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January 27, 2021

**VIA Electronic Filing**

Ms. Kimberley A. Campbell  
Office of the Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4335

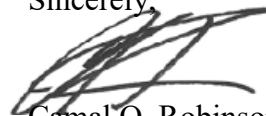
**Re: Joint Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Issuance of Storm Recovery Financing Orders  
Docket Nos. E-7, Sub 1243 and E-2, Sub 1262**

Dear Ms. Campbell:

Enclosed for filing in the above-referenced proceedings on behalf of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (the "Companies"), please find the *Motion for Temporary Waiver and Extension of Time*.

Please feel free to contact me with any questions or concerns, and thank you for your assistance in this matter.

Sincerely,



Camal O. Robinson

COR:kjg

Enclosure

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-7, SUB 1243  
DOCKET NO. E-2, SUB 1262

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Joint Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Issuance of Storm Recovery Financing Orders	) DUKE ENERGY CAROLINAS, LLC AND DUKE ENERGY PROGRESS, LLC’S MOTION FOR TEMPORARY WAIVER OF THE 135-DAY TIMEFRAME TO ISSUE FINANCING ORDERS VIA A 30-DAY EXTENSION OF TIME

NOW COME Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (DEP”) (collectively, the “Companies”) and, respectfully request that the North Carolina Utilities Commission (“Commission”) issue an order in the above-captioned dockets temporarily waiving the 135-day timeframe for issuance of financing orders via a 30-day extension of time through and including April 9, 2021.

In support of this Motion, the Companies show as follows:

**A. PROCEDURAL HISTORY**

1. On October 26, 2020, DEC and DEP filed their Joint Petition for Financing Orders, requesting the Commission to grant authorization for the financing of the Companies’ storm recovery costs<sup>1</sup> incurred as a result of Hurricanes Florence, Michael, Dorian, and Winter Storm Diego (collectively, the “Storms”), as a cost-saving measure for

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<sup>1</sup> The Companies’ Joint Petition specifically explained that the “storm recovery costs” to be securitized consist of DEC and DEP’s incremental operation and maintenance (“O&M”) expenses deferred as regulatory assets, as well as the associated capital investments incurred during the Storms and accrued carrying charges as presented in Docket No. E-7, Sub 1214 and Docket No. E-2, Sub 1219, which were deemed reasonable and prudent in Public Staff testimony and acknowledged as such in each Company’s general rate case Agreement and Stipulation of Partial Settlement with the Public Staff.

the benefit of the Companies' customers. The Companies further requested that the Commission find that their storm recovery costs and related financing costs are appropriately financed by debt secured by storm recovery property, and that the Commission issue orders for DEC and DEP by which each utility may accomplish such financing using a securitization structure authorized by N.C. Gen. Stat. § 62-172 ("Financing Orders"), so that the Companies may recover their prudently incurred storm recovery costs ("Joint Petition").

2. The Companies' Joint Petition also explained that N.C. Gen. Stat. § 62-172(b) authorizes the Companies to finance through securitization the amount of storm recovery costs found by the Commission to be recoverable, but that as of the filing of the Joint Petition, the Companies were still awaiting orders in their 2019 rate cases<sup>2</sup> with the determination that the storm recovery costs were reasonable and prudent, and that the Companies could not proceed with securitization until such orders were received.

3. On November 6, 2020, the Commission issued its *Order Scheduling Hearing, Requiring Filing of Testimony, and Establishing Discovery Guidelines*.

4. On December 17, 2020, Carolina Industrial Group for Fair Utility Rates II ("CIGFUR II") and III ("CIGFUR III") (together with CIGFUR II, "CIGFUR") filed a Petition to Intervene.

5. On December 18, 2020, the Commission granted CIGFUR's Petition to Intervene.

6. On December 21, 2020, the Public Staff filed the testimony and exhibits of Joseph S. Fichera, William Moore, Calvin C. Craig, Barry M. Abramson, Steven Heller,

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<sup>2</sup> Docket Nos. E-7, Sub 1214 and E-2, Sub 1219.

Rebecca Klein, Brian A. Maher, Hyman Schoenblum, and Paul Sutherland. On that same day, the Public Staff filed a Motion for Extension of Time to file the joint testimony of Michael C. Maness and Michelle M. Boswell.

7. On December 22, 2020, the Commission granted the Public Staff's Motion for Extension of Time and the Public Staff filed the joint testimony and exhibits of Michael C. Maness and Michelle M. Boswell.

8. On January 6, 2021, the Public Staff filed corrections to the testimony and exhibits of witnesses Paul R. Sutherland, Steven Heller, Joseph S. Fichera, and the joint testimony of Michael C. Maness and Michelle M. Boswell.

9. On January 11, 2021, the Companies filed rebuttal testimony.

10. On January 13, 2021, the Public Staff filed a revised version of the Public Staff Direct Testimony Corrections filed on January 6, 2021.

11. On January 25, 2021, the Companies filed a Notice of Billing Compliance Procedure and the Affidavit and Supporting Exhibits of Jonathan L. Byrd. On that same day, the Companies also filed an Errata to Jonathan L. Byrd's direct testimony.

12. On January 25, 2021, the Companies, together with the Public Staff, Attorney General's Office, and Sierra Club filed a Coal Combustion Residuals Settlement Agreement ("CCR Settlement") in the Companies' ongoing general rate case, Docket Nos. E-2, Sub 1219 and E-7, Sub 1214.

13. On January 27, 2021, the Companies and the Public Staff filed a Stipulation of Agreement and Partial Settlement.

14. No other parties have intervened in this proceeding.

**B. MOTION FOR TEMPORARY WAIVER OF 135-DAY TIMEFRAME TO ISSUE FINANCING ORDERS VIA A 30-DAY EXTENSION OF TIME**

15. N.C. Gen. Stat. 62-172(b)(3)a.2. states that “[n]o later than 135 days after the petition is filed, the Commission shall issue a financing order or an order rejecting the petition....” March 10, 2021, is 135 days after the date of the filing of the Companies’ Joint Petition.

16. As a result of the recent CCR Settlement filing in Docket Nos. E-7, Sub 1214 and E-2, Sub 1219, the Companies recognize that it may be difficult for the Commission to issue a final order in those dockets addressing the prudence of the Companies’ storm recovery costs prior to March 10, 2021, and for the Commission to similarly issue financing orders in this proceeding on or before that same date. Therefore, the Companies move the Commission for a temporary waiver of the 135-day timeframe to receive orders on the Companies’ Joint Petition, and request that the 135-day timeframe in this proceeding be extended by 30 days, through and including April 9, 2021. This 30-day extension will grant the Commission time to rule on the prudence of the Companies’ storm recovery costs in the Companies’ respective general rate cases, which determination is required prior to the Companies being able to proceed with securitization.<sup>3</sup>

17. No party will be prejudiced by the entry of an Order granting the relief sought by the Companies through this Motion. To the contrary, the relief sought will be to the benefit of all parties, by providing additional flexibility and time for the Commission to consider the Companies’ request and issue a written order detailing its findings of fact and conclusions of law. Moreover, Orders being issued on the Companies’ Joint Petition by April 9, 2021, will not affect or otherwise delay the Companies’ proposed storm

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<sup>3</sup> N.C. Gen. Stat. § 62-172(b).

recovery bond issuance date of June 1, 2021, as originally requested in the Companies' Joint Petition

THEREFORE, the Companies respectfully move:

1. That the Commission grant a temporary waiver of the 135-day statutory timeframe to issue orders on the Companies' Joint Petition in this proceeding via a 30-day extension of time through and including April 9, 2020, to issue such final orders in this proceeding.

2. That the Commission grant such other and further relief as the Commission deems just and proper.

Respectfully submitted this, the 27<sup>th</sup> day January, 2021.



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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing *Motion for Temporary Waiver and Extension of Time* as filed in Docket Nos. E-7, Sub 1243 and E-2, Sub 1262, were served via electronic delivery or mailed, first-class, postage prepaid, upon all parties of record.

This, the 27<sup>th</sup> day of January, 2021.

*/s/Kristin M. Athens*

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