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JUL 20 2020

July 20, 2020

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 Progress, LLC's Correction to Quarterly Surveillance
Reports E.S.-1 (Fourth Quarter 2019 and First Quarter 2020)
Docket No. M-1, Sub 12DEP**

Dear Ms. Campbell:

On February 28, 2020 and June 1, 2020, Duke Energy Progress, LLC filed its quarterly surveillance reports (the "Reports") for Fourth Quarter 2019 and for First Quarter 2020 respectively. It has come to my attention that the Reports inadvertently omitted the schedule pertaining to demand-side management, energy efficiency, and the Distribution System Demand Response Program. Accordingly I enclose those pages.

Thank you for your attention to this matter. I apologize for any inconvenience this may have caused. If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence B. Somers", written over a horizontal line.

Lawrence B. Somers

Enclosure

cc: Parties of Record

ES-1 Returns - Q4 2019

North Carolina
12 months ending December 31, 2019

DSM Return

Carrying Cost		
return	<u>2,908</u>	7.09%
base	41,011	

ROE

return	<u>1,512</u>	7.19%
base	21,036	

EE Return

Carrying Cost		
return	<u>7,568</u>	7.09%
base	106,720	

return	<u>3,935</u>	6.91%
base	56,954	

DSDR Returns*

Carrying Cost		
return	<u>1,280</u>	7.13%
base	17,957	

return	<u>4,346</u>	8.46%
base	51,369	

Capital return		
return	<u>7,077</u>	8.28%
base	85,511	

* Adjustments were made to the property balances during the 2010 year.

Jurisdictional Earnings

DSM	2,908
EE	7,568
DSDR	1,280
DSDR Capital	<u>7,077</u>
Total Carrying Costs	18,834
CC Equity Tax Gross up	<u>4,169</u>
DSM/EE/DSDR Total Returns	<u>23,003</u>
Net Lost Revenues	31,773
Uncollectibles	-
PPI	30,097
EMF True Up	(418)
Interest on Undercollection	-
Provision	-
NC DSDR True Up rounding	-
Total pretax Earnings	<u>84,455</u>
Federal Tax	17,401
State Tax	2,128
Total after tax Earnings	<u>64,926</u>
	64,926
	0

check

Capital Structure

Program Expenses

LT Debt	48.00%
Preferred	0.00%
Common Stock	<u>52.00%</u>
Total Capital	100%

North Carolina Cost of Capital (Per NCUC 2012 Rate Order, Docket NO. E-2, Sub 1174):

Annual Weighted Cost of Capital	1.94%
	0.00%
	<u>5.15%</u>
	7.09%

DSDR Capital	Ratio
Long Term Debt	48.00%
Preferred Equity	0.00%
Common Equity	<u>52.00%</u>
Total Capitalization	100.00%

North Carolina Cost of Capital (Per NCUC 2012 Rate Order, Docket NO. E-2, Sub 1174):

Annual Weighted Cost of Capital	1.94%
	0.00%
	<u>5.15%</u>
	7.09%

ES-1 Returns - Q1 2020

North Carolina
12 months ending March 31, 2020

DSM Return			ROE		
Carrying Cost					
return	<u>2,942</u>	7.09%	return	<u>1,530</u>	7.18%
base	41,477		base	21,293	
EE Return					
Carrying Cost					
return	<u>7,518</u>	7.09%	return	<u>3,910</u>	6.99%
base	106,018		base	55,934	
DSDR Returns*					
Carrying Cost					
return	<u>1,259</u>	7.04%	return	<u>4,634</u>	8.52%
base	17,885		base	54,361	
Capital return					
return	<u>7,652</u>	8.37%			
base	91,469				

* Adjustments were made to the property balances during the 2010 year.

Jurisdictional Earnings

DSM	2,942
EE	7,518
DSDR	1,259
DSDR Capital	<u>7,652</u>
Total Carrying Costs	19,371
CC Equity Tax Gross up	<u>4,277</u>
DSM/EE/DSDR Total Returns	<u><u>23,648</u></u>
Net Lost Revenues	32,282
Uncollectibles	-
PPI	30,057
EMF True Up	(418)
Interest on Undercollection	-
Provision	-
NC DSDR True Up rounding	-
Total pretax Earnings	<u><u>85,569</u></u>
Federal Tax	17,652
State Tax	2,018
Total after tax Earnings	<u><u>65,899</u></u>
	65,899
	(0)

Capital Structure

Program Expenses		Annual Weighted Cost of Capital
LT Debt	48.00%	1.94%
Preferred	0.00%	0.00%
Common Stock	<u>52.00%</u>	<u>5.15%</u>
Total Capital	100%	7.09%
North Carolina Cost of Capital (Per NCUC 2012 Rate Order, Docket NO. E-2, Sub 1174):		

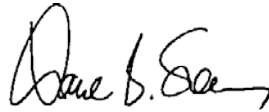
DSDR Capital		Ratio	Annual Weighted Cost of Capital
Long Term Debt	48.00%		1.94%
Preferred Equity	0.00%		0.00%
Common Equity	<u>52.00%</u>		<u>5.15%</u>
Total Capitalization	100.00%		7.09%
North Carolina Cost of Capital (Per NCUC 2012 Rate Order, Docket NO. E-2, Sub 1174):			

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Correction to Quarterly Surveillance Reports, in Docket No. M-1, Sub 12DEP, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties:

Dianna Downey
Public Staff
North Carolina Utilities Commission
4326 Mail Service Center
Raleigh, NC 27699-4300
dianna.downey@psncuc.nc.gov

This the 20th day of July, 2020.



By: _____

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