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May 8, 2024

### **VIA ELECTRONIC FILING**

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

**Re:** Motion for Waiver

Docket No. E-7, Sub 1307

Dear Ms. Dunston:

Enclosed for filing with the North Carolina Utilities Commission is Duke Energy Carolinas, LLC's *Motion for Waiver*.

Please feel free to contact me if you have any questions. Thank you for your assistance in this matter.

Sincerely,

Ladawn S. Toon

Enclosure

cc: Parties of Record

## STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1307

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application Pursuant to G.S. 62-110.8 and	)	MOTION FOR EXPEDITED
Commission Rule R8-71 for Approval of	)	WAIVER
CPRE Cost Recovery Rider	)	
	)	

NOW COMES Duke Energy Carolinas, LLC ("DEC," or the "Company") by and through counsel and pursuant to Rule R1-7 of the Rules and Regulations of the North Carolina Utilities Commission ("Commission"), and respectfully requests that the Commission expeditiously enter an order granting waiver of the timing requirements for public notice in Commission Rule R8-71(j)(11) and Ordering Paragraph Six of the Commission's March 15, 2024 *Order Scheduling Hearing, Establishing Procedural and Filing Requirements, and Requiring Public Notice ("Scheduling Order")* pertaining to the Company's application requesting approval of Rider CPRE.

In support of this Motion, the Company shows the following:

1. On February 27, 2024, DEC filed its application for approval of the CPRE Program rider pursuant to N.C.G.S. § 62-110.8 and Commission Rule R8-71. By its application, DEC initially requested to refund to its North Carolina retail customers (\$20,687,106) related to the actual CPRE Program costs incurred and other credits for the test period, and further, to collect \$25,000,608 for CPRE Program costs projected to be incurred during the period from September 1, 2024 through August 31, 2025. As explained

in the initial application, the net effect of DEC's initial request would have decreased the monthly bill of a residential customer using 1,000 kWh of electricity by \$0.09 per month.

- 2. On March 15, 2024, the Commission issued its *Scheduling Order* which scheduled a public hearing on DEC's application for June 10, 2024, established deadlines for the submission of petitions to intervene by interested persons, and the filing of testimony by intervenors and rebuttal testimony by DEC, and further required public notice to customers and mandated compliance with certain discovery guidelines. Specifically, Ordering Paragraph 6 of the *Scheduling Order* required DEC to publish a Notice<sup>1</sup> in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks beginning at least 30 days prior to the hearing, in accordance with Commission Rule R8-71(j)(11).
- 3. On April 18, 2024, DEC posted the original Notice included with the *Scheduling Order* and reflective of the CPRE Rider rates proposed in the Company's initial application in newspapers having general circulation in its service area once a week for two consecutive weeks.
- 4. In responding to discovery from the Public Staff—North Carolina Utilities Commission ("Public Staff"), the Company became aware of calculation errors contained in its initial application.
- 5. On May 8, 2024, DEC filed Supplemental Testimony, Exhibits and Workpapers ("Supplemental Filing"). The Supplemental Filing provided updates to the Company's CPRE Revenues Realized During the Test Period and Contract Fees Being Credited in CPRE Rider to correct the calculation errors identified during discovery.

<sup>&</sup>lt;sup>1</sup> The Notice was attached to the *Scheduling Order* as Appendix A.

- 6. By its Supplemental Filing, DEC requests to refund to its North Carolina retail customers (\$21,191,029) related to the actual CPRE Program costs incurred and other credits for the test period, and further, to collect \$25,000,608 for CPRE Program costs projected to be incurred during the period from September 1, 2024 through August 31, 2025. DEC proposes a net CPRE Program rider decrease, including regulatory fee, of 0.0080 cents per kilowatt hour for residential customers; a net CPRE Program rider decrease, including regulatory fee, of 0.0086 cents per kilowatt hour for general service customers; and a net CPRE Program rider decrease, including regulatory fee, 0.0106 cents per kilowatt hour for industrial customers. If approved, the net effect of DEC's request would be to decrease the monthly bill of a residential customer using 1,000 kWh of electricity by \$0.08 per month.
- 7. As detailed in the Supplemental Filing, DEC's corrections to the CPRE Rider calculations result in an increase in proposed rates as compared to the Company's initial application.<sup>2</sup> As a result of this increase, the Notice of hearing attached to the *Scheduling Order* as Appendix A and circulated to customers by the Company presented incorrect proposed CPRE Rider rates.
- 8. Accordingly, the Company has updated the original Notice to address the Supplemental Filing and resulting change in proposed CPRE Rider rates.
- 9. A copy of the Company's proposed updated Notice is attached to this Motion as Attachment A, and a redline copy of the *Scheduling Order's* original Notice as compared to the proposed updated Notice is attached to this Motion as Attachment B.

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<sup>&</sup>lt;sup>2</sup> Importantly, however, the Company is still requesting an overall decrease in CPRE Rider rates as compared to the currently effective CPRE Rider rates.

- 10. As first mentioned above, Ordering Paragraph 6 of the *Scheduling Order* requires DEC to provide public notice of the CPRE Rider hearing via newspaper at least once a week for two successive weeks beginning at least 30 days prior to the hearing. Ordering Paragraph Six aligns with Commission Rule R8-71(j)(11), which similarly requires the Company to "publish a notice of the annual hearing for 2 successive weeks in a newspaper or newspapers having general circulation in its service area, normally beginning at least 30 days prior to the hearing...".
- 11. Although it is not yet 30 days before the June 10, 2024 hearing scheduled on this matter, due to the timing of the Supplemental Filing, DEC does not have sufficient time to contract with newspapers and have posted an updated public notice with the corrected proposed CPRE Rider rates beginning at least 30 days prior to the hearing once a week for two successive weeks in accordance with the *Scheduling Order* and R8-71(j)(11). In fact, it can take several weeks to contract and coordinate with the newspapers prior to the newspapers being able to circulate the Notice; the *Scheduling Order* and R8-71(j)(11) currently contemplate DEC circulating an updated Notice with corrected CPRE Rider rates within the next 36 hours—or by this Friday, May 10, 2024—for two successive weeks.
- 12. The Company is able, however, to cause the updated Notice to be posted in newspapers having general circulation in its service area on or before May 31, 2024.
- 13. Accordingly, the Company respectfully requests that the Commission expeditiously waive the requirement that DEC post the updated Notice 30 days prior to the hearing for two successive weeks contained in R8-71(j)(11) and the *Scheduling Order*, and instead allow the Company to post the updated Notice on or before May 31, 2024.

- 14. Granting the Company's request is in the public interest and will allow time for the Company to correct and post the updated Notice for customers via newspapers of general circulation in its service area prior to the CPRE Rider hearing.
- 15. The Company has given the Public Staff an opportunity to review the proposed updated Notice attached hereto as <u>Attachment A</u> and counsel for the Public Staff has authorized the Company to state that they do not object.

WHEREFORE, Duke Energy Carolinas, LLC respectfully requests that the Commission expeditiously issue an order granting waiver of the timing requirements for public notice in Commission Rule R8-71(j)(11) and Ordering Paragraph Six of the Commission's March 15, 2024 *Order Scheduling Hearing, Establishing Procedural and Filing Requirements, and Requiring Public Notice* and any further relief the Commission deems necessary and proper.

Respectfully submitted this 8<sup>h</sup> day of May, 2024.

Sy: \_\_\_\_\_

Ladawn S. Toon Associate General Counsel

**Duke Energy Corporation** 

P.O. Box 1551/NCRH 20

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Attorneys for Duke Energy Carolinas, LLC

# **Attachment A**

Clean Proposed Updated Notice

Docket No. E-7, Sub 1307

## STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1307

### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Duke Energy Carolinas, LLC,	)	
for Approval of Competitive Procurement of	)	
Renewable Energy Cost Recovery Rider	)	PUBLIC NOTICE
Pursuant to N.C. Gen. Stat. § 62 110.8 and	)	
Commission Rule R8 71	)	

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing in the annual Competitive Procurement of Renewable Energy (CPRE) Program cost recovery proceeding for Duke Energy Carolinas, LLC (DEC). The public hearing is scheduled to begin immediately following the hearings in Docket No. E-7, Subs 1304, 1305, and 1306 which are scheduled to begin at 2:00 p.m. on Monday, June 10, 2024, 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).

This proceeding is being held pursuant to the provisions of N.C. Gen. Stat. § 62-110.8 and Commission Rule R8-71 for the purpose of determining whether an increment or decrement rider is required to allow DEC to recover all reasonable and prudent costs incurred for adoption and implementation of the CPRE Program.

On February 27, 2024, DEC filed its application for approval of the CPRE Program rider pursuant to N.C.G.S. § 62-110.8 and Commission Rule R8-71 to be effective for service rendered on and after September 1, 2024. By its application, DEC initially requested to refund to its North Carolina retail customers (\$20,687,106) related to the actual CPRE Program costs incurred and other credits for the test period, and further, to collect \$25,000,608 for CPRE Program costs projected to be incurred during the period from September 1, 2024 through August 31, 2025. If approved, the net effect of DEC's request would be to decrease the monthly bill of a residential customer using 1,000 kWh of electricity by \$0.09 per month.

On May 8, 2024, DEC filed Supplemental Testimony, Exhibits and Workpapers (Supplemental Filing). The Supplemental Filing provided updates to the Company's CPRE Revenues Realized During the Test Period and Contract Fees Being Credited in CPRE Rider.

By its Supplemental Filing, DEC requests to refund to its North Carolina retail customers (\$21,191,029) related to the actual CPRE Program costs incurred and other credits for the test period, and further, to collect \$25,000,608 for CPRE Program costs projected to be incurred during the period from September 1, 2024 through August 31, 2025. DEC proposes a net CPRE Program rider decrease, including regulatory fee, of 0.0080 cents per kilowatt hour for residential customers; a net CPRE Program rider decrease, including regulatory fee, of 0.0086 cents per kilowatt hour for general service customers; and a net CPRE Program rider decrease, including regulatory fee, 0.0106 cents per kilowatt hour for industrial customers. If approved, the net effect of DEC's request would be to decrease the monthly bill of a residential customer using 1,000 kWh of electricity by \$0.08 per month.

Rider CPRE will be in effect for the twelve-month period September 1, 2024, through August 31, 2025.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Dobbs Building, 5th Floor, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEC's application and testimony is available for review by the public, or on the Commission's website at www.ncuc.gov.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. 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 Mr. 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. Written statements may be emailed to utilityAGO@ncdoj.gov.

Written statements are not evidence unless persons appear at a public hearing and testify concerning the information contained in their written statements.

Any person desiring to intervene in the proceeding as a formal party of record should file a petition under North Carolina Utilities Commission Rules R1-5 and R1-19 on or before Monday, May 20, 2024. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before Monday, May 20, 2024.

## ISSUED BY ORDER OF THE COMMISSION.

This the 31st day of May, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

# **Attachment B**

Redline Proposed Updated Notice

Docket No. E-7, Sub 1307

### STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1307

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Duke Energy Carolinas, LLC,	)	
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This proceeding is being held pursuant to the provisions of N.C. Gen. Stat. § 62-110.8 and Commission Rule R8-71 for the purpose of determining whether an increment or decrement rider is required to allow DEC to recover all reasonable and prudent costs incurred for adoption and implementation of the CPRE Program.

On February 27, 2024, DEC filed its application for approval of the CPRE Program rider pursuant to N.C.G.S. § 62-110.8 and Commission Rule R8-71 to be. By its application, DEC requests a CPRE Program rider effective for service rendered on and after September 1, 2024. If approved by the Commission, DEC's proposed changes in fuel rates would result in a decrease for residential customers of approximately \$0.09, including regulatory fee, per month for customers using 1,000 kWh of electricity.

By its application, DEC\_initially requesteds to refund to its North Carolina retail customers (\$20,687,106) related to the actual CPRE Program costs incurred and other credits for the test period, and further, to collect \$25,000,608 for CPRE Program costs projected to be incurred during the period from September 1, 2024 through August 31, 2025. DEC proposes a net CPRE Program rider decrease, including regulatory fee, of 0.0094 cents per kilowatt hour for residential customers; a net CPRE Program rider decrease, including regulatory fee, of 0.0101 cents per kilowatt hour for general service customers; and a net CPRE Program rider increase, including regulatory fee, 0.0001 cents per kilowatt hour for industrial customers. If approved, the net effect of DEC's request would be to decrease the monthly bill of a residential customer using 1,000 kWh of electricity by \$0.09 per month.

On May 8, 2024, DEC filed Supplemental Testimony, Exhibits and Workpapers (Supplemental Filing). The Supplemental Filing provided updates to the Company's CPRE Revenues Realized During the Test Period and Contract Fees Being Credited in CPRE Rider.

By its Supplemental Filing, DEC requests to refund to its North Carolina retail customers (\$21,191,029) related to the actual CPRE Program costs incurred and other credits for the test period, and further, to collect \$25,000,608 for CPRE Program costs projected to be incurred during the period from September 1, 2024 through August 31, 2025. DEC proposes a net CPRE Program rider decrease, including regulatory fee, of 0.0080 cents per kilowatt hour for residential customers; a net CPRE Program rider decrease, including regulatory fee, of 0.0086 cents per kilowatt hour for general service customers; and a net CPRE Program rider decrease, including regulatory fee, 0.0106 cents per kilowatt hour for industrial customers. If approved, the net effect of DEC's request would be to decrease the monthly bill of a residential customer using 1,000 kWh of electricity by \$0.08 per month.

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## ISSUED BY ORDER OF THE COMMISSION.

This the 31st15th day of MarchMay, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

## **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing <u>Motion for Waiver</u>, as filed in Docket No. E-7, Sub 1307 were served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 8<sup>th</sup> day of May, 2024

/s/ Kristin M. Athens
Kristin M. Athens
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Attorney for Duke Energy Carolinas, LLC