

Projected Compliance Costs - Billing Period September 1, 2024 - August 31, 2025

Allocate incremental cost per customer class:

Combined DEC North Carolina Retail and Wholesale									
Line No.	Customer class	Total unadjusted number of accounts <sup>(1)</sup>	Adjustment for self-supplied requirements <sup>(1)</sup>	Total adjusted number of accounts <sup>(1)</sup>	Annual per account cost cap	Annual adjusted revenue cap	Cost cap allocation factor	Combined incremental CEPS compliance cost for DEC NC retail / wholesale	Annual per account charge <sup>(2)</sup>
1	Residential	2,031,013	788,474	1,242,539	\$ 27	\$ 33,548,553	53.4%	\$ 25,378,956	\$ 20.43
2	General	284,968	111,128	173,840	\$ 150	\$ 26,076,000	41.5%	\$ 19,728,098	\$ 113.48
3	Industrial	5,145	1,950	3,195	\$ 1,000	\$ 3,195,000	5.1%	\$ 2,419,080	\$ 757.15
4	<b>Total</b>	<b>2,321,126</b>	<b>901,552</b>	<b>1,419,574</b>		<b>\$ 62,819,553</b>	<b>100.0%</b>	<b>\$ 47,526,134</b>	

Williams Exhibit No. 1, page 2 Line No. 18

DEC North Carolina Retail Only				
Line No.	Customer class	Total adjusted number of accounts - DEC NC retail <sup>(1)</sup>	Annual per account charge <sup>(2)</sup>	Incremental CEPS compliance cost allocated to DEC NC retail
5	Residential	1,134,271	\$ 20.43	\$ 23,173,157
6	General	161,592	\$ 113.48	\$ 18,337,460
7	Industrial	2,791	\$ 757.15	\$ 2,113,206
8	<b>Total</b>	<b>1,298,654</b>		<b>43,623,823</b> (a)

Percent allocated to DEC NC retail  
91.79% (a) / (b)

DEC NC retail components for cost allocation to customer class					
		Incremental CEPS compliance cost by type	DEC NC retail incremental CEPS compliance cost by type	Add: Solar Rebate Program and PowerPair <sup>SM</sup> Pilot Program cost	Total DEC NC retail CEPS recovery cost by type
9	Set-aside, Other Incremental, Research, Solar Rebate Program, PowerPair <sup>SM</sup> Pilot Program	77.2%	\$ 33,677,591	\$ 3,843,584	\$ 37,521,175
10	General RECs	22.8%	\$ 9,946,232	\$ -	\$ 9,946,232
11	Total incremental CEPS compliance cost for DEC NC retail		<b>43,623,823</b>	<b>3,843,584</b>	<b>47,467,407</b>

Notes:

Williams Exhibit No. 1, page 2 Line Nos. 16, 17 (a)  
Williams Exhibit No. 1, Page 2, Line No. 18

- (1) Projected number of accounts subject to CEPS charge during the billing period.
- (2) Annual per account charges are the result of the allocation of CEPS costs between DEC NC retail customers and the Company's wholesale CEPS customers, and are used only for calculating the total cost obligations of DEC NC retail customers and the wholesale CEPS customers, respectively. Proposed CEPS rider charges per account are instead calculated using unadjusted CEPS account totals by class - see Williams Exhibit No. 4.

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DEC North Carolina Retail Only

Calculate Set-aside and other incremental costs per customer class:

Line No.	Customer class	Total unadjusted number of accounts <sup>(1)</sup>	Annual per account cost cap	Calculated annual revenue cap	Cost cap allocation factor	Allocated annual Set-aside, Other Incremental, Solar Rebate Program, PowerPair <sup>SM</sup> Pilot Program, and Research cost
1	Residential	1,890,452	\$ 27	51,042,204	53.12%	\$ 19,930,685
2	General	269,320	\$ 150	40,398,000	42.04%	\$ 15,774,393
3	Industrial	4,651	\$ 1,000	4,651,000	4.84%	\$ 1,816,097
4	<b>Total</b>	<b>2,164,423</b>		<b>96,091,204</b>	<b>100.00%</b>	<b>\$ 37,521,175</b>

Williams Ex. No. 3 Pg 1 Line 9

Calculate General Requirement incremental costs per customer class:

Line No.	Customer class	Number of RECs for General compliance <sup>(1)</sup> (a)	% of EE RECs supplied by class <sup>(2)</sup>	REC requirement supplied by EE by class <sup>(3)</sup> (b)	Number of General RECs net of EE (c) = (a) - (b)	General cost allocation factor (e) = (c) / (d)	Allocated annual General incremental costs
5	Residential	3,510,506	45.5%	1,310,024	2,200,482	58.96%	\$ 5,864,298
6	General	2,778,434	44.9%	1,290,813	1,487,621	39.86%	\$ 3,964,568
7	Industrial	319,880	9.6%	275,647	44,233	1.18%	\$ 117,366
8	<b>Total</b>	<b>6,608,820</b>	<b>100.0%</b>	<b>2,876,484</b>	<b>3,732,336</b>	<b>100.00%</b>	<b>\$ 9,946,232</b>
		(4)		(5)	(d)		Williams Ex. No. 3 Pg 1 Line 10

Total cost allocation by customer class:

	Total Incremental CEPS cost by class	% Incremental CEPS cost by class
9 Residential	\$ 25,794,983	54.34%
10 General	\$ 19,738,961	41.58%
11 Industrial	\$ 1,933,463	4.07%
12 <b>Total</b>	<b>\$ 47,467,407</b>	<b>100.00%</b>

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Line 11

- (1) Projected number of accounts subject to CEPS charge during the billing period.
- (2) EE allocated to account type according to actual projected contribution by customer class of EE RECs.
- (3) Total General RECs per note (4) \* "Cost Cap Allocation Factor" by class per line Nos. 1-3 above.
- (4) Forecast general REC requirement for Billing Period (Total requirement net of solar, poultry, and swine set-asides)
- (5) Total REC requirement projected to be met with EE savings - capped at 40% total - allocated to class according to contribution by class

Forecast total compliance requirement - billing period	7,191,211
Maximum allowed to be met with EE savings	40%
Forecast REC requirement supplied by EE savings	2,876,484

DUKE ENERGY CAROLINAS, LLC  
Docket No. E-7, Sub 1306

Williams Exhibit No. 3  
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February 27, 2024

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Calculate incremental cost to collect per customer class - Billing Period:

DEC North Carolina Retail Only

Line No.	Customer class	Allocated annual Set-aside, Other Incremental, Solar Rebate Program, PowerPair <sup>SM</sup> Pilot Program, and Research cost	Allocated annual General incremental costs	Total incremental cost
1	Residential	\$ 19,930,685	\$ 5,864,298	\$ 25,794,983
2	General	\$ 15,774,393	\$ 3,964,568	\$ 19,738,961
3	Industrial	\$ 1,816,097	\$ 117,366	\$ 1,933,463
4	<b>Total</b>	<b>\$ 37,521,175</b>	<b>\$ 9,946,232</b>	<b>\$ 47,467,407</b>
		Williams Exhibit No. 3, Pg 2, line 4	Williams Exhibit No. 3, Pg 2, line 8	Williams Exhibit No. 3, Pg 2, line 12