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JUN 09 2020

June 9, 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 Application for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider
Docket No. E-2, Sub 1252**

Dear Ms. Campbell:

Enclosed is Duke Energy Progress, LLC's Application for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider, together with the Direct Testimony and Exhibits of Shannon R. Listebarger and Robert P. Evans, for filing in connection with the referenced matter.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

Kendrick C. Fentress

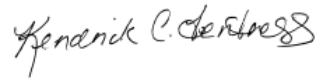
Enclosure

cc: David T. Drooz
Dianna Downey
Lucy Edmondson
Nadia Luhr

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Application for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider in Docket No. E-2, Sub 1252 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 9th day of June, 2020.



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BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1252

In the Matter of)	APPLICATION OF
Application of Duke Energy Progress, LLC)	DUKE ENERGY PROGRESS,
for Approval of Demand-Side Management)	LLC FOR APPROVAL OF
and Energy Efficiency Cost Recovery Rider)	DEMAND-SIDE
Pursuant to N.C. Gen. Stat. § 62-133.9 and)	MANAGEMENT AND
Commission Rule R8-69)	ENERGY EFFICIENCY COST
)	RECOVERY RIDER

Duke Energy Progress, LLC (“DEP” or the “Company”), pursuant to N.C. Gen. Stat. § 62-133.9 and Rule R8-69 of the Rules and Regulations of the North Carolina Utilities Commission (the “Commission”), hereby applies to the Commission for approval of its demand-side management (“DSM”) and energy efficiency (“EE”) cost recovery rider for 2020. In support of this Application, DEP respectfully shows the Commission the following:

1. The Applicant’s general offices are located at 410 South Wilmington Street, Raleigh, North Carolina 27601, and its mailing address is Post Office Box 1551, Raleigh, North Carolina 27602-1551.

2. The attorney for the Company, to whom all communications and pleadings should be addressed, is:

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3. N.C. Gen. Stat. § 62-133.9(d) authorizes the Commission to approve an annual rider to the rates of electric public utilities to recover all reasonable and prudent

costs incurred for the adoption and implementation of new DSM and EE programs. Recoverable costs include, but are not limited to, all capital costs, including cost of capital and depreciation expense, administrative costs, implementation costs, incentive payments to program participants, and operating costs. Such rider shall consist of the utility's forecasted costs during the rate period and an Experience Modification Factor ("EMF") to collect the difference between the utility's actual reasonable and prudent costs incurred during the test period and actual revenues realized during the test period. The Commission is also authorized to approve incentives to utilities for adopting and implementing new DSM and EE programs, including rewards based on the sharing of savings achieved by the programs.

4. Rule R8-69(b) provides that the Commission will each year conduct a proceeding for each electric public utility to establish an annual DSM/EE rider to recover DSM- and EE-related costs.

5. According to Rule R8-69(e), the electric public utility is to file its application for recovery of DSM and EE costs at the same time it files the information required by Rule R8-55, and the Commission is to conduct an annual DSM/EE rider hearing as soon as practicable after the hearing required by Rule R8-55.

6. Pursuant to the provisions of N.C. Gen. Stat. § 62-133.9 and Commission Rule R8-69, the Company requests the establishment of a rider to recover its reasonable and prudent DSM and EE costs, including program costs, net lost revenues, incentives, and an EMF. All costs, including net lost revenues and Portfolio Performance Incentive, are calculated pursuant to the *Order Approving Revised Cost Recovery and Incentive Mechanism and Granting Waivers* issued by the Commission in Docket No. E-2, Sub 931 on January 20, 2015. The calculations of these costs, and the associated rider and EMF

rates, are described in the Direct Testimony and Exhibits of Shannon R. Listebarger. The rider and EMF are intended to allow DEP to recover \$173,825,631 of DSM and EE expenses, net lost revenues, and incentives. This amount includes the estimated under-collection of \$4,164,100 associated with test period activities during the period beginning January 1, 2019 and ending December 31, 2019, and an estimated \$169,661,531 for expenses, net lost revenues, and incentives to be incurred during the rate period from January 1, 2021 through December 31, 2021.

7. Pursuant to the provisions of N.C. Gen. Stat. § 62-133.9 and Commission Rule R8-69, the Company requests Commission approval of the annual billing adjustments as follows (all shown on a cents per kilowatt-hour (“kWh”) basis with and without NC regulatory fee):

Excluding regulatory fee:

Rate Class	DSM Rate (¢/kWh)	EE Rate (¢/kWh)	DSM EMF (¢/kWh)	EE EMF Rate (¢/kWh)	DSM/EE Annual Rider (¢/kWh)
Residential	0.123	0.518	(0.003)	0.016	0.654
General Service EE		0.666		0.034	0.700
General Service DSM	0.073		(0.010)		0.063
Lighting		0.095		(0.007)	0.088

Including regulatory fee:

Rate Class	DSM Rate (¢/kWh)	EE Rate (¢/kWh)	DSM EMF (¢/kWh)	EE EMF Rate (¢/kWh)	DSM/EE Annual Rider (¢/kWh)
Residential	0.123	0.519	(0.003)	0.016	0.655
General Service EE		0.667		0.034	0.701
General Service DSM	0.073		(0.010)		0.063
Lighting		0.095		(0.007)	0.088

The DSM/EE rider will be in effect for the twelve-month period January 1, 2021 through December 31, 2021.

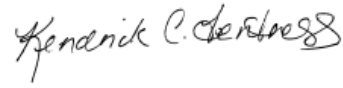
8. Pursuant to Commission Rule R8-69(b)(6), DEP requests approval to defer prudently incurred costs to FERC account 182.3, "Other Regulatory Assets," until recovered. In addition, pursuant to Commission Rule R8-69(b)(6), DEP requests approval to defer the costs it incurs in adopting and implementing new DSM and EE measures up to six months prior to DEP filing for Commission approval of such measures in accordance with Commission Rule R8-68.

9. The Company has included herewith, as required by Commission Rule R8-69, the direct testimony and exhibits of witnesses Sharon R. Listebarger and Robert P. Evans in support of its filing and the requested change in rates.

WHEREFORE, the Company respectfully prays:

That, consistent with this Application, the Commission approve the changes to its rates as set forth in paragraph 7 above.

Respectfully submitted this the 9th day of June 2020.



By: _____

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ATTORNEY FOR DUKE ENERGY
PROGRESS, LLC

VERIFICATION

STATE OF NORTH CAROLINA)
) DOCKET NO. E-2, SUB 1252
COUNTY OF MECKLENBURG)

Shannon R. Listebarger, being first duly sworn, deposes and says:

That she is MANAGER, RATES AND REGULATORY STRATEGY supporting DUKE ENERGY PROGRESS, LLC, applicant in the above-titled action, that she has read the foregoing Application and knows the contents thereof; that the same is true except as to the matters stated therein on information and belief; and as to those matters, she believes it to be true.


Shannon R. Listebarger

Signed and sworn to before me this day by Shannon R. Listebarger
Name of principal

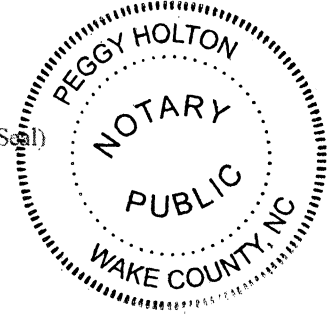
Date: June 4, 2020

Official Signature of Notary
Peggy Holton

Notary Public

Notary's printed or typed name
Peggy Holton

My commission expires: 12-22-2021



I signed this notarial certificate on June 4, 2020 according to the emergency video notarization requirements contained in G.S. 10B-25.

Notary Public location during video notarization: Wake County

Stated physical location of principal during video notarization:
York County