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NORTH CAROLINA PUBLIC STAFF UTILITIES COMMISSION

March 31, 2017

VIA ELECTRONIC FILING

Ms. Lynn Jarvis, Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

RE: Docket No. E-2, Sub 936, Home Energy Improvement Program

Dear Ms. Jarvis:

On March 1, 2017, Duke Energy Progress, LLC (DEP), filed notification that its Home Energy Improvement Program (HEIP) has a projected Total Resource Cost (TRC) test result of 1.05. HEIP had been subject to termination on March 31, 2017, if it did not achieve a TRC result above 1.0, pursuant to the Commission's February 9, 2016, Order in Docket No. E-2, Sub 936. Because of the projected TRC result, DEP does not intend to terminate HEIP.

The Public Staff has reviewed DEP's calculation of the projected TRC result for HEIP. Our review focused on the input data associated with the measures in the HEIP. Where available, DEP updated its 2016 data with more contemporaneous evaluation, measurement, and verification data associated with both DEP and Duke Energy Carolinas, LLC. DEP also provided an updated calculation that incorporated the pool pump measure approved by the Commission on February 9, 2016. This measure was inadvertently omitted from the cost-effectiveness analysis supporting DEP's March 1, 2017, filing. The updated TRC was determined to be 1.06.

Based on this information, the Public Staff has no objection to continuation of HEIP this year.

Sincerely,

<u>Electronically submitted</u> /s/ David T. Drooz Chief Counsel <u>david.drooz@psncuc.nc.gov</u>

DTD/cla

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