>56,690</b>			<b>(28,832)</b>	<b>(28,832)</b>
<b>ENDING BALANCE</b>	<b>(2,063,490)</b>	<b>(1,334,049)</b>		<b>(729,441)</b>		<b>(170,327)</b>	<b>(559,114)</b>	<b>(28,832)</b>	<b>(28,832)</b>

	<b>GROSS UP OF RETURN TO PRETAX 0421.64</b>
<b>GROSS UP RATE</b>	
January 1, 2021 - December 31, 2021	76.6497%
January 1, 2022 - December 31, 2022	76.6497%
	<b>(37,615)</b>

**NORTH CAROLINA  
DEMAND SIDE MANAGEMENT - DEFERRED  
COSTS**

**NORTH CAROLINA  
DEMAND SIDE MANAGEMENT - DEFERRED COSTS  
2019 FIRST QUARTER**

**NORTH CAROLINA  
DEMAND SIDE MANAGEMENT - DEFERRED COSTS  
2020 SECOND QUARTER REPORT**

<u>PROGRAM</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>1st QTR</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>2nd QTR</u>
INTERRUPTIBLE SERVICE CREDITS	257,619	311,280	278,797	847,696	238,809	150,745	148,992	538,545
STANDBY GENERATOR PAYMENTS	4,868	5,045	4,058	13,971	4,346	4,406	4,439	13,191
WHOLESALE A/C LOAD CONTROL CREDITS				0			84,088	84,088
WHOLESALE INTERRUPTIBLE SERVICE CREDITS	76,612	88,227	93,167	258,006	92,235	77,698	78,262	248,195
WHOLESALE ENERGY PENALTY				0				0
WHOLESALE ENERGY CREDITS	77	56	53	186	60	53	64	177
<b>TOTAL CREDITS</b>	<u>339,176</u>	<u>404,608</u>	<u>376,075</u>	<u>1,119,859</u>	<u>335,449</u>	<u>232,901</u>	<u>315,845</u>	<u>884,196</u>

**NORTH CAROLINA  
DEMAND SIDE MANAGEMENT - DEFERRED COSTS  
2020 THIRD QUARTER REPORT**

**NORTH CAROLINA  
DEMAND SIDE MANAGEMENT - DEFERRED COSTS  
2020 FOURTH QUARTER REPORT**

<u>PROGRAM</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>3rd QTR</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>4th QTR</u>
INTERRUPTIBLE SERVICE CREDITS	166,670	181,220	196,870	544,759	200,963	208,079	195,822	604,863
STANDBY GENERATOR PAYMENTS	4,791	5,065	5,257	15,113	5,060	3,819	4,013	12,892
WHOLESALE A/C LOAD CONTROL CREDITS	84,088	84,088	84,088	252,264				0
WHOLESALE INTERRUPTIBLE SERVICE CREDITS	87,583	82,296	83,757	253,637	82,319	78,259	73,774	234,352
WHOLESALE ENERGY PENALTY				0				0
WHOLESALE ENERGY CREDITS	77	89	93	258	64	59	65	188
<b>TOTAL CREDITS</b>	<u>343,209</u>	<u>352,757</u>	<u>370,066</u>	<u>1,066,032</u>	<u>288,406</u>	<u>290,216</u>	<u>273,673</u>	<u>852,295</u>

\*\* Totals may not foot due to rounding.