

IV. COST IMPLICATIONS OF REPS COMPLIANCE PLAN

A. CURRENT AND PROJECTED AVOIDED COST RATES

The Current Avoided Energy and Capacity costs included in the table below represent key data elements used to determine the PP-1 tariff rates approved in the Commission's *Order Establishing Avoided Cost Rates for DEC and DEP*, issued in Docket No. E-100, Sub 140 (March 10, 2016). The "Energy" columns reflect the cost of fuel and variable O&M per kwh embedded in the approved tariff energy rates. The "Capacity" column is based on the installed cost and capacity rating of a combustion turbine unit as reflected in the approved tariff capacity rates.

The Projected Avoided Energy and Capacity Costs included below reflect updated estimates of the same data elements provided with the current costs. The projected costs contained herein are subject to change, including (but not limited to) fuel price projections, variable O&M estimates, turbine costs and equipment capability.

Table 2: Current and Projected Avoided Cost Rates Table

CURRENT AVOIDED ENERGY AND CAPACITY COST(from E-100 Sub 140)			
	On-Peak Energy⁽¹⁾ (\$/MWh)	Off-Peak Energy⁽¹⁾ (\$/MWh)	Capacity Cost – Installed CT Cost⁽²⁾ (\$/kW)
2017	38.43	34.04	670
2018	38.32	34.87	670
2019	37.78	36.03	670
PROJECTED AVOIDED ENERGY AND CAPACITY COST ⁽³⁾			
	On-Peak Energy (\$/MWh)	Off-Peak Energy (\$/MWh)	Capacity Cost – Installed CT Cost (\$/kW)
2017	26.64	25.24	670
2018	33.43	30.68	670
2019	32.97	31.01	670

Notes: (1) On-peak and off-peak energy rates based on Option B hours and information derived using methodology approved in Docket No. E-100, Sub 140
(2) Capacity Cost column provides the installed CT cost with AFUDC /summer capacity rating based on the Memorandum of Understanding between Duke Energy Progress, Duke Energy Carolinas, the NC Public Staff and other parties agreed to in Docket No. E-100, Sub 140
(3) The capacity cost shown is a placeholder based on previous avoided cost filing and is subject to change in upcoming filings..

REVISED EXHIBIT A

**Duke Energy Progress, LLC's 2016 REPS Compliance Plan
Duke Energy Progress' Renewable Resource Procurement from 3rd Parties
(signed contracts as of June 30, 2016)**

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Resource Supplier	Contract Duration*	Estimated RECs		
SOLAR RESOURCES		2016	2017	2018
	10 Year*	61	61	61
	20 year*	647	644	641
	20 year*	316	314	312
	20 year*	40	40	40
	20 year*	16	16	16
	15 year*	2,895	2,880	2,866
	15 year*	7,179	7,143	7,108
	15 year*	8,300	8,234	8,168
	15 year*	3,196	3,180	3,164
	20 year*	633	630	627
	20 year*	304	302	300
	20 year*	638	635	632
	20 year*	318	316	314
	15 year*	8,173	8,132	8,091
	15 Years*	8,295	8,253	8,212
	20 year*	14	14	14
	20 year*	16	16	16
	15 year*	8,218	8,177	8,136
	10 year*	93	93	93
	20 year*	32	32	32
	20 year*	29	29	29
	15 year*	33,211	32,978	32,747
	20 year*	642	639	636
	15 year*	8,478	8,436	8,394
	15 year*	7,886	7,846	7,807
	15 year*	8,478	8,436	8,394
	15 year*	7,891	7,851	7,812
	15 year*	7,984	7,944	7,905

[REDACTED]	15 year*	7,935	7,895	7,855
[REDACTED]	15 year*	7,847	7,808	7,769
[REDACTED]	20 year*	814	810	806
[REDACTED]	20 year*	314	312	310
[REDACTED]	20 year*	314	312	310
[REDACTED]	15 year*	3,846	3,815	3,784
[REDACTED]	15 year*	5,532	7,340	7,303
[REDACTED]	20 year*	1,538	1,530	1,522
[REDACTED]	15 year*	8,353	8,312	8,270
[REDACTED]	15 year*	9,485	9,409	9,334
[REDACTED]	15 year*	7,895	7,855	7,816
[REDACTED]	15 year*	8,000	7,960	7,920
[REDACTED]	20 year*	38	38	38
[REDACTED]	15 year*	4,760	4,736	4,713
[REDACTED]	15 year*	4,101	8,201	8,160
[REDACTED]	15 year*	5,810	8,161	8,121
[REDACTED]	15 year*	7,286	7,249	7,213
[REDACTED]	15 year*	4,791	8,173	8,132
[REDACTED]	20 year*	257	256	255
[REDACTED]	10 year*	68	68	-
[REDACTED]	15 year*	7,448	7,076	6,722
[REDACTED]	20 year*	26	26	26
[REDACTED]	15 year*	7,448	7,411	7,374
[REDACTED]	15 year*	8,978	8,933	8,888
[REDACTED]	15 year*	4,015	3,995	3,975
[REDACTED]	20 year*	14	14	14
[REDACTED]	15 year*	9,736	9,687	9,639
[REDACTED]	15 year*	8,579	8,536	8,493
[REDACTED]	15 year*	7,677	7,639	7,601
[REDACTED]	15 year*	7,886	7,847	7,807
[REDACTED]	20 year*	636	633	630
[REDACTED]	10 year*	7,886	7,847	7,807
[REDACTED]	15 year*	2,974	2,959	2,945
[REDACTED]	20 year*	1,629	1,621	1,613
[REDACTED]	20 year*	39	39	39
[REDACTED]	20 year*	1,487	1,475	1,463
[REDACTED]	20 year*	662	659	656
[REDACTED]	20 year*	99	99	99

[REDACTED]	15 year*	6,749	6,715	6,682
[REDACTED]	15 year*	2,531	2,519	2,505
[REDACTED]	15 year*	8,435	8,393	8,351
[REDACTED]	10 year*	313	311	309
[REDACTED]	20 year*	243	241	239
[REDACTED]	15 year*	6,580	6,547	6,514
[REDACTED]	15 year*	7,275	7,238	7,202
[REDACTED]	15 year*	7,638	7,600	7,562
[REDACTED]	12 Years	100	100	100
[REDACTED]	12 Years	200	200	200
[REDACTED]	15 year*	8,524	8,481	8,439
[REDACTED]	15 year*	3,915	3,884	3,853
[REDACTED]	15 year*	8,522	8,479	8,437
[REDACTED]	15 year*	8,522	8,479	8,437
[REDACTED]	15 year*	8,522	8,479	8,437
[REDACTED]	15 year*	7,323	7,286	7,249
[REDACTED]	15 year*	8,189	8,148	8,107
[REDACTED]	15 year*	817	3,269	3,252
[REDACTED]	20 year*	641	638	635
[REDACTED]	20 year*	3,878	3,859	3,840
[REDACTED]	20 year*	317	315	313
[REDACTED]	20 year*	266	265	264
[REDACTED]	15 year*	6,574	6,541	6,508
[REDACTED]	15 year*	7,830	7,791	7,752
[REDACTED]	15 year*	3,270	3,254	3,238
[REDACTED]	20 year*	195	193	192
[REDACTED]	20 year*	144	143	142
[REDACTED]	15 year*	8,169	8,128	8,087
[REDACTED]	15 year*	7,308	7,271	7,235
[REDACTED]	15 year*	3,943	7,887	7,847
[REDACTED]	8 Years*	38,286	37,947	37,700
[REDACTED]	20 year*	255	254	253
[REDACTED]	15 year*	2,096	2,085	2,075
[REDACTED]	15 year*	7,673	7,634	7,596
[REDACTED]	15 Years*	16,622	166,224	165,393
[REDACTED]	15 year*	8,165	8,124	8,084
[REDACTED]	15 year*	5,315	5,287	5,262
[REDACTED]	15 year*	5,487	7,315	7,279

[REDACTED]	15 year*	5,437	8,156	8,115
[REDACTED]	20 year*	32	32	32
[REDACTED]	20 year*	64	64	64
[REDACTED]	15 year*	8,218	8,177	8,136
[REDACTED]	15 year*	1,846	3,149	3,133
[REDACTED]	15 year*	7,443	7,405	7,368
[REDACTED]	15 year*	4,931	4,906	4,882
[REDACTED]	15 year*	7,286	7,249	7,213
[REDACTED]	15 year*	3,196	3,180	3,164
[REDACTED]	15 year*	7,891	7,851	7,812
[REDACTED]	18 years*	13	13	13
[REDACTED]	15 year*	92,647	92,184	91,723
[REDACTED]	20 year*	14	14	14
[REDACTED]	15 year*	8,218	8,177	8,136
[REDACTED]	15 year*	2,915	2,901	2,886
[REDACTED]	15 year*	8,644	8,575	8,507
[REDACTED]	15 year*	8,644	8,575	8,507
[REDACTED]	20 year*	45	45	45
[REDACTED]	20 year*	15	15	15
[REDACTED]	15 year*	7,684	7,646	7,608
[REDACTED]	20 year*	18	18	18
[REDACTED]	15 year*	9,503	9,456	9,408
[REDACTED]	15 year*	7,960	7,920	7,880
[REDACTED]	15 year*	8,393	8,351	8,310
[REDACTED]	15 year*	7,960	7,920	7,880
[REDACTED]	15 year*	9,291	9,245	9,199
[REDACTED]	15 year*	37,872	37,872	37,682
[REDACTED]	15 year*	8,218	8,177	8,136
[REDACTED]	15 year*	7,807	7,768	7,729
[REDACTED]	15 year*	7,847	7,834	7,795
[REDACTED]	15 year*	6,403	6,371	6,339
[REDACTED]	15 year*	7,603	7,565	7,527
[REDACTED]	15 year*	4,784	8,160	8,119
[REDACTED]	15 year*	3,236	3,220	3,204
[REDACTED]	20 year*	21	21	21
[REDACTED]	20 year*	1,409	234	-
[REDACTED]	15 year*	8,478	8,436	8,394
[REDACTED]	20 year*	3,077	3,062	3,047

[REDACTED]	15 year*	3,353	3,326	3,299
[REDACTED]	15 year*	8,513	8,509	8,505
[REDACTED]	15 year*	8,214	8,173	8,132
[REDACTED]	15 year*	9,786	9,737	9,688
[REDACTED]	15 year*	9,178	9,105	9,032
[REDACTED]	20 year*	1,590	1,582	1,574
[REDACTED]	20 year*	3,847	3,828	3,809
[REDACTED]	15 Years*	8,165	8,124	8,083
[REDACTED]	20 year*	638	635	632
[REDACTED]	15 year*	6,126	6,096	6,065
[REDACTED]	15 year*	8,437	8,395	8,353
[REDACTED]	15 year*	7,540	7,503	7,465
[REDACTED]	15 year*	8,854	8,783	8,713
[REDACTED]	15 year*	8,436	8,393	8,351
[REDACTED]	15 year*	3,163	3,147	3,131
[REDACTED]	20 year*	642	639	636
[REDACTED]	20 year*	314	312	310
[REDACTED]	15 year*	8,519	8,476	8,434
[REDACTED]	15 year*	7,592	7,554	7,517
[REDACTED]	15 year*	8,532	8,489	8,447
[REDACTED]	15 year*	3,043	3,028	3,013
[REDACTED]	20 year*	1,923	1,913	1,903
[REDACTED]	15 year*	7,960	7,920	7,880
[REDACTED]	10 year*	1,253	1,247	1,241
[REDACTED]	12 Years	120	120	120
[REDACTED]	12 Years	150	150	150
[REDACTED]	13 year*	8,370	8,328	8,286
[REDACTED]	15 year*	3,814	3,783	3,753
[REDACTED]	20 year*	642	639	636
[REDACTED]	15 year*	9,084	9,011	8,939
[REDACTED]	15 year*	9,182	9,136	9,090
[REDACTED]	15 year*	7,627	7,588	7,551
[REDACTED]	15 year*	7,886	7,847	7,807
[REDACTED]	15 year*	5,602	5,574	5,546
[REDACTED]	15 year*	9,020	8,975	8,930
[REDACTED]	15 year*	9,244	9,197	9,151
[REDACTED]	15 year*	7,987	7,947	7,908
[REDACTED]	15 year*	7,851	7,812	7,773

[REDACTED]	15 year*	4,926	4,902	4,877
[REDACTED]	15 year*	7,879	7,840	7,800
[REDACTED]	20 year*	1,517	1,509	1,501
[REDACTED]	15 year*	7,638	7,600	7,562
[REDACTED]	20 year*	314	312	310
[REDACTED]	15 year*	8,354	312	8,270
[REDACTED]	15 year*	8,214	8,173	8,132
[REDACTED]	20 year*	30	30	30
[REDACTED]	20 year*	512	509	506
[REDACTED]	13 Years	120	120	120
[REDACTED]	15 year*	8,478	8,436	8,394
[REDACTED]	15 year*	7,163	7,437	7,399
[REDACTED]	15 year*	7,275	7,238	7,202
[REDACTED]	15 year*	8,138	8,098	8,057
[REDACTED]	15 year*	7,955	7,916	7,876
[REDACTED]	15 year*	9,244	9,197	9,151
[REDACTED]	15 year*	7,987	7,947	7,908
[REDACTED]	15 year*	4,776	8,146	8,106
[REDACTED]	15 year*	5,799	8,146	8,106
[REDACTED]	15 year*	8,202	8,161	8,121
[REDACTED]	15 year*	9,196	9,150	9,104
[REDACTED]	20 year*	504	502	499
[REDACTED]	15 year*	8,851	8,780	8,710
[REDACTED]	15 year*	8,479	437	8,395
[REDACTED]	15 year*	8,479	8,437	8,395
[REDACTED]	15 year*	8,479	8,437	8,395
[REDACTED]	15 year*	7,842	7,803	7,764
[REDACTED]	20 year*	126	125	124
[REDACTED]	15 year*	8,902	8,858	8,813
[REDACTED]	15 year*	7,282	7,246	7,210
[REDACTED]	15 Years*	4,664	7,955	7,916
[REDACTED]	15 year*	7,137	7,101	7,066
[REDACTED]	15 year*	7,122	7,086	7,051
[REDACTED]	15 year*	8,660	8,617	8,574
[REDACTED]	15 year*	4,453	4,431	4,409
[REDACTED]	15 year*	4,453	4,431	4,409
[REDACTED]	15 year*	5,763	7,646	7,608
Total 3rd party solar resources		1,273,191	1,437,567	1,445,343

BIOMASS RESOURCES		2016	2017	2018
[REDACTED]	10 year*	75,000	75,000	100,915
[REDACTED]	15 year*	13,876	13,876	13,876
[REDACTED]		130,780	130,780	130,780
[REDACTED]	7 Years*			
[REDACTED]		242,338	242,338	242,338
[REDACTED]	7 Years*			
[REDACTED]		321,667	321,667	-
[REDACTED]	6 Years*			
[REDACTED]	15 year*	75,098	75,098	75,098
[REDACTED]	10 Years*	54,356	54,356	54,356
[REDACTED]	12 year*	20,893	20,893	20,893
[REDACTED]		16,994	16,994	16,994
[REDACTED]	20 Years			
[REDACTED]	15 year*	14,542	14,542	14,542
[REDACTED]	30 Years		3,600	3,600
[REDACTED]	10 Years	20,000	20,000	20,000
[REDACTED]	Spot Purchase	195,719		
Total 3rd party biomass resources		1,181,263	989,144	693,392
POULTRY WASTE TO ENERGY RESOURCES		2016	2017	2018
[REDACTED]	4 Years	25,000	25,000	-
[REDACTED]	15 Years	17,500	40,000	40,000
[REDACTED]		5,600	100,000	152,942
[REDACTED]	20 Years*			
[REDACTED]	8 Years	-	60,000	60,000
[REDACTED]	30 Years		86,400	86,400
[REDACTED]	10 Years	32,000	32,000	32,000
[REDACTED]	4 Years	-	4,000	8,000
[REDACTED]	1 year*	12,000	12,000	12,000
[REDACTED]	11 Years	13,000	13,000	13,000
[REDACTED]	Spot Purchase	15,000		
Total 3rd party poultry resources		120,100	372,400	404,342
SWINE WASTE TO ENERGY RESOURCES		2016	2017	2018
[REDACTED]	15 Years*		26,042	62,500
[REDACTED]	24 Years*	-	-	3,723

[REDACTED]	24 Years*	-	-	3,723
[REDACTED]	10 Years		6,475	11,100
[REDACTED]	20 Years	2,903	2,903	2,903
[REDACTED]	16 Years			1,742
Total 3rd party swine resources		2,903	35,420	85,691

HYDRO-ELECTRIC RESOURCES		2016	2017	2018
[REDACTED]	13 year*	2,661	2,661	2,661
[REDACTED]	10 year*	18,000	18,000	18,000
[REDACTED]	15 year*	1,927	1,927	1,927
Total 3rd party hydroelectric resources		22,588	22,588	22,588

*Indicates bundle purchase of RECs and energy, as opposed to REC-only purchase.
Contract list does not include Residential SunSense Solar PV participants

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