

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

Docket No. E-7, Sub 1228
Docket No. E-7, Sub 1229
Docket No. E-7, Sub 1231

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-7, SUB 1228)
)
In the Matter of)
Application by Duke Energy Carolinas, LLC)
Pursuant to N.C.G.S. § 62-133.2 and)
Commission Rule R8-55 Regarding Fuel and)
Fuel-Related Cost Adjustments for Electric)
Utilities)
)
DOCKET NO. E-7, SUB 1229)
)
In the Matter of)
Application by Duke Energy Carolinas, LLC)
for Approval of Renewable Energy and)
Energy Efficiency Portfolio Standard Cost)
Recovery Rider Pursuant to N.C.G.S.)
§ 62-133.8 and Commission Rule R8-67)
)
DOCKET NO. E-7, SUB 1231)
)
In the Matter of)
Application by Duke Energy Carolinas, LLC)
for Approval of CPRE Cost Recovery Rider)
Pursuant to N.C.G.S. § 62-110.8 and)
Commission Rule R8-71)

ORDER APPROVING NOTICE
TO CUSTOMERS OF
CHANGES IN RATES

BY THE PRESIDING COMMISSIONERS: On August 19, 2020, in Docket No. E-7, Sub 1228, the Commission issued an order that approved a fuel charge adjustment rate rider for Duke Energy Carolinas, LLC (DEC). In addition, on August 20, 2020, the Commission issued an order in Docket No. E-7, Sub 1229, that approved a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) rate rider to allow DEC to recover its costs of providing electricity produced by renewable energy resources. Also, on August 19, 2020, the Commission issued an order in Docket No. E-7, Sub 1231, that allowed DEC to establish a Comparative Procurement Renewable Energy (CPRE) rate rider to recover costs associated with implementing its CPRE program.

The changes made in DEC's rates by the above-described orders are effective for service rendered on and after September 1, 2020.

On August 27, 2020, DEC filed a proposed Notice to Customers of Changes in Rates that was developed by DEC and the Public Staff to reflect the rate changes approved by the Commission in the above-described orders.

The Presiding Commissioners in the above-referenced dockets have reviewed the proposed Notice to Customers of Changes in Rates and find good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Kimberley A. Campbell". The signature is written in a cursive style with a large initial 'K'.

Kimberley A. Campbell, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

Docket No. E-7, Sub 1228
Docket No. E-7, Sub 1229
Docket No. E-7, Sub 1231

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-7, SUB 1228)
)
In the Matter of)
Application by Duke Energy Carolinas,)
LLC Pursuant to N.C.G.S. § 62-133.2)
and Commission Rule R8-55 Relating to)
Fuel and Fuel-Related Cost Adjustment)
for Electric Utilities)
)
DOCKET NO. E-7, SUB 1229)
)
In the Matter of)
Application by Duke Energy Carolinas,)
LLC for Approval of Renewable Energy)
and Energy Efficiency Portfolio Standard)
(REPS) Compliance Report and Cost)
Recovery Rider Pursuant to N.C.G.S.)
§ 62-133.8 and Commission Rule R8-67)
)
DOCKET NO. E-7, SUB 1231)
)
In the Matter of)
Application by Duke Energy Carolinas,)
LLC for Approval of CPRE Cost Recovery)
Rider Pursuant to N.C.G.S. § 62-110.8 and)
Commission Rule R8-71)

**NOTICE TO CUSTOMERS
OF CHANGE IN RATES**

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission entered an Order in Docket No. E-7, Sub 1228, on August 19, 2020, after public hearing, approving fuel and fuel related charge rate decreases (including regulatory fee) of (0.3114) ¢/kilowatt-hour (kWh), (0.2242) ¢/kWh and (0.1715) ¢/kWh for the Residential, General Service/Lighting and Industrial customer classes, respectively. The decrease equates to approximately \$143.8 million on an annual basis in the rates and charges paid by the retail customers of Duke Energy Carolinas, LLC (Duke Energy Carolinas or the Company) in North Carolina.

These changes are effective for service rendered on and after September 1, 2020. The rate decrease was ordered by the Commission after a review of Duke Energy Carolinas' fuel and fuel-related expenses during the 12-month period ended December 31, 2019, and represents actual changes experienced by the Company with respect to its reasonable cost of fuel and fuel-related costs during the test period. The net fuel and fuel-related cost factors for the Residential, General Service/Lighting and Industrial customer classes are 1.6391 ¢/kWh, 1.8249 ¢/kWh and 1.9310 ¢/kWh respectively (excluding regulatory fee).

The changes in the approved fuel and fuel-related rates described above will result in monthly net rate decreases of approximately \$3.11 for each 1,000 kWh of usage per month for the Residential customer class, \$2.24 for each 1,000 kWh of usage per month for the General Service/Lighting customer class and \$1.71 for each 1,000 kWh of usage per month for the Industrial customer class.

NOTICE IS ALSO HEREBY GIVEN that the North Carolina Utilities Commission entered an Order in Docket No. E-7, Sub 1229 on August 20, 2020, approving changes in the Company's Renewable Energy and Energy Efficiency Portfolio Standard (REPS) riders by customer class. These charges are designed to collect approximately \$29 million of incremental costs incurred to comply with the REPS requirements, pursuant to N.C.G.S. § 62-133.8.

Effective for service on and after September 1, 2020, the monthly REPS riders, by customer class, are as follows: Residential, \$0.78 per month; General Service, \$3.81 per month; and Industrial Service \$17.57 per month, including regulatory fee. These monthly charges reflect decreases by customer class of \$0.09 per month for Residential, \$0.84 per month for General Service/Lighting, and \$3.70 per month for Industrial.

NOTICE IS ALSO HEREBY GIVEN that the North Carolina Utilities Commission entered an Order in Docket No. E-7, Sub 1231, on August 19, 2020, after public hearing, approving CPRE rate increases (including regulatory fee) of 0.0067 ¢/kWh, 0.0064 ¢/kWh and 0.0061 ¢/kWh for the Residential, General Service/Lighting and Industrial customer classes, respectively. The increase equates to approximately \$4 million on an annual basis in the rates and charges paid by the retail customers of Duke Energy Carolinas, LLC (Duke Energy Carolinas or the Company) in North Carolina.

These changes are effective for service rendered on and after September 1, 2020. The rate increase was ordered by the Commission after a review of Duke Energy Carolinas' CPRE program expenses during the 29-month extended test period ended December 31, 2019, and prospective expenses for the 12-month billing period beginning September 1, 2020, and ending August 31, 2021.

The changes in the approved CPRE rates described above will result in monthly net rate increases of approximately \$0.07 for each 1,000 kWh of usage per month for the Residential customer class, \$0.06 for each 1,000 kWh of usage per month for the General

Service/Lighting customer class and \$0.06 for each 1,000 kWh of usage per month for the Industrial customer class.

THE OVERALL IMPACT of change in all riders on a residential customer using 1,000 kWh per month, reflecting the combined effect of the changes in the fuel and fuel-related rate, the monthly REPS rate, and the monthly CPRE rate, as described above, will be a decrease of \$3.13 per month.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2020.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Kimberley A. Campbell". The signature is written in a cursive style with a large initial 'K'.

Kimberley A. Campbell, Chief Clerk