

**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

August 29, 2023

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. E-2, Sub 1323 – Application of Duke Energy Progress, LLC, for Approval of CPRE Program Compliance Report and CPRE Program Cost Recovery Rider

Dear Ms. Dunston:

Attached for filing on behalf of the Public Staff in the above-referenced docket are the following:

1. Notice of Affidavit of Darrus K. Cofield, Public Utilities Regulatory Analyst, Accounting Division; and
2. Affidavit of Darrus K. Cofield, Public Utilities Regulatory Analyst, Accounting Division.

By copy of this letter, I am forwarding a copy to all parties of record by electronic delivery.

Sincerely,

Electronically submitted
/s/ Robert B. Josey
Staff Attorney
robert.josey@psncuc.nc.gov

Attachments

Executive Director
(919) 733-2435

Accounting
(919) 733-4279

Consumer Services
(919) 733-9277

Economic Research
(919) 733-2267

Energy
(919) 733-2267

Legal
(919) 733-6110

Transportation
(919) 733-7766

Water/Telephone
(919) 733-5610

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1323

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC, for)
Approval of CPRE Program Compliance Report and)
CPRE Program Cost Recovery Rider Pursuant to)
N.C.G.S. § 62-110.8 and Commission Rule R8-71)

**NOTICE OF
AFFIDAVIT**

NOW COMES THE PUBLIC STAFF of the North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, as constituted by N.C. Gen. Stat. § 62-15, and gives notice that the Affidavit of:

Darrus K. Cofield, Public Utilities Regulatory Analyst, Accounting Division
Public Staff of the North Carolina Utilities Commission
430 North Salisbury Street – Dobbs Building
4326 Mail Service Center
Raleigh, North Carolina 27699-4300

will be used in evidence at the hearing in this docket scheduled for September 19, 2023, pursuant to N.C.G.S. § 62-68. The affiant will not be called to testify orally and will not be subject to cross-examination unless an opposing party or the Commission demands the right of cross-examination by notice mailed or delivered to the proponent at least five days prior to the hearing, pursuant to N.C.G.S. § 62-68.

THEREFORE, the Public Staff moves that the Affidavit of Darrus K. Cofield be admitted into evidence in the absence of notice pursuant to N.C.G.S. § 62-68.

Respectfully submitted this 29th day of August, 2023.

PUBLIC STAFF
Christopher J. Ayers
Executive Director

Lucy E. Edmondson
Chief Counsel

Electronically submitted
/s/ Robert B. Josey
Staff Attorney
robert.josey@psncuc.nc.gov

430 North Salisbury Street - Dobbs Building
4326 Mail Service Center
Raleigh, North Carolina 27699
Telephone: (919) 733-6110

CERTIFICATE OF SERVICE

I certify that I have caused to be delivered and served a copy of the foregoing together with the affidavit of Darrus K. Cofield on all the parties of record in accordance with the Commission Rule R1-39, by United States mail, postage prepaid, first class; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 29th day of August, 2023.

/s/ Robert Josey, by electronic filling
Robert Josey
Staff Attorney

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-2, SUB 1323

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC, for)
Approval of CPRE Program Compliance)
Report and CPRE Program Cost Recovery)
Rider Pursuant to N.C.G.S. § 62-110.8 and)
Commission Rule R8-71)

**AFFIDAVIT OF
DARRUS COFIELD**

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Darrus Cofield, first being duly sworn, do depose and say:

I am a Public Utilities Regulatory Analyst with the Accounting Division of the Public Staff - North Carolina Utilities Commission. A summary of my duties, education, and experience is attached to this affidavit as Appendix A.

North Carolina General Statute § 62-110.8(a) states that “[e]ach electric public utility shall file for Commission approval a program for the competitive procurement of energy and capacity from renewable energy facilities with the purpose of adding renewable energy to the State's generation portfolio in a manner that allows the State's electric public utilities to continue to reliably and cost-effectively serve customers' future energy needs.”

General Statute § 62-110.8(g) further states that “[a]n electric public utility shall be authorized to recover the costs of all purchases of energy, capacity, and environmental and renewable attributes from third-party renewable energy

facilities” procured pursuant to the statute, “and to recover the authorized revenue of any utility-owned assets selected pursuant” to the statute through a Competitive Procurement of Renewable Energy (CPRE) “annual rider approved by the Commission and reviewed annually.” Commission Rule R8-71(j) also provides the following: (1) that the CPRE rider will be recovered over the same period as the utility’s fuel and fuel-related cost rider; and (2) that the costs or authorized revenue will be modified through the use of a CPRE Program experience modification factor (CPRE EMF) rider. The CPRE EMF rider is utilized to “true-up” the recovery of reasonable and prudently incurred CPRE Program costs incurred during the test period established for each annual rider proceeding.

The purpose of my affidavit is to present the results of the Public Staff Accounting Division’s investigation of the CPRE Rider revenue requirements and calculations proposed by Duke Energy Progress, LLC (DEP or the Company) in its application filed in this proceeding on June 13, 2023, based on the incremental CPRE Program implementation costs and revenue requirements incurred and revenues recorded during the April 1, 2022, through March 31, 2023, period (CPRE EMF period or test period).

In its application, DEP proposed EMF decrement riders in cents per kilowatt-hour (kWh), excluding the North Carolina regulatory fee, for each North Carolina retail customer class as follows:

Residential	(0.001) cents per kWh
Small General Service	(0.002) cents per kWh

Medium General Service	(0.002) cents per kWh
Large General Service	(0.001) cents per kWh
Lighting	(0.001) cents per kWh

The riders were calculated by dividing the “CPRE (Over)/Under Collection,” as shown on Walker Exhibit No. 4 for each customer class by DEP’s N.C. projected billing period retail sales of 17,326,377 megawatt-hours (MWh) for the residential class, 1,816,847 MWh for the small general service class, 10,471,370 MWh for the medium general service class, 9,239,420 MWh for the large general service class, and 384,646 MWh for the lighting class.

The Public Staff Accounting Division’s specific responsibilities in this CPRE rider proceeding are (1) to participate in the overall Public Staff investigation of the Company’s filing and proposed rates; (2) to review the incurred costs (including labor, and outside services) and received revenues proposed for inclusion in the CPRE EMF rider; and (3) to investigate the Company’s calculations of the proposed CPRE EMF rates and present the calculations of the Public Staff’s recommended CPRE EMF rates.

As a result of the Accounting Division’s investigation, I am recommending that DEP’s CPRE EMF riders for each customer class be based on over- and under recoveries of \$(141,036) for the residential class, \$(34,807) for the small general service class, \$(178,499) for the medium general service class, \$(132,299) for the large general service class, and \$(4,809) for the lighting class, and North Carolina retail projected billing period retail sales of 17,326,377 MWh for the residential class, 1,816,847 MWh for the small general service class,

10,471,370 MWh for the medium general service class, 9,239,420 for the large general service class, and 384,646 MWh for the lighting class, as proposed by the Company in its filing. These amounts produce EMF Increment riders for each North Carolina retail customer class as follows, excluding the regulatory fee:

Residential	(0.001) cents per kWh
Small General Service	(0.002) cents per kWh
Medium General Service	(0.002) cents per kWh
Large General Service	(0.001) cents per kWh
Lighting	(0.001) cents per kWh


I have provided these amounts to Public Staff witness Jeff T. Thomas for incorporation into the Public Staff's recommended CPRE rider calculation.

This completes my affidavit.



 Darrus Cofield

Sworn to and subscribed before me this the 29th day of August 2023.



 Notary Public



My Commission Expires: 2/13/26

QUALIFICATIONS AND EXPERIENCE

Darrus K. Cofield

I am a graduate of Capella University, with a Master of Business Administration with a concentration in Finance, and of East Carolina University, with a Bachelor of Science Degree in Economics and Business minor.

I joined the Public Staff on January 9, 2023, and my current duties consist of: (1) the examination and analysis of testimony, exhibits, books and records, and other data presented by utilities and other parties involved in Commission proceedings; and (2) the preparation and presentation to the Commission of testimony, exhibits, and other documents in those proceedings. I have worked on water and sewer contiguous extension applications, electric securitization riders, electric affiliate and land sales contracts, and electric rate cases.

Prior to joining the Public Staff, I worked for the North Carolina Department of State Treasurer as a Financial Analyst for the State and Local Government Commission. I have over five years of governmental finance experience assisting municipalities, counties, school boards, and other governmental units with the financing of projects throughout the State of North Carolina. Those projects consisted of Installment Purchase Contracts, USDA Revenue Bond, Revenue Bond, State Revolving Loans, State Obligation Bonds, and several other financing instruments.