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October 10, 2018

VIA ELECTRONIC FILING

M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

**Re: Application of Duke Energy Carolinas, LLC for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider Pursuant to N.C. Gen. Stat. § 62-133.9 and NCUC Rule R8-69 – Proposed Customer Notice
Docket No. E-7, Sub 1164**

Dear Ms. Jarvis:

Pursuant to the Commission's *Order Approving DSM/EE Rider and Requiring Filing of Customer Notice* issued on September 11, 2018, Duke Energy Carolinas, LLC (the "Company") has worked with the Public Staff to prepare the enclosed notice to customers of the change in rates in the above-reference docket that are effective for service rendered on and after January 1, 2019.

The Company respectfully requests that the Commission review the proposed customer notice as soon as possible to allow sufficient time for design, printing, and programming of the notice to be included in customer bills during December 2018. Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

Electronically submitted
s/ Molly McIntosh Jagannathan
molly.jagannathan@troutmansanders.com

Enclosure

Copy: Parties of Record

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 1164

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 G.S. 62-133.9 and Commission)
Rule R8-69)
	NOTICE TO CUSTOMERS OF CHANGE IN RATES

NOTICE IS HEREBY GIVEN that on September 11, 2018, the North Carolina Utilities Commission (Commission) entered an order in Docket No. E-7, Sub 1164 (DSM/EE Order), approving a change in the Energy Efficiency Rider (Rider EE) charged by Duke Energy Carolinas, LLC (DEC), for retail electric service in North Carolina. Rider EE is designed to collect the reasonable and prudent costs incurred by DEC to adopt and implement demand-side management (DSM) and energy efficiency (EE) measures, as well as appropriate utility incentives approved by the Commission, and to true-up any under-recovery or over-recovery of costs and incentives under the rider previously in effect.

As a result of the DSM/EE Order, Rider EE has been revised and new Rider EE amounts are effective for the period January 1, 2019 through December 31, 2019. The approved Rider EE has been calculated to collect revenues of \$264,508,399 (including rate adders for the North Carolina regulatory fee), based on the forecasted kilowatt-hour (kWh) sales for the 2018 rate period.

The revised Rider EE provides for a Residential increment rider of 0.5320 cents per kWh. The impact of this change on the typical residential bill using 1000 kWh per month is a decrease of (\$0.21) per month compared to the rider previously in effect.

The DSM/EE Order provides for Rider EE amounts for Nonresidential customer classes by vintage year participation as follows:

- Calendar Year 2019 (Vintage Year 2019) participants: EE increment rider of 0.3158 cents per kWh; and DSM increment rider of 0.0877 cents per kWh
- Calendar Year 2018 (Vintage Year 2018) participants: EE increment rider of 0.0695 cents per kWh; and DSM increment rider of 0.0030 cents per kWh
- Calendar Year 2017 (Vintage Year 2017) participants: EE increment rider of 0.3725 cents per kWh; and DSM increment rider of 0.0005 cents per kWh
- Calendar Year 2016 (Vintage Year 2016) participants: EE decrement

- rider of (0.0126) cents per kWh; and DSM decrement rider of (0.0015) cents per kWh
- Calendar Year 2015 (Vintage Year 2015) participants: EE increment rider of 0.0024 cents per kWh; and DSM decrement rider of (0.0024) cents per kWh
 - Calendar Year 2014 (Vintage Year 2014) participants: EE decrement rider of (0.0061) cents per kWh; and DSM decrement rider of (0.0002) cents per kWh

For customers who are eligible to opt out of participation in DEC's DSM/EE programs, the effect of the revised Rider EE amounts will vary depending on opt-out elections. These customers may obtain detailed information about the amounts applicable to their particular circumstances by contacting their DEC account representatives directly or DEC's Customer Service at 1-800-653-5307.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of October 2018.

NORTH CAROLINA UTILITIES COMMISSION

Deputy Clerk

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of Duke Energy Carolinas, LLC's Proposed Customer Notice, in Docket No. E-7, Sub 1164, 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 parties of record.

This, the 10th day of October, 2018.

Electronically signed
s/ Molly McIntosh Jagannathan

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