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July 16, 2019

VIA ELECTRONIC FILING
AND HAND DELIVERY

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

**Re: Duke Energy Progress, LLC's Supplemental Testimony and Proposed
Revised Public Notice
Docket No. E-2, Sub 1205**

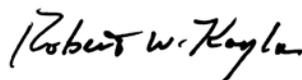
Dear Ms. Jarvis:

Enclosed for filing with the North Carolina Utilities Commission ("Commission"), please find Duke Energy Progress, LLC's ("DEP" or the "Company") confidential Supplemental Testimony and Revised Exhibits of Travis E. Payne and Veronica I. Williams in connection with the above-referenced matter. As with the originally-filed version of Mr. Payne's and Ms. Williams' exhibits, the supplemental testimony and certain information contained in Revised Payne Exhibit No. 2 and Revised Williams Exhibit Nos. 1 and 2 is confidential, proprietary, and commercially sensitive. For that reason, these documents are being filed under seal pursuant to N.C. Gen. Stat. § 132-1.2 and should be protected from disclosure. Parties to the docket may contact the Company to obtain copies pursuant to an appropriate confidentiality agreement. I will deliver fifteen (15) paper copies of the Supplemental Testimony and Revised Exhibits to the Clerk's Office by close of business on the following day.

Because the Company proposes to revise rates filed in its June 11, 2019 application but has not yet published notice pursuant to the Commission's June 21, 2019 *Order Scheduling Hearing, Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice*, the Company has drafted a Revised Public Notice for the Commission's consideration. In the event that the Commission has not issued an order revising the public notice in sufficient time to allow publication by July 26 (forty-five days prior to the hearing), the Company respectfully requests waiver of that requirement.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Robert W. Kaylor

Enclosures

cc: David T. Drooz

OFFICIAL COPY

Jul 16 2019

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1205

In the Matter of)
)
Application of Duke Energy Progress, LLC)
for Approval of Renewable Energy and)
Energy Efficiency Portfolio Standard (REPS))
Compliance Report and Cost Recovery Rider)
Pursuant to N.C. Gen. Stat. 62-133.8 and)
Commission Rule R8-67)

**SUPPLEMENTAL
TESTIMONY OF TRAVIS E.
PAYNE**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Travis E. Payne, and my business address is 410 South
3 Wilmington Street, Raleigh, North Carolina.

4 **Q. DID YOU PREVIOUSLY FILE DIRECT TESTIMONY IN THIS**
5 **MATTER BEFORE THE NORTH CAROLINA UTILITIES**
6 **COMMISSION?**

7 A. Yes. I filed direct testimony on behalf of Duke Energy Progress, LLC in
8 this matter on June 11, 2019.

9 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL**
10 **TESTIMONY?**

11 A. The purpose of my supplemental testimony is to update the North Carolina
12 Utilities Commission on information presented in the exhibits filed with my
13 direct testimony.

14 **Q. WHAT UPDATES NEED TO BE MADE TO THE EXHIBITS FILED**
15 **WITH YOUR DIRECT TESTIMONY?**

16 A. Renewable energy and renewable energy certificate (“REC”) actual cost
17 and quantity totals were inadvertently omitted in error from Line No. 236
18 on Confidential Payne Exhibit No. 2 filed with my direct testimony in this
19 docket. The result was an understatement of \$585,128 in incremental REPS
20 recovery cost for the April 1, 2018 through March 31, 2019 experience
21 modification factor (“EMF”) test period. There is no effect on quantities or
22 cost for the December 1, 2019 through November 30, 2020 estimated billing
23 period. Details for the cost and REC quantity amounts originally omitted

1 from Line No. 236 on Confidential Payne Exhibit No. 2 for the EMF period
2 are as follows: [BEGIN CONFIDENTIAL] [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]

6 ■ [END CONFIDENTIAL] Confidential Revised Payne Exhibit No. 2
7 filed with this supplemental testimony reflects corrections to amounts on
8 Line No. 236, and to the corresponding subtotals and totals shown on Line
9 Nos. 243, 245, 260, and 266. Also filed with this supplemental testimony
10 are Revised Page No. 5 of Payne Exhibit No. 1, the 2018 Compliance
11 Report. Tables in section Nos. IV and V are updated to incorporate the
12 corrections noted above.

13 The adjustments noted above are also identified in the supplemental
14 testimony of Veronica I. Williams and reflected in Revised Williams
15 Exhibit Nos. 1, 2, and 4, filed in this docket.

- 16 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**
17 **A. Yes.**

IV. ACTUAL TOTAL AND INCREMENTAL COSTS INCURRED IN 2018

Actual costs incurred in 2018 for REPS compliance were comprised of the following cost of energy purchases and the purchase of various types of RECs and other reasonable and prudent costs incurred to meet the requirements of the statute.

2018 Actual Costs Incurred	Energy and REC Costs	Other	Total Costs
Total costs incurred	\$249,115,133	\$1,331,399	\$250,446,532
Avoided costs	\$216,029,531		\$216,029,531
Incremental costs	\$33,085,602	\$1,331,399	\$34,417,001

V. ACTUAL INCREMENTAL COSTS COMPARISON TO THE ANNUAL COST CAP

Account Type	Total 2017 Year-end number of Retail Accounts	Annual Per-Account Cost Cap	Total Annual Cost Cap – 2018 Compliance Year
Residential	1,204,664	\$27	\$32,525,928
General	196,549	\$150	\$29,482,350
Industrial	1,866	\$1,000	\$1,866,000
	Total Annual Cost Cap		\$63,874,278
	Actual Incremental Costs		\$34,417,001

VI. STATUS OF COMPLIANCE WITH REPS REQUIREMENTS

Pursuant to N.C. Gen. Stat. § 62-133.8(b) for Duke Energy Progress Retail customers, the REPS requirement for calendar year 2018 is set at 10% of 2017 North Carolina retail sales. In order to comply with the REPS obligation for Duke Energy Progress Retail customers, the Company submitted 3,665,412 RECs, which included 8,789 Senate Bill 886 (“SB886”) RECs, each of which counts for two poultry waste RECs and one general REC. Accordingly, the Company submitted the equivalent of 3,682,990 RECs for compliance, representing 10% of 2017 retail megawatt-hour sales of 36,829,899.

Pursuant to N.C. Gen. Stat. § 62-133.8(d), the REPS requirement for calendar year 2018 is at least 0.20% of the total electric power in kilowatt hours sold to retail electric customers in the prior calendar year in the State, or an equivalent amount of energy, shall be supplied by a combination of new solar electric facilities and new metered solar thermal energy facilities.

Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019					Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs
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Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost
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Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost
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DUKE ENERGY PROGRESS, LLC
Docket No. E-2, Sub 1205

REDACTED VERSION

Revised Payne Exhibit No. 2
Page 4 of 11
July 16, 2019

Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs
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90									
91									
92									
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Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost
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Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost
146									
147									
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Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost
175									
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DUKE ENERGY PROGRESS, LLC
Docket No. E-2, Sub 1205

REDACTED VERSION

Revised Payne Exhibit No. 2
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July 16, 2019

Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units Note 3	Cost per Unit	Total Cost	Total Units Note 3	Cost per Unit	Total Cost	RECs
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Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost
228									
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DUKE ENERGY PROGRESS, LLC
Docket No. E-2, Sub 1205

REDACTED VERSION

Revised Payne Exhibit No. 2
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July 16, 2019

Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units Note 3	Cost per Unit	Total Cost	RECs	Total Units Note 3	Cost per Unit	Total Cost
250									
251									
252									
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254									
255									
256									
257									
258									
259									
260	Total Units and Cost for Energy and REC purchases								
261	Other Incremental Cost (see Payne Exhibit No. 3 for Incremental Cost worksheet)			\$ 1,631,233				\$ 1,721,000	
262	Billing Period estimated credits for receipts related to contracts (see Payne Exhibit No. 3)			\$ -	Note 1			\$ (700,000)	Note 1
263	Solar Rebate Program (see Payne Exhibit No. 3 for cost detail)			\$ 281,211				\$ 1,220,856	
264	Research (see Payne Exhibit No. 3 for Research cost detail)			\$ 923,051				\$ 900,000	
265	Total Research and Other Incremental Cost			\$ 2,835,495				\$ 3,141,856	
266	Total REPS Cost - to Williams Exhibit No. 1			\$ 222,297,275				\$ 228,016,561	
267	EMF Period actual credits for receipts related to contracts - to Williams Exhibit No.4 - footnote (2)			\$ (758,000)	Note 1				

Payne Exhibit No.3

Compliance Costs

Line No.	Renewable Resource	EMF Period April 1, 2018 - March 31, 2019				Billing Period December 1, 2019 - November 30, 2020			
		RECs only	Total Units <small>Note 3</small>	Cost per Unit	Total Cost	RECs	Total Units <small>Note 3</small>	Cost per Unit	Total Cost

Notes:

Note 1: EMF Period contract receipts are not included in the under/overcollection calculation on Williams Exhibit No. 2, instead they are credited directly to customer class on Williams Exhibit No. 4. Estimated contract receipts are included in Billing Period total other incremental cost as a reduction in REPS charges proposed for the Billing Period.

Note 2: The revenue requirements associated with each of the Company's solar generating facilities were included in total in the Company's base rate case in Docket No. E-2, Sub 1142. The Commission accepted DEP's conclusion that the facility costs included in its proposed base rates were prudently incurred and approved recovery through base rates. Annual levelized costs are no longer calculated and reported in this exhibit.

Note 3: Total units refers to MWhs for bundled energy and REC purchases or to RECs for purchases denoted as RECs only

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1205

In the Matter of)
)
Application of Duke Energy Progress, LLC)
for Approval of Renewable Energy and)
Energy Efficiency Portfolio Standard (REPS))
Compliance Report and Cost Recovery Rider)
Pursuant to N.C. Gen. Stat. § 62-133.8 and)
Commission Rule R8-67)

**SUPPLEMENTAL
TESTIMONY OF
VERONICA I. WILLIAMS**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Veronica I. Williams, and my business address is 550 South
3 Tryon Street, Charlotte, North Carolina.

4 **Q. DID YOU PREVIOUSLY FILE DIRECT TESTIMONY IN THIS**
5 **MATTER BEFORE THE NORTH CAROLINA UTILITIES**
6 **COMMISSION?**

7 A. Yes. I filed direct testimony on behalf of Duke Energy Progress, LLC (the
8 “Company”) in this matter on June 11, 2019.

9 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL**
10 **TESTIMONY?**

11 A. The purpose of my supplemental testimony is to update the North Carolina
12 Utilities Commission on information presented in the exhibits filed with my
13 direct testimony. The Company determined that Confidential Payne Exhibit
14 No. 2, filed in this docket on June 11, 2019, reflected an error of omitted
15 data resulting in an understatement of incremental REPS rider cost. The
16 updated information presented in my supplemental testimony and exhibits
17 incorporates the Company’s correction of that error.

18 **Q. WHAT UPDATES NEED TO BE MADE TO THE EXHIBITS FILED**
19 **WITH YOUR DIRECT TESTIMONY?**

20 A. As described by Company witness Travis E. Payne in his supplemental
21 testimony filed in this docket, an adjustment is required to correct renewable
22 energy cost and the associated renewable energy certificate (“REC”)

1 quantity for one line item on Payne Exhibit No. 2 for the April 1, 2018
2 through March 31, 2019 test period (or “EMF Period”).

3 **Q. PLEASE IDENTIFY THE CORRECTIONS INCORPORATED IN**
4 **THE REVISED EXHIBITS FILED WITH THIS SUPPLEMENTAL**
5 **TESTIMONY AND THE RESULTING DIFFERENCES WHEN**
6 **COMPARED TO THE SAME EXHIBITS FILED PREVIOUSLY**
7 **WITH YOUR DIRECT TESTIMONY.**

8 A. Confidential Revised Williams Exhibit No. 1, Page 1 reflects the increase
9 to incremental REPS rider cost of \$585,128 identified by witness Payne in
10 his supplemental testimony filed in this docket. The following cost and
11 REC quantity components are added to the appropriate totals on Revised
12 Williams Exhibit No. 1, page 1: **[BEGIN CONFIDENTIAL]** [REDACTED]

13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]
18 [REDACTED]

19 [REDACTED] **[END CONFIDENTIAL]** Confidential Revised Williams
20 Exhibit No. 2, Page 1 shows the increase in incremental REPS cost for the
21 EMF period of \$585,128 on Line No. 4, and the totals shown on Line Nos.
22 9-12 are updated accordingly. These updated amounts carry forward to, and
23 are included in, totals shown on Revised Williams Exhibit No. 2, Page 2.

1 The result is a final change \$585,128, from an original net total \$276,977
2 overcollection for the EMF Period to an updated net total undercollection
3 of \$308,151 for the EMF Period, before the effect of interest. The General
4 service and Industrial customer classes show an overcollection for the EMF
5 Period before and after the update, but the overcollection amounts are less
6 than originally calculated as reflected on Revised Williams Exhibit No. 2,
7 page 2, and the corresponding interest credits on the overcollections by class
8 decreased by a total of \$48,075 as well. Including the change in
9 overcollection interest, the updated EMF Period shows a net total
10 undercollection of \$144,838, compared to a net total overcollection in the
11 original June 11, 2019 rider filing of \$488,365, reflecting a final cost
12 increase of \$633,203. Revised Williams Exhibit No. 4 includes the cost
13 changes by customer class for the EMF Period, and the resulting proposed
14 increases in monthly REPS charges by customer class over REPS charges
15 currently in effect are \$0.03 for Residential, \$0.29 for General service, and
16 the proposed decrease in the monthly REPS charge is \$13.59 for Industrial,
17 all including regulatory fee. The cost updates included in this supplemental
18 filing and revised exhibits affect only the EMF Period cost components of
19 the proposed riders, not the estimated billing period cost components.

20 The following tables show the currently-proposed revised monthly
21 REPS rider charges, and a comparison to the monthly REPS rider charges
22 proposed and filed with my direct testimony on June 11, 2019, and a

1 comparison to the monthly REPS rider charges currently in effect through
 2 November 30, 2019 - with and without the regulatory fee applied.

3 Excluding regulatory fee:

Customer class	REVISED proposed REPS rider filed July 15, 2019	Proposed REPS rider filed June 11, 2019	Difference – increase/ (decrease)	Rider currently in effect through November 30, 2019	Difference – increase/ (decrease)
	(a)	(b)	(c) = (a) – (b)	(d)	(e) = (a) – (d)
Residential	\$ 1.45	\$1.43	\$0.02	\$1.42	\$0.03
General	\$ 8.24	\$8.11	\$0.13	\$7.95	\$0.29
Industrial	\$59.50	\$58.59	\$0.91	\$73.07	\$(13.57)

4

5 Including regulatory fee:

Customer class	REVISED proposed REPS rider filed July 15, 2019	Proposed REPS rider filed June 11, 2019	Difference – increase/ (decrease)	Rider currently in effect through November 30, 2019	Difference – increase/ (decrease)
	(a)	(b)	(c) = (a) – (b)	(d)	(e) = (a) – (d)
Residential	\$ 1.45	\$1.43	\$0.02	\$1.42	\$0.03
General	\$ 8.25	\$8.12	\$0.13	\$7.96	\$0.29
Industrial	\$59.58	\$58.67	\$0.91	\$73.17	\$(13.59)

6

7 **Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?**

8 A. Yes.

REDACTED VERSION

DUKE ENERGY PROGRESS, LLC
 Docket No. E-2, Sub 1205
 Compliance Costs for the EMF Period April 1, 2018 to March 31, 2019

Revised Williams Exhibit No. 1
 Page 1 of 2
 July 16, 2019

Line No.	Renewable Resource	RECs - Revised Payne Exhibit No. 2	MWh (Energy)	Total Cost - Revised Payne Exhibit No. 2	Avoided Cost	Incremental Cost	Avoided Cost Recovered in Fuel Cost Adjustment Rider
1	[REDACTED]						
2							
3							
4							
5							
6							
7							
8	Other Incremental cost			\$ 1,631,233		\$ 1,631,233 (f)	
9	Solar Rebate Program			\$ 281,211	Revised Payne Exhibit No. 2	\$ 281,211 (g)	
10	Research			\$ 923,051		\$ 923,051 (h)	
11	Total			\$ 222,297,275		\$ 37,201,361 (below)	
				Revised Payne Exhibit No. 2			
	Incremental cost category					Incremental Cost	Percent of Total Incremental Cost
12	[REDACTED]						
13							
14	Total					\$ 37,201,361	100.00%
						(above)	
	Allocate estimated incremental cost of solar resources between solar compliance requirement and general compliance requirement:						
15	[REDACTED]						
16							
17							
18							
19							
20							

Calculate set-aside and other incremental and research cost per customer class - EMF Period:

Line No.	Customer Class	Total Unadjusted Number of Accounts ⁽¹⁾	Annual Rider Cap per Account Type	Calculated Annual Revenue Cap	Cost Cap Allocation Factor	Allocated Annual Set-aside, Other Incremental, and Research Cost
1	Residential	1,219,245	\$ 27	\$ 32,919,615	51.2%	\$ 9,225,134
2	General	197,172	\$ 150	\$ 29,575,800	46.0%	\$ 8,288,207
3	Industrial	1,808	\$ 1,000	\$ 1,808,000	2.8%	\$ 504,500
4	Totals			\$ 64,303,415	100.0%	\$ 18,017,841

Calculate general cost per customer class - EMF Period:

Line No.	Customer Class	Number of RECs for General compliance ^(a)	% of EE REC supplied by Class ⁽²⁾	REC Requirement supplied by EE by class ^{(3) (b)}	Number of General RECs net of EE (c) = (a) - (b)	General Cost Allocation Factor (e) = (c) / (d)	Allocated Annual General Incremental Costs
5	Residential		63.4%			44.1%	\$ 8,464,673
6	General		35.5%			52.1%	\$ 9,992,573
7	Industrial		1.1%			3.8%	\$ 726,274
8	Totals		100.0%			100.0%	\$ 19,183,520

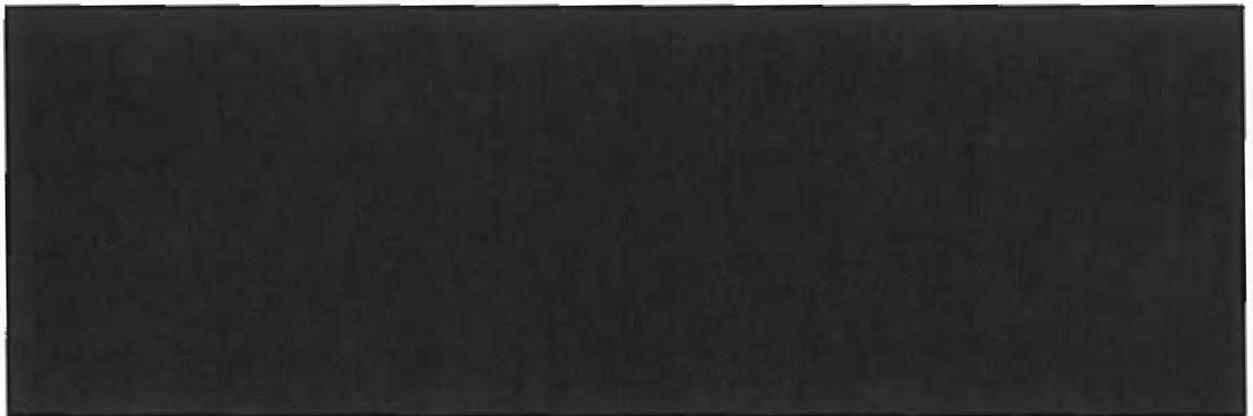
Total cost allocation by customer class - EMF Period:

	Total Incremental REPS cost by class	% Incremental REPS cost by class
9 Residential	\$ 17,689,807	47.55%
10 General	\$ 18,280,780	49.14%
11 Industrial	\$ 1,230,774	3.31%
12 Total	\$ 37,201,361	100.00%

Revised Williams Ex. No. 1 Pg 1 Line No. 14

Notes:

- (1) Average monthly number of REPS accounts for the EMF Period.
- (2) EE allocated to account type according to actual relative contribution of EE RECs by customer class.
- (3) Limited to 25% of total RECs



DUKE ENERGY PROGRESS, LLC
 Docket No. E-2, Sub 1205
 Compliance Costs for the EMF Period April 1, 2018 to March 31, 2019

Revised Williams Exhibit No. 2
 Page 2 of 2
 July 16, 2019

Calculate incremental cost under/(over) collection per customer class - EMF Period:

Line No.	Account Type	Allocated Annual Set-aside and Other Incremental costs	Allocated Annual General Incremental Costs	Total Incremental Costs	Actual NC Retail REPS Revenues Realized - EMF Period	Annual REPS EMF - Under/(Over)-Collection, before Interest	Interest on Over-collection ⁽¹⁾	Annual REPS EMF - Under/(Over)-Collection
1	Residential	\$ 9,225,134	\$ 8,464,673	\$ 17,689,807	\$ 16,401,778	\$ 1,288,029	\$ -	\$ 1,288,029
2	General	\$ 8,288,207	\$ 9,992,573	\$ 18,280,780	\$ 19,213,014	\$ (932,234)	\$ (155,372)	\$ (1,087,606)
3	Industrial	\$ 504,500	\$ 726,274	\$ 1,230,774	\$ 1,278,418	\$ (47,644)	\$ (7,941)	\$ (55,585)
4	Total	\$ 18,017,841	\$ 19,183,520	\$ 37,201,361	\$ 36,893,210	\$ 308,151	\$ (163,313)	\$ 144,838

<<< Revised Williams Exhibit No. 2 page 1 >>>

Notes:

⁽¹⁾ Interest calculated at annual rate of 10% for number months from mid-point of EMF period to mid-point of prospective rider billing period.

DUKE ENERGY PROGRESS, LLC
 Docket No. E-2, Sub 1205
 DEP REPS Billing Components proposed to be effective December 1, 2019 - November 30, 2020

Revised Williams Exhibit No. 4
 Page 1 of 1
 July 16, 2019

Calculate DEP NC Retail monthly REPS rider components:

Line No.	Customer Class	Total Projected Number of Accounts - DEP NC Retail ⁽¹⁾	Annual REPS EMF Under/(Over)-Collection	Contract Amendments, Penalties, Change-of-control, Etc. ⁽²⁾	Total EMF costs/(credits)	Monthly EMF Rider	Projected Total Billing Period Incremental Costs	Monthly REPS Rider
1	Residential	1,234,405	\$ 1,288,029	\$ (388,096)	\$ 899,933	\$ 0.06	\$ 20,578,687	\$ 1.39
2	General	200,915	\$ (1,087,606)	\$ (348,680)	\$ (1,436,286)	\$ (0.60)	\$ 21,309,868	\$ 8.84
3	Industrial	1,794	\$ (55,585)	\$ (21,224)	\$ (76,809)	\$ (3.57)	\$ 1,357,665	\$ 63.07
4			<u>\$ 144,838</u>	<u>\$ (758,000)</u>	<u>\$ (613,162)</u>		<u>\$ 43,246,220</u>	
			Revised Williams Ex. No. 2, Pg 2				Williams Ex. No. 3, Pg 2	

Compare total annual REPS charges per account to per-account cost caps:

Customer Class	Monthly EMF Rider	Monthly REPS Rider - 12 months	Combined Monthly Rider - 12 months	Regulatory Fee Multiplier	Monthly EMF Rider including Regulatory Fee	Monthly REPS Rider including Regulatory Fee	Combined Monthly Rider including Regulatory Fee	Combined Annual Rider including Regulatory Fee	Annual Per-Account Cost Cap
5 Residential	\$ 0.06	\$ 1.39	\$ 1.45	1.001402	\$ 0.06	\$ 1.39	\$ 1.45	\$ 17.40	\$ 27.00
6 General	\$ (0.60)	\$ 8.84	\$ 8.24	1.001402	\$ (0.60)	\$ 8.85	\$ 8.25	\$ 99.00	\$ 150.00
7 Industrial	\$ (3.57)	\$ 63.07	\$ 59.50	1.001402	\$ (3.58)	\$ 63.16	\$ 59.58	\$ 714.96	\$ 1,000.00

Notes:

- (1) Projected average monthly number of REPS accounts for the Billing Period.
- (2) Forward EMF Period receipts for contract amendments, penalties, change-of-control, etc

Customer Class	Contract receipts credited by customer class - Revised Payne Exhibit No. 2	NC retail portion of EMF Period costs - Revised Williams Exhibit No. 1, Pg 1	Allocation to customer class - Revised Williams Exhibit No. 2, Pg 1	Receipts for contract amendments, penalties, change-of-control, etc.
Residential			51.20%	\$ (388,096)
General			46.00%	\$ (348,680)
Industrial			2.80%	\$ (21,224)
Total contract payments received - EMF Period	<u>\$ (758,000)</u>	<u>\$ (758,000)</u>	<u>100.00%</u>	<u>\$ (758,000)</u>
	Revised Payne Exhibit No. 2		100.00%	

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-2, SUB 1205

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC, for Approval
of Renewable Energy and Energy Efficiency Portfolio
Standard Cost Recovery Rider Pursuant to N.C.G.S. §
62-133.8 and Commission Rule R8-67

REVISED PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing in the annual Renewable Energy and Energy Efficiency Portfolio Standard (REPS) cost recovery proceeding for Duke Energy Progress, LLC (DEP). The public hearing has been scheduled to begin immediately following the hearing in Docket No. E-2, Sub 1204, which is scheduled to begin at 2:00 p.m., on Monday, September 9, 2019, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. This proceeding is being held pursuant to the provisions of N.C.G.S. § 62-133.8 and Commission Rule R8-67 for the purpose of determining whether an increment or decrement rider is required to allow DEP to recover all reasonable and prudent incremental costs incurred to comply with the statutory REPS requirement and to consider DEP's annual REPS compliance report. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

Duke Energy Progress filed its annual REPS compliance report and an application and testimony relative to the subject matter of the proceeding on June 11, 2019. By its application, DEP proposed to implement the following monthly REPS charges (including regulatory fee), effective for service rendered on and after December 1, 2019: \$1.43 per month for residential customers; \$8.12 per month for general service/lighting customers; and \$58.67 per month for industrial customers. DEP's proposed monthly REPS charges, if approved, would have resulted in increases in the current monthly REPS charge (including regulatory fee), for residential and general service/lighting customers, as follows: residential, \$0.01 per month; general service/lighting, \$0.16 per month; and would have resulted in a decrease of \$14.50 per month in the current monthly REPS charge for industrial customers. Through supplemental testimony and exhibits filed on July 16, 2019, before the public notice had been published pursuant to the Commission's Order Scheduling Hearing, Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice, DEP revised its proposed rates, resulting in an increase in REPS recovery cost of \$633,203, as compared to the original exhibits filed on June 11, 2019. The effects of this adjustment are revisions to DEP's proposed monthly REPS riders, including regulatory fee, as follows: an increase of \$0.02 for residential customers; an increase of \$0.13 for general service/lighting customers; and an increase of \$0.91 for industrial customers. If approved by the Commission, these revised proposed charges, as compared to the REPS rider charges in effect through November 30, 2019, would result in increases in monthly REPS charges, including regulatory fee, as follows: \$0.03 for residential customers; \$0.29 for general service/lighting customers; and a decrease including regulatory fee of \$13.59 for industrial customers.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEP's application and its annual REPS compliance report are available for review by the public. Also, documents may be viewed on the Commission's website at www.ncuc.net.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Correspondence concerning the REPS rider proceeding and the hearing scheduled thereon should be directed to the Public Staff. Written statements to the Public Staff should include

any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Consumer Protection- Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Written statements are not evidence unless the writers appear at a public hearing and testify concerning the information contained in their written statements.

Persons desiring to intervene in this proceeding as formal parties should file a petition to intervene pursuant to Commission Rules R1-5 and R1-19 on or before Monday, August 19, 2019. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before Monday, August 19, 2019.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of July, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Supplemental Testimony and Revised Exhibits and Proposed Revised Public Notice, in Docket No. E-2, Sub 1205, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1st Class Postage Prepaid, properly addressed to parties of record.

This the 16th day of July, 2019.



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