STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1272 DOCKET NO. E-2, SUB 1274 DOCKET NO. E-2, SUB 1275 DOCKET NO. E-2, SUB 1276

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC,
Pursuant to N.C.G.S. § 62-133.2 and
Commission Rule R8-55 Relating to Fuel
and Fuel-Related Charge Adjustments for
Electric Utilities

DOCKET NO. E-2, SUB 1274

In the Matter of
Application by Duke Energy Progress,
LLC, for Approval of a Joint Agency
Asset Rider for Recovery of Costs Related
to Facilities Purchased from Joint Power
Agency Pursuant to N.C.G.S. § 62-133.14
and Commission Rule R8-70

DOCKET NO. E-2, SUB 1275

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

DOCKET NO. E-2, SUB 1276

In the Matter of
Application by Duke Energy Progress,
LLC, for Approval of Renewable
Energy and Energy Efficiency Portfolio
Standard (REPS) Compliance Report
and Cost Recovery Rider Pursuant
to N.C.G.S. § 62-133.8 and
Commission Rule R8-67

ORDER APPROVING NOTICE TO CUSTOMERS OF CHANGE IN RATES

BY THE PRESIDING COMMISSIONERS: On November 18, 2021, the Commission issued an order in Docket No. E-2, Sub 1272 approving a fuel charge adjustment rate rider for Duke Energy Progress, LLC (DEP). On that same date, the Commission issued an order in Docket No. E-2, Sub 1276 approving a change in the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) rate rider for DEP to allow DEP to recover its costs of providing electricity produced by renewable energy resources. Also on that same date, the Commission issued an order in Docket No. E-2, Sub 1275 approving a change in the Competitive Procurement of Renewable Energy (CPRE) cost recovery rider for DEP to allow DEP to recover its costs of its CPRE Program. On November 8, 2021, the Commission issued an Order in Docket No. E-2, Sub 1274 approving changes in the DEP Joint Agency Asset Rider (JAAR) by customer class. The above-described changes in DEP's rates are effective for service rendered on and after December 1, 2021.

On November 23, 2021, DEP filed a proposed Notice to Customers of Change in Rates that was developed by DEP and the Public Staff to inform customers of the rate changes approved by the Commission in the above-noted orders.

The Presiding Commissioners in the above-captioned dockets have reviewed the proposed Notice to Customers of Change in Rates and find good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 29th day of November, 2021.

NORTH CAROLINA UTILITIES COMMISSION

Mun R Snyder

Joann R. Snyder, Deputy Clerk

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1272 DOCKET NO. E-2, SUB 1274 DOCKET NO. E-2, SUB 1275 DOCKET NO. E-2, SUB 1276

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1272

In the Matter of
Application of Duke Energy Progress, LLC,
Pursuant to N.C.G.S. § 62-133.2 and
Commission Rule R8-55 Relating to Fuel
and Fuel-Related Charge Adjustments for
Electric Utilities

DOCKET NO. E-2, SUB 1274

In the Matter of
Application by Duke Energy Progress.

In the Matter of
Application by Duke Energy Progress,
LLC, for Approval of a Joint Agency Asset
Rider for Recovery of Costs Related to
Facilities Purchased from Joint Power
Agency Pursuant to N.C.G.S. § 62-133.14
and Commission Rule R8-70

DOCKET NO. E-2, SUB 1275

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

DOCKET NO. E-2, SUB 1276

In the Matter of
Application by Duke Energy Progress, LLC,
for Approval of Renewable Energy and
Energy Efficiency Portfolio Standard
(REPS) Compliance Report and Cost
Recovery Rider Pursuant to
N.C.G.S. § 62-133.8 and Commission
Rule R8-67

NOTICE TO CUSTOMERS OF CHANGE IN RATES NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission entered an order in Docket No. E-2, Sub 1272 on November 18, 2021, after public hearing, approving fuel and fuel related charge rate decreases (including regulatory fee) of 0.1110 ¢/kilowatt-hour (kWh), 0.1220 ¢/kWh, 0.0800 ¢/kWh, 0.0570 ¢/kWh, and 0.2450 ¢/kWh for the Residential, Small General Service, Medium General Service, Large General Service, and Lighting customer classes, respectively. The increase equates to approximately \$35 million on an annual basis in the rates and charges paid by the retail customers of Duke Energy Progress, LLC (DEP) in North Carolina.

These changes are effective as of December 1, 2021. The rate increase was ordered by the Commission after a review of DEP's fuel and fuel-related expenses during the 12-month period ended March 31, 2021, and represents actual changes experienced by the Company with respect to its reasonable cost of fuel and fuel-related costs during the test period. The net fuel and fuel-related cost factors for the Residential, Small General Service, Medium General Service, Large General Service, and Lighting customer classes are 2.371 ¢/kWh, 2.297 ¢/kWh, 2.404 ¢/kWh, 2.527 ¢/kWh, and 2.018 ¢/kWh, respectively (excluding regulatory fee).

The changes in the approved fuel and fuel-related rates described above will result in monthly net rate increases of approximately \$1.11 for each 1,000 kWh of usage per month for the Residential customer class, \$1.22 for each 1,000 kWh of usage per month for the Small General Service customer class, \$0.80 for each 1,000 kWh of usage per month for the Medium General Service customer class, \$0.57 for each 1,000 kWh of usage per month for the Large General Service customer class, and \$2.45 for each 1,000 kWh of usage per month for the Lighting customer class.

NOTICE IS ALSO HEREBY GIVEN that the Commission entered an Order in Docket No. E-2, Sub 1274 on November 8, 2021, after public hearing, approving changes in the Company's Joint Agency Asset Rider (JAAR), by customer class. These charges are associated with DEP's purchase of certain generating plants from North Carolina Eastern Municipal Power Agency following Commission review of DEP's costs through the 12-month period ended December 31, 2020. Effective as of December 1, 2021, the change in the monthly charge for residential customers is an increase of 0.103 ¢/kWh, including the regulatory fee. The impact on other customer classes varies based upon their rate schedules. Fuel savings associated with DEP's purchase of the generating plants are passed through to customers in DEP's fuel and fuel-related rates.

NOTICE IS ALSO HEREBY GIVEN that the Commission entered an Order in Docket No. E-2, Sub 1275, on November 18, 2021, after public hearing, approving competitive procurement of renewable energy (CPRE) rates (including regulatory fee) of 0.013 ¢/kWh, 0.014 ¢/kWh, 0.013 ¢/kWh, 0.012 ¢/kWh, and 0.010 ¢/kWh for the Residential, Small General Service, Medium General Service, Large General Service, and Lighting customer classes, respectively. The increase equates to approximately \$5.0 million on an annual basis in the rates and charges paid by the retail customers of DEP in North Carolina. These changes are effective as of December 1, 2021. The rate increase was ordered by the Commission after a review of DEP's CPRE program expenses during the 12-month period ended March 31, 2021, and represents actual changes

experienced by the Company with respect to its reasonable CPRE costs during the test period. The changes in the approved CPRE rates described above will result in monthly net rate increases of approximately \$0.13 for each 1,000 kWh of usage per month for the Residential customer class, \$0.14 for each 1,000 kWh of usage per month for the Small General Service customer class, \$0.13 for each 1,000 kWh of usage per month for the Medium General Service customer class, \$0.12 for each 1,000 kWh of usage per month for the Large General Service customer class, and \$0.10 for each 1,000 kWh of usage per month for the Lighting customer class.

NOTICE IS ALSO HEREBY GIVEN that the Commission entered an Order in Docket No. E-2, Sub 1276 on November 18, 2021, after public hearing, approving changes in the Company's Renewable Energy and Energy Efficiency Portfolio Standard (REPS) riders by customer class. These charges are designed to collect approximately \$41 million of incremental costs incurred to comply with the REPS requirements, pursuant to N.C.G.S. § 62-133.8.

Effective as of December 1, 2021, the monthly REPS riders by customer class (including regulatory fee) are as follows: Residential, \$1.41 per month; General Service, \$7.40 per month; and Industrial Service \$49.42 per month. These monthly charges reflect increases by customer class of \$0.12 per month for Residential, \$0.42 per month for General Service, and \$1.54 per month for Industrial.

THE OVERALL IMPACT of the changes in all riders on a residential customer using 1,000 kWh per month, reflecting the combined effect of the changes in the fuel and fuel-related rate, the monthly REPS rate, the monthly JAAR rate, and the monthly CPRE rate, as described above, will be an increase of \$2.32 per month.

ISSUED BY ORDER OF THE COMMISSION.

This the 29th day of November, 2021.

NORTH CAROLINA UTILITIES COMMISSION

Joann R. Snyder, Deputy Clerk