

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1262

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Duke Energy Progress, LLC, True-Up)	ORDER APPROVING STORM
Adjustment for Storm Cost Recovery)	COST RECOVERY CHARGES

BY THE COMMISSION: On November 21, 2022, Duke Energy Progress, LLC (DEP or Company), as Servicer of the Senior Secured Series A Storm Recovery Bonds (Storm Recovery Bonds), filed a request for an adjustment to the storm cost recovery charges pursuant to the Commission’s May 10, 2021 Financing Order, as clarified by the July 13, 2021 Order Clarifying and Correcting Financing Order in Docket No. E-2, Sub 1262 (Financing Order). The Company stated that the adjustment is intended to satisfy the requirements of N.C. Gen. Stat. § 62-172(b)(3)d and the Financing Order by ensuring the storm cost recovery charges will recover amounts sufficient to timely provide for payments of debt service and other required amounts in connection with the Storm Recovery Bonds.

In its November 21, 2022 filing, DEP proposed to replace the existing storm recovery charges of 0.276 cents per kilowatt-hours (kWh) for Residential customers, 0.297 cents per kWh for Small General Services customers, 0.047 cents per kWh for Medium General Services customers, 0.016 cents per kWh for Large General Services customers, and 0.042 cents per kWh for Lighting customers, with new storm recovery charges of 0.219 cents per kWh for Residential customers, 0.282 cents per kWh for Small General Services customers, 0.046 cents per kWh for Medium General Services customers, 0.014 cents per kWh for Large General Services customers, and 0.042 cents per kWh for Lighting customers, to be effective on and after January 1, 2023.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on December 19, 2022. The Public Staff stated that it reviewed the filing for mathematical and clerical errors and is satisfied there are no such errors contained in the filing. The Public Staff noted that DEP utilized the regulatory fee percentage of 0.13% for estimating its upcoming regulatory fee expense instead of the currently approved 0.14% regulatory fee. However, there is no material impact on the rates as presented by the Company, and the actual regulatory fee will be included in the Company’s next true-up filing. The Public Staff also reviewed the ongoing financing costs and servicing fees incurred through October 2022 for the prior and current review periods and found them reasonable. The Public Staff recommended that the Company’s proposed storm cost recovery charges filed in the November 21, 2022 filing be approved, effective for the period January 1, 2023, through June 30, 2023.

Based on its review of the Company's filing and the recommendation of the Public Staff, the Commission concludes that the proposed storm cost recovery charges are reasonable and should be approved, effective January 1, 2023.

IT IS, THEREFORE, ORDERED that the storm cost recovery charges proposed by the Company in its filing of November 21, 2022, are approved effective January 1, 2023, through June 30, 2023.

ISSUED BY ORDER OF THE COMMISSION.

This the 21st day of December, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Erica N. Green". The signature is written in a cursive style with a large initial "E".

Erica N. Green, Deputy Clerk

Commissioners Jeffrey A. Hughes and Floyd B. McKissick, Jr. did not participate in this decision.