

Base Revenues at Present Rates (excludes all non-fuel riders)	\$3,471.1	Percent Changes
General Base Rate Increase	\$227.6	6.6%
MYRP Rate Year 1 Increase	\$106.7	3.1%
Total Year 1 Increase (General Base Rate + MYRP Rate Year 1)	\$334.3	9.7%
MYRP Rate Year 2 Increase	\$150.8	4.3%
MYRP Rate Year 3 Increase	\$138.3	4.0%
Total Increase	\$623.4	18.0%
Base Revenues at Proposed Rates (excludes all riders)		
Base Revenues at Proposed Rates (excludes all riders)	\$4,094.4	
EDIT-4 Refund in First Year	(\$8.5)	(0.3%)
Net Revenue Increase after Rate Year 3	\$614.9	17.7%
Base Revenues at Proposed Rates (excluding all riders and including EDIT-4 refund)	\$4,085.9	

Source: Reed Exhibit 4, excluding impacts of riders. All dollars are in millions.

In addition to the refund of EDIT-4 revenues, DEP has requested approval of the following riders:

- Earnings Sharing Mechanism (ESM) Rider
- Residential Decoupling Mechanism (RDM) Rider
- Performance Incentive Mechanism (PIM) Rider
- Customer Assistance Program (CAP) Rider
- Customer Assistance Recovery (CAR) Rider

Further, DEP is seeking approval of a rate of return on common equity of 10.2%.

DEP states that the primary drivers behind its request to increase rates are the costs incurred for: (1) distribution and transmission projects intended to modernize its electric grid; (2) improvements to reliability through a balanced portfolio of storage, solar, and other

generation projects to continue the clean energy transition; (3) closure of coal ash basins; (4) implementation of new billing and customer information systems; (5) maintenance of the DEP nuclear fleet; and (6) the DEP COVID-19 response.

Specifically, DEP states that its request is driven by investments made since its 2019 rate case, including: (1) investments in existing nuclear plants to enhance safety, reliability, and efficiency, and to preserve their performance and reliability over their extended life operations; (2) new investments in traditional and renewable generation and storage assets; (3) continued investments to maintain remaining coal-fired generation and hydroelectric generation; (4) the addition of three battery installations; (5) ongoing work to retire and close existing coal-fired units; (6) adding new carbon free technologies such as solar and storage; and (7) upgrading transmission and distribution systems to be more reliable, resilient, and supportive of renewable technologies.

Additionally, DEP is requesting approval of accounting orders for: (1) ongoing regulatory asset treatment of the costs for environmental compliance related to the closure of coal ash basins; (2) continued deferral of bad debt expense related to the COVID-19 pandemic; (3) deferral of a portion of the impact associated with updated depreciation rates for its coal plants; (4) deferral of costs associated with implementing customer service programs; (5) deferral of storm costs; and (6) deferral of certain costs related to a new performance incentive mechanism dashboard.

DEP is also proposing a customer assistance program for eligible low-income customers, a tariffed-on-bill program, and the payment navigator program.

Based upon a review of DEP's application and the record, the Commission finds good cause to set DEP's application for a series of public hearings, establish procedural and filing requirements for DEP and other parties, and require DEP to provide public notice of its application.

The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition which a party desires to take shall be taken before the deadline for the filing of Public Staff and intervenor testimony. Notice of deposition shall be served on all parties at least seven days prior to the taking of the deposition. Notice of deposition and all other discovery notices, requests and motions shall be served on the appropriate parties by hand delivery or facsimile, or by electronic delivery if the receiving party has agreed to receipt by electronic delivery.

2. Any motion for subpoena of a witness to appear at the evidentiary hearing shall be filed with the Commission before the deadline for the filing of Public Staff and intervenor testimony, shall be served by hand delivery, facsimile, or by means of electronic delivery, upon agreement of the receiving party, to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an

issue in the proceeding. See N.C.G.S. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena 24 hours after such a motion is filed.

3. Formal discovery requests related to the application and DEP's prefiled direct testimony shall be served on DEP by hand delivery, facsimile, or electronic delivery (with DEP's agreement), no later than 14 calendar days prior to the filing of Public Staff and other intervenor testimony. The party served shall have up to ten calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten days prior to the deadline for the filing of Public Staff and other intervenor testimony.

4. Formal discovery requests related to the prefiled direct testimony of the Public Staff or intervenors shall be served no later than five calendar days after such testimony is filed. The party served shall have up to three business days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than nine calendar days after that party's testimony was filed.

5. Formal discovery requests related to DEP's prefiled rebuttal testimony shall be served on DEP no later than three business days after such testimony is filed. The party served shall have up to three calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three business days after the rebuttal testimony was filed. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery from DEP.

6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two days to file a motion to compel with the Commission, and the party objecting to discovery shall have one day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery because of that party's late intervention or other delay in initiating discovery.

The Chair urges all parties to work in a cooperative manner and to attempt to accommodate discovery within the time available. The Chair recognizes that in the past most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery

or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

Further, the Chair finds good cause to require DEP and all other parties who file exhibits and workpapers that include tables of numbers and calculations to provide the Commission Staff, Public Staff, and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact.

Finally, the Chair finds good cause to require DEP to consult with all of the parties and file, no later than April 24, 2023, a joint list of witnesses to be called at the expert witness hearing, the order of witnesses, and each party's estimated time for cross-examination of each witness. If the parties cannot agree, the remaining parties shall, no later than April 27, 2023, make a filing indicating their points of disagreement with DEP's filing.

IT IS, THEREFORE, ORDERED as follows:

1. That the public witness hearings on DEP's application shall be, and are hereby scheduled, as follows:

Lumberton: Tuesday, February 21, 2023, at 7:00 p.m.
Robeson County Courthouse
510 N. Elm Street
Courtroom B
Lumberton, North Carolina 28359

Raleigh: Monday, February 27, 2023, at 7:00 p.m.
North Carolina Utilities Commission
430 N. Salisbury Street
Commission Hearing Room 2115
Raleigh, North Carolina 27603

Waynesville: Monday, March 6, 2023, at 7:00 p.m.
Haywood County Courthouse
285 N. Main Street
Courtroom 2-A
Waynesville, North Carolina 28786

Roxboro: Monday, March 13, 2023, at 7:00 p.m.
Person County Courthouse
105 N. Main Street
Superior Courtroom
Roxboro, North Carolina 27573

Snow Hill: Monday, March 20, 2023, at 7:00 p.m.
Greene County Courthouse
301 N. Green Street
Courtroom 1
Snow Hill, North Carolina 28580

2. That the public witness hearings will be conducted solely for the purpose of receiving the testimony of public witnesses in accordance with Commissioner Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearings pursuant to Commission Rule R1-21(g)(5);

3. That the application is scheduled for expert witness hearing beginning at 2:00 p.m., on Monday, May 1, 2023, and continuing as necessary until conclusion. The hearing will be held in Commission Hearing Room 2115, Second Floor, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina;

3. That the Commission will determine not only the justness and reasonableness of DEP's overall requested changes in rates, but also the appropriate level of rates to be established for each individual rate class;

4. That the test period to be used by all parties in this proceeding shall be the twelve-month period ending December 31, 2021, with appropriate adjustments;

5. That the parties shall comply with the discovery guidelines established herein and shall work in a cooperative manner as to discovery;

6. That DEP shall, at its own expense, publish in newspapers having general coverage in its service area, the Public Notice of Hearings on Rate Increase Application attached as Appendix A, once a week for two consecutive weeks, at least 30 days in advance of the first hearing scheduled herein. The Public Notice shall cover no less than one-fourth of a page;

7. That DEP shall mail to each of its customers a copy of the Public Notice of Hearings on Rate Increase Application no later than 30 days in advance of the first hearing set herein;

8. That DEP shall make a copy of the Public Notice of Hearings on Rate Increase Application prominently available on its website, and provide an email with an electronic link to the Public Notice for all customers receiving bills electronically;

9. That DEP shall file no later than the date of the first public hearing an affidavit of publication and certificate of service showing that it provided notice as required herein;

10. That petitions to intervene in this proceeding shall be filed pursuant to Commission Rules R1-5 and R1-19 not later than March 17, 2023;

11. That DEP's updates to its actual revenues, expenses, rate base, and cost of capital for the period ending March 31, 2023, shall be filed on or before April 18, 2023;

12. That the direct testimony and exhibits of intervenors and the Public Staff shall be filed on or before March 27, 2023, and that the rebuttal testimony and exhibits of DEP, if any, shall be filed on or before April 14, 2023;

13. That DEP shall consult with all other parties and file, not later than April 24, 2023, a list of witnesses to be called at the expert witness hearing, the order of witnesses, and each party's estimated time for cross-examination of each witness. If the parties cannot reach agreement, the remaining parties shall, no later than April 27, 2023, make a filing indicating their points of disagreement with DEP's filing; and

14. That all parties filing supporting exhibits in Excel format shall provide to the Commission Staff electronic versions of the exhibits filed in native Excel format via email at NCUCexhibits@ncuc.net, including all of the supporting tabs and formulas, within three days of the filing of such exhibits; and that DEP and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact.

ISSUED BY ORDER OF THE COMMISSION.

This the 16th day of December, 2022.

NORTH CAROLINA UTILITIES COMMISSION



Erica N. Green, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1300

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress,)
LLC, for Adjustment of Rates and) PUBLIC NOTICE OF HEARINGS ON
Charges Applicable to Electric Service) RATE INCREASE APPLICATION
in North Carolina)

NOTICE IS HEREBY GIVEN that on October 6, 2022, Duke Energy Progress, LLC (DEP) filed an application with the Commission requesting authority to adjust and increase its rates and charges for retail electric service in North Carolina. DEP supplies retail electric service to approximately 1.5 million customers in North Carolina.

In its application, DEP requests authority to increase its rates and charges to produce additional overall annual North Carolina base revenues of approximately \$623.5 million (exclusive of all riders), an increase of approximately 17.7% over current base revenues. DEP has requested this increase to take place in steps over the course of three years as further described below. This application also includes a request for approval of a Performance Based Regulation (PBR) application pursuant to N.C. Gen. Stat. § 62-133.16 and North Carolina Utilities Commission (Commission) Rule R1-17B, including proposed changes in customer rates authorized by the statute and rule. More specifically, the application includes (1) a residential Decoupling Ratemaking Mechanism that would distribute to or collect from the residential class of customers amounts based on any difference between actual and target revenues per residential customer established in this case; (2) a Multiyear Rate Plan (MYRP), which increases base rates each year to reflect costs and savings associated with discrete and identifiable capital investments projected to be used and useful during the course of the three-year PBR period; (3) an Earnings Sharing Mechanism that would require sharing of earnings over a certain threshold each year of the multiyear period; and (4) four Performance Incentive Mechanisms that would penalize or reward DEP based on its achievement of, or failure to achieve, Commission-approved policy goals.

In addition to the refund of EDIT-4 revenues, DEP has requested approval of the following riders:

- Earnings Sharing Mechanism (ESM) Rider
- Residential Decoupling Mechanism (RDM) Rider
- Performance Incentive Mechanism (PIM) Rider
- Customer Assistance Program (CAP) Rider
- Customer Assistance Recovery (CAR) Rider

Further, DEP is seeking approval of a rate of return on common equity of 10.2%.

DEP states that the primary drivers behind its request to increase rates are the costs incurred for: (1) distribution and transmission projects intended to modernize its electric grid; (2) improvements to reliability through a balanced portfolio of storage, solar, and other generation projects to continue the clean energy transition; (3) closure of coal ash basins; (4) implementation of new billing and customer information systems; (5) maintenance of DEP's nuclear fleet; and (6) DEP's COVID-19 response.

Specifically, DEP states that its request is driven by investments made by DEP since its 2019 rate case, including: (1) investments in existing nuclear plants to enhance safety, reliability, and efficiency, and to preserve performance and reliability of these plants throughout their extended life operations; (2) new investments in traditional and renewable generation and storage assets; (3) continued investments to maintain remaining coal-fired generation and hydroelectric generation; (4) the addition of three battery installations; (5) ongoing work to retire and close existing coal-fired units; (6) adding new carbon free technologies such as solar and storage; and (7) upgrading transmission and distribution systems to be more reliable, resilient, and supportive of renewable technologies.

Additionally, DEP is requesting an accounting orders related to for approval to: (1) ongoing regulatory asset treatment of the costs for environmental compliance related to the closure of coal ash basins; (2) continued deferral of bad debt expense related to the COVID-19 pandemic; (3) deferral of a portion of the impact associated with updated depreciation rates for its coal plants; (4) deferral of costs associated with implementing customer service programs; (5) deferral of storm costs; and (6) deferral of certain costs related to a new performance incentive mechanism dashboard.

DEP is also proposing new programs to that are intended to benefit customers including a customer assistance program for low-income customers, a tariffed-on-bill program, and the Payment Navigator Program.

The Commission has issued an order suspending the proposed rate increases and setting the application for a general rate increase for hearing, as follows:

PUBLIC HEARINGS

The Commission has scheduled the application for hearings as follows:

Tuesday, February 21, 2023, at 7:00 p.m.
Robeson County Courthouse
510 N. Elm Street
Courtroom B
Lumberton, North Carolina 28359

Monday, February 27, 2023, at 7:00 p.m.
North Carolina Utilities Commission
430 N. Salisbury Street
Commission Hearing Room 2115

Raleigh, North Carolina 27603

Monday, March 6, 2023, at 7:00 p.m.
Haywood County Courthouse
285 N. Main Street
Courtroom 2-A
Waynesville, North Carolina 28786

Monday, March 13, 2023, at 7:00 p.m.
Person County Courthouse
105 N. Main Street
Superior Courtroom
Roxboro, North Carolina 27573

Monday, March 20, 2023, at 7:00 p.m.
Greene County Courthouse
301 N. Green Street
Courtroom 1
Snow Hill, North Carolina 28580

The hearings on February 21, 27 and March 6, 13, and 20, 2023, will be solely for the purpose of receiving the testimony of public witnesses in accordance with Commissioner Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearings pursuant to Commission Rule R1-21(g)(5).

The hearings will resume in Raleigh on May 1, 2023, at 2:00 p.m., solely for the purpose of receiving expert witness testimony from the parties' witnesses and will continue as required for testimony and cross-examination of expert witnesses for DEP, the Public Staff, and other intervenors.

In this application, DEP has identified present total base rate service revenues (plus the forward-looking component of the annual fuel and fuel-related costs rider) under current rates for the 2021 test period of \$3.471 billion. DEP requests that the Commission allow it to recover total additional base rate service revenues of \$334.3 million in Rate Year 1 (including the traditional general rate case increase above of \$227.6 million and \$106.7 million for MYRP projects in Year 1, effective October 1, 2023 through September 30, 2024; base service revenues of \$485.1 million (incremental change of \$150.8 million) in Rate Year 2, effective October 1, 2024 through September 30, 2025; and base service revenues of \$623.5 million (incremental change of \$138.3 million) in Rate Year 3, effective October 1, 2025 through such time as new rates are approved by the Commission.

These requested increases are partially offset by a net rate reduction of \$8.5 million each year in the EDIT-4 rider to refund certain tax benefits resulting from the Tax Act and the reduction in North Carolina's state-corporate tax rate, which results in a proposed net revenue increase of \$325.8 million for Rate Year 1, an additional \$150.8 million for Rate Year 2, and an additional \$138.3 million for Rate Year 3, totaling \$615.0

million. The proposed change in the EDIT-4 rider reduction would expire in June 2026 (part way through Rate Year 3) along with the rest of the EDIT-4 rider.

The proposed net revenue increases for each Rate Year are distributed among classes of customers as follows:

The following table represents the annual increases for each Rate Year totaling \$623.5 million resulting from DEP's base revenue increases excluding the EDIT-4 refund:

Rate Class	Present Base Revenues*	Rate Year One Base Revenue Increase*	Rate Year One Percentage Increase in Base Revenues	Rate Year Two Base Revenue Increase*	Rate Year Two Percentage Increase in Base Revenues	Rate Year Three Base Revenue Increase*	Rate Year Three Percentage Increase in Base Revenues
Residential	\$1,865,279	\$208,136	11.2%	\$94,181	5.0%	\$87,079	4.7%
Small General Service	\$222,186	\$20,432	9.2%	\$10,033	4.5%	\$9,247	4.2%
Small General Service Constant Load	\$5,997	\$504	8.4%	\$272	4.5%	\$252	4.2%
Medium General Service	\$787,389	\$56,533	7.2%	\$26,662	3.4%	\$24,478	3.1%
Large General Service	\$488,627	\$28,367	5.8%	\$13,914	2.8%	\$12,732	2.6%
Traffic Signal Service	\$437	\$30	6.9%	\$17	4.0%	\$16	3.7%
Outdoor Lighting	\$96,507	\$19,221	19.9%	\$5,390	5.6%	\$4,231	4.4%
Sports Field Lighting	\$270	\$326	120.8%	\$77	28.6%	\$69	25.5%
Seasonal	\$4,452	\$746	16.8%	\$269	6.0%	\$245	5.5%
Total Revenue/ Increase	\$3,471,144	\$334,295	9.6%	\$150,816	4.3%	\$138,348	4.0%

* In thousands and including the forward-looking component of the annual fuel and fuel-related costs included in Rider BA. Information taken from Reed Exhibits 4 for each year of the MYRP and calculated by the Public Staff.

The following table represents the average bill increase by rate class for each Rate Year totaling \$615 million (including the EDIT-4 refund) resulting from DEP's base revenue increases. Present total revenues including riders displayed below include present base rates and present riders effective on October 6, 2022.

Rate Class	Present Base Revenues*	Present Base Revenues, Including Riders**	Rate Year One Base Revenue Increase***	Rate Year One Percentage Increase	Rate Year Two Base Revenue Increase***	Rate Year Two Percentage Increase	Rate Year Three Base Revenue Increase**	Rate Year Three Percentage Increase
Residential	\$1,865,279	\$2,056,560	\$202,964	9.9%	\$94,181	4.6%	\$87,079	4.2%
Small General Service	\$222,186	\$253,057	\$19,879	7.9%	\$10,033	4.0%	\$9,247	3.7%
Small General Service Constant Load	\$5,997	\$7,222	\$490	6.8%	\$272	3.8%	\$252	3.5%
Medium General Service	\$787,389	\$887,749	\$55,010	6.2%	\$26,662	3.0%	\$24,478	2.8%
Large General Service	\$488,627	\$544,566	\$27,588	5.1%	\$13,914	2.6%	\$12,732	2.3%
Traffic Signal Service	\$437	\$527	\$29	5.6%	\$17	3.3%	\$16	3.1%
Outdoor Lighting	\$96,507	\$94,495	\$18,790	19.9%	\$5,390	5.7%	\$4,231	4.5%
Sports Field Lighting	\$270	\$270	\$321	118.9%	\$77	28.6%	\$69	25.5%
Seasonal	\$4,452	\$4,875	\$730	15.0%	\$269	5.5%	\$245	5.0%
Total Revenue/ Increase	\$3,471,144	\$3,849,320	\$325,801	8.5%	\$150,816	3.9%	\$138,348	3.6%

* In thousands and including the forward-looking component of the annual fuel and fuel-related costs included in Rider BA.

**Present riders include EDIT-3, EDIT-4, DSM/EE, Fuel EMF, REPS, JAAR, and CPRE.

***The Rate Year revenues includes the proposed EDIT-4 refund.

Information taken from Reed Exhibits 4 for each year of the MYRP.

The actual increases within the above-listed rate classes will vary by rate schedule and individual customer usage characteristics.

All proposed changes to DEP's rate schedules are shown in Exhibits B, B_1, B_2, and B_3 in the Application. The energy rates shown on the rate schedules in Exhibits B, B_1, B_2, and B_3 include the proposed base fuel and forward-looking fuel adjustment rates as filed by DEP in Docket No. E-2, Sub 1272. Present and proposed base fuel and forward-looking fuel adjustment rates by customer class are as follows (including the regulatory fee):¹

¹ Base fuel and forward-looking fuel adjustment rates will be updated after December 1, 2022, when new fuel rates become effective under Docket No. E-2, Sub 1292.

Customer Class	Present Base Fuel Rate	Present Fuel Adjustment Rate	Proposed Base Fuel Rate	Proposed Fuel Adjustment Rate
Residential	\$0.02083	\$0.00046	\$0.02129	\$0.00000
Small General Service	\$0.02129	-\$0.00015	\$0.02114	\$0.00000
Medium General Service	\$0.02231	-\$0.00059	\$0.02172	\$0.00000
Large General Service	\$0.02207	-\$0.00185	\$0.02022	\$0.00000
Lighting	\$0.01394	\$0.00290	\$0.01684	\$0.00000

The proposed revenues stated above do not include the impacts from various riders that have been approved by the Commission in separate proceedings (except for the forward-looking component of the annual fuel and fuel-related costs rider), or that may be approved in future annual proceedings. The following list of riders in effect at the time of this notice are applicable to DEP's rate schedules pursuant to existing law and the Commission's rules and orders applicable to each rider:

- Excess Deferred Income Tax Rider EDIT-3
- Excess Deferred Income Tax Rider EDIT-4
- Billing Adjustments (BA) Rider
 - Fuel and Fuel-Related Adjustment
 - Demand Side Management and Energy Efficiency Adjustment
 - Renewable Energy Portfolio Standard (REPS)
- Competitive Procurement of Renewable Energy (CPRE) Rider
- Joint Agency Asset (JAA) Rider
- Storm Cost Recovery (SCR) Rider
- Storm Securitization (STS) Rider

The current amounts of the riders listed above can be found at DEP's website at:

<https://www.duke-energy.com/home/billing/rates> (select North Carolina and the applicable utility on the top navigation bar)

In addition to the current riders listed above, DEP is also proposing the following new riders:

- Earnings Sharing Mechanism (ESM) Rider
- Residential Decoupling Mechanism (RDM) Rider
- Performance Incentive Mechanism (PIM) Rider
- Economic Development (EC) Rider
- Non-Residential Solar Choice (NSC) Rider

- Customer Assistance Program (CAP) Rider
- Customer Assistance Recovery (CAR) Rider

As part of the Annual Review of DEP’s PBR plan, DEP will adjust rates as authorized by the Residential Decoupling Mechanism, the Earnings Sharing Mechanism, and the Performance Incentive Mechanism(s) in accordance with the applicable statutory and regulatory requirements associated with each Mechanism.

EFFECT OF RATES²

RESIDENTIAL – The proposed total monthly bill for a residential customer served under Schedule RES using 1,000 kWh per month, including base rates and all such rate riders in effect at the time of this notice as currently approved (except for the effects of any Customer Affordability Recovery Riders, Earnings Sharing Mechanism Riders, Residential Decoupling Mechanism Riders, or Performance Incentive Mechanism Riders) would be as follows:

Year	Current (\$/month)	Proposed (\$/month)	Change (\$) (\$/month)	Change (%)
Rate Year 1	\$126.43	\$139.58	\$13.15	10.4%
Rate Year 2	\$139.58	\$145.20	\$5.62	4.0%
Rate Year 3	\$145.20	\$150.41	\$5.21	3.6%

The dollar amount and percentage change noted above will vary with each customer’s level of electricity usage and rate schedule by which they receive service.

² The tables and information used to determine the effect of rate are taken from Reed Exhibits 5 for each year of the MYRP as filed October 6, 2022. These exhibits include the 12/2021 Fuel EMF, DSM, EE, EDIT-3, EDIT-4 (including proposed EDIT-4 changes), and Joint Agency Asset riders, The exhibits do not include the effects of REPS and DSM/EE Opt-Outs on customer bills.

DEP in its application is also proposing a Customer Assistance Program that will provide a flat, monthly bill credit of \$42 to eligible low-income residential customers. The cost of providing this program will be recovered through the proposed Customer Assistance Recovery Rider.

NON-RESIDENTIAL (General Service and Industrial Service) – The proposed total monthly bill for a nonresidential general or industrial service customer served under one of the schedules listed below, including base rates and all such rate riders as currently approved (except for the effects of any Earnings Sharing Mechanism Riders, Decoupling Riders, or Performance Incentive Mechanism Riders) would be as follows for the specific customers using the levels of demand and energy service under specific schedules: NON-RESIDENTIAL (General Service and Industrial Service) - The proposed total monthly bill for a non-residential general or industrial service customer served under one of the schedules listed below, including base rates and all such rate riders in effect at the time of this notice as currently approved (except for the effects of any Customer Assistance Recovery Riders, Earnings Sharing Mechanism Riders, or Performance Incentive Mechanism Riders) would be as follows for the specific customers using the levels of demand and energy service under specific schedules:

Schedule SGS using 25 kW demand and 3,000 kWh:

Year	Current (\$/month)	Proposed (\$/month)	Change (\$) (\$/month)	Change (%)
Rate Year 1	\$335.28	\$362.44	\$27.16	8.1%
Rate Year 2	\$362.44	\$377.86	\$15.42	4.3%
Rate Year 3	\$377.86	\$392.06	\$14.20	3.8%

Schedule MGS using 500 kW demand and 200,000 kWh:

Year	Current (\$/month)	Proposed (\$/month)	Change (\$) (\$/month)	Change (%)
Rate Year 1	\$18,203	\$19,378	\$1,175	6.5%
Rate Year 2	\$19,378	\$19,941	\$563	2.9%
Rate Year 3	\$19,941	\$20,471	530	2.7%

Schedule LGS using 10,000 kW demand and 5,800,000 kWh:

Year	Current (\$/month)	Proposed (\$/month)	Change (\$) (\$/month)	Change (%)
Rate Year 1	\$457,431	\$487,483	\$30,052	6.6%
Rate Year 2	\$487,483	\$497,743	\$10,260	2.1%
Rate Year 3	\$497,743	\$506,559	\$8,816	1.8%

The dollar amount and percentage change noted above will vary with each customer's level of electricity usage and rate schedule by which they receive service.

The Commission may consider additional or alternative rate design proposals that were not included in the DEP's application and may order increases or decreases in individual rate schedules that differ from those proposed by the DEP, but the Commission will not consider any increase in total revenues beyond that requested by DEP.

OTHER MATTERS

A list of present rates, together with details of the proposed adjustments in rates, can be obtained at the business offices of DEP or at the Office of the Chief Clerk of the North Carolina Utilities Commission, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of the application is available for review. These materials, as well as pleadings, the pre-filed testimony and exhibits of all parties, the transcripts of all hearings, briefs, and proposed orders, may be viewed as they become available on the Commission's web site at www.ncuc.gov. Click on "Docket Search" and search for docket number E-2 SUB 1300.

As stated above, the Commission has suspended the proposed rate changes and has scheduled the application for investigation and hearing. Persons desiring to present testimony for the record should appear at one of the public hearings. Persons desiring to send written statements to inform the Commission of their positions in the matter should address their statements to the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300 and reference Docket No. E-2, Sub 1300. However, such written statements cannot be considered competent evidence unless those persons appear at the hearing and testify concerning the information contained in their written statements. Customers can also email the Commission a statement about DEP's rate request via the Commission's website at www.ncuc.net/contactus.html. In either case, consumer statements will be placed in Docket No. E-2, Sub 1300CS and may be accessed by searching that docket number via the Commission's website.

Persons having an interest in the investigation and desiring to intervene in the matter as formal parties of record may file their petitions to intervene not later than March 17, 2023. These petitions should reference Docket No. E-2, Sub 1300 and should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. All parties to this proceeding planning to present expert testimony must prefile their testimony and exhibits not later than March 27, 2023.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information which the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to:

Mr. Christopher J. Ayers
Executive Director
Public Staff – North Carolina Utilities Commission
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 of North Carolina
c/o Consumer Protection – Utilities
9001 Mail Service Center
Raleigh, North Carolina 27699-9001

This the 16th 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, flowing style.

Erica N. Green, Deputy Clerk

NOTE TO PRINTER: DEP shall pay advertising costs. It is required that an Affidavit of Publication be filed with the Commission by DEP.