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May 13, 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 Carolinas, LLC's DSM/EE Cost Recovery Rider –

Motion for Additional Hearing Docket No. E-7, Sub 1230

Dear Ms. Campbell:

Enclosed for filing is Duke Energy Carolinas, LLC's Motion for Additional Public Hearing and Revised Public Notice for filing in connection with the referenced matter.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Kendrick C. Fentress

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Enclosures

cc: Parties of Record

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION DOCKET NO. E-7, SUB 1230

DUKE ENERGY CAROLINAS,
LLC'S MOTION FOR
ADDITIONAL PUBLIC
HEARING AND REVISED
PUBLIC NOTICE

NOW COMES Duke Energy Carolinas, LLC (hereinafter, "DEC" or the "Company") pursuant to N.C. Gen. Stat. §§ 62-134, 62-133.9 and Rules R1-7 and R8-69 of the Rules and Regulations of the North Carolina Utilities Commission (the "Commission") and moves the Commission to schedule an additional public hearing and to allow DEC to provide public notice of its revised proposed rates to recover its reasonable and prudent demand-side management ("DSM") and energy efficiency ("EE") costs, net lost revenues, and Portfolio Performance Incentive as set forth below. In support thereof, DEC shows the following:

- 1. On February 25, 2020, the Company filed its application for approval of its DSM/EE cost recovery rider for 2020 pursuant to N.C. Gen. Stat. § 62-133.9 and Rule R8-69.
- 2. On March 17, 2020, the Commission issued its *Order Scheduling Hearing*, *Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice*. The Company has complied with this Order and published the Commission-required Public Notice in newspapers having general circulation in its service area.

- 3. In pertinent part, the Public Notice set forth that DEC had requested a total annual revenue decrease of \$7.9 million, effective January 1, 2021, from the DSM/EE rider currently in effect. The Public Notice further provided that this request would result in an increase of 0.0395 cents per kilowatt-hour ("kWh") for residential customers. The effect of the request on the rates of non-residential customers depends upon their participation in DEC's DSM or EE programs. The Public Notice provided that the rates of non-residential customers who have participated in all of DEC's DSM and EE programs since 2009 would decrease by (0.0901) cents per kWh. Non-residential customers participating in DEC's DSM programs beginning in 2021 would pay DSM/EE rider charges of 0.1200 cents per kWh, and non-residential customers participating in DEC's EE programs beginning in 2021 would pay DSM/EE rider charges of 0.3522 cents per kWh.
- 4. Subsequent to the Company's February 25, 2020 application, in conjunction with the interim results of the Public Staff's investigation of program costs as communicated to DEC and as a result of the Company's identification of additional necessary adjustments, the Company has revised its proposed DSM/EE rates as detailed in the Supplemental Testimony and Exhibits of Carolyn T. Miller and the Supplemental Exhibits of Robert P. Evans, filed with the Commission on May 11, 2020.
- 5. The revised DSM/EE rates and rate changes requested by the Company as compared to the original rates and rate changes proposed and contained in the Public Notice are as follows:

Proposed DSM/EE Rates (cents per kWh, including regulatory fee)

Rate Class	Noticed Rates (Application)	Proposed Rates (Supplemental)	Difference
Residential	0.5230	0.5195	(0.0035)
Non-Residential	0.6230	0.6423	0.0193

Proposed DSM/EE Rate Changes (cents per kWh, including regulatory fee)

Rate Class	Noticed Change (Application)	Proposed Change (Supplemental)	Difference (¢/kWh)
Residential	0.0395	0.0360	(0.0035)
Non-Residential	(0.0901)	(0.0708)	0.0193

The proposed rates would produce a revenue decrease of \$4.7 million.

- 6. To ensure that customers have adequate notice of the Company's revised proposed rates, and consistent with N.C. Gen. Stat. § 62-134, the Company respectfully requests that the Commission schedule an additional public hearing after publication of Public Notice by the Company, at such time as the Commission deems appropriate after the currently-scheduled June 9, 2020 public hearing, and within the appropriate time to enable the Commission to consider the Company's application and issue an order implementing new rates effective January 1, 2021.
- 7. The Company has consulted with the Public Staff regarding this motion, and the Public Staff does not object.

WHEREFORE, the Company respectfully requests that the Commission grant its motion, schedule an additional public hearing, and allow DEC to provide public notice of

its revised proposed DSM/EE rates, and requests such other relief as the Commission deems just, equitable, and proper.

Respectfully submitted this 13th day of May, 2020.

Kendrick Fentress

Kendrick C. Serthers

Associate General Counsel

Duke Energy Corporation

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Attorney for Duke Energy Carolinas, LLC

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1230

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Duke Energy Carolinas, LLC, for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider Pursuant to N.C.G.S. § 62-133.9 and Commission Rule R8-69

REVISED PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled an additional public hearing in the above-captioned docket on an application filed by Duke Energy Carolinas, LLC (DEC) for the recovery of costs incurred by DEC in providing demand-side management (DSM) and energy efficiency (EE) measures pursuant to N.C. Gen. Stat. § 62-133.9. This statute provides for an annual DSM/EE rider for each electric public utility to recover all reasonable and prudent costs incurred for adoption and implementation of new DSM and new EE measures and appropriate incentives. The public hearing has been scheduled to begin immediately following the public hearing in Docket No. E-7, Sub 1229, which is scheduled at 9:30 a.m. on Tuesday, June 9, 2020, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

On February 25, 2020, DEC filed its application to revise its DSM/EE rates. On March 17, 2020, the Commission issued a Scheduling Order that, among other things, scheduled a public hearing in this matter for Tuesday, June 9, 2020, in Raleigh, North Carolina. In addition, pursuant to Commission Rule R8-69 DEC was required to publish notice of the hearing date, time, and proposed change in DSM/EE rates.

In its application and required public notice, DEC stated an approximate revenue requirement increase and the increases per kilowatt-hour (kWh) for its proposed DSM/EE rates. On May 11, 2020, DEC filed additional testimony and exhibits in this docket. In its additional testimony, DEC states that based on the Public Staff's audit of DEC's proposed rates and additional necessary adjustments, DEC requests a decrease in the residential rates initially included in DEC's application, and an increase in the general service rates initially included in DEC's application.

According to DEC's additional testimony and exhibits, DEC requests a total annual revenue requirement of approximately \$216 million for inclusion in the DSM/EE rider authorized by the statute and Commission Rule. The proposed DSM/EE cost recovery rider would be effective for service rendered on and after January 1, 2021. The request,

including the regulatory fee, would result in an increase of 0.0360 cents per kilowatt-hour (kWh) for residential customers, and thus an increase of about 36 cents in the monthly bill of a residential customer using 1,000 kWh of electricity. The effect of the request on current non-residential customers would depend upon each customer's particular participation in DEC's DSM or EE programs. However, the rates of non-residential customers who have participated in all of DEC's DSM and EE programs since 2009 would decrease by 0.0708 cents per kWh. Non-residential customers participating in DEC's DSM programs beginning in 2021 would pay DSM/EE rider charges of 0.1200 cents per kWh, and non-residential customers participating in DEC's EE programs beginning in 2021 would pay DSM/EE rider charges of 0.3522 cents per kWh. Nonresidential customers may obtain detailed information about the rider increases or decreases applicable to their particular circumstances by contacting their DEC account representatives directly or DEC's Customer Service number at 1-800-777-9898. Industrial and large commercial customers that have opted out of and never participated in DEC's DSM and EE programs pursuant to N.C.G.S. § 62-133.9 are not subject to the DSM/EE rider.

The proposed DSM/EE rates for all customer classes would be effective for service rendered on and after January 1, 2021.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEC's application is available for review by the public. Also, documents may be viewed on the Commission's website at www.ncuc.net.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Correspondence concerning DEC's DSM/EE proceeding and the additional hearing scheduled thereon should be directed to the Public Staff. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff, 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, c/o Consumer Protection - Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Consumers may also file written statements of position with the Commission. However, written statements are not evidence unless the writers appear at a public hearing and testify concerning the information contained in their written statements.

ISSUED BY ORDER OF THE COMMISSION.

This the __th day of May, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

CERTIFICATE OF SERVICE

I certify that a copy of the Motion for Additional Public Hearing and Revised Public Notice in Docket No. E-7, Sub 1230 has been served by electronic mail (e-mail), hand delivery, or by depositing a copy in the United States Mail, first class postage prepaid, properly addressed to the parties of record.

This, the 13th day of May, 2020.

Kendrick Fentress

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