



17 July 2015

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To: Chief Clerk Gail Mount
The North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC 27699-4325

From: NC Sustainable Energy Association
4800 Six Forks Road, Suite 300
Raleigh, NC 27609

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 Commission Rule R8-69 (Docket No. E-7, Sub 1073)

Honorable Clerk and Commissioners:

I serve as regulatory counsel for the North Carolina Sustainable Energy Association (“NCSEA”), an intervenor in this proceeding. NCSEA files this letter in lieu of a post-hearing brief in accordance with the *Notice of Due Date of Proposed Orders (Heard in Raleigh 6-2-2015)* issued by the North Carolina Utilities Commission (“Commission”) on 18 June 2015 and the *Order Granting Extension of Time* issued by the Commission on 8 July 2015. NCSEA does not challenge any costs for which Duke Energy Carolinas, LLC (“DEC”) seeks recovery as unreasonable or imprudent. NCSEA does, however, seek to provide a temporal context for DEC’s proposed demand-side management (“DSM”) and energy efficiency (“EE”) cost recovery rider.¹

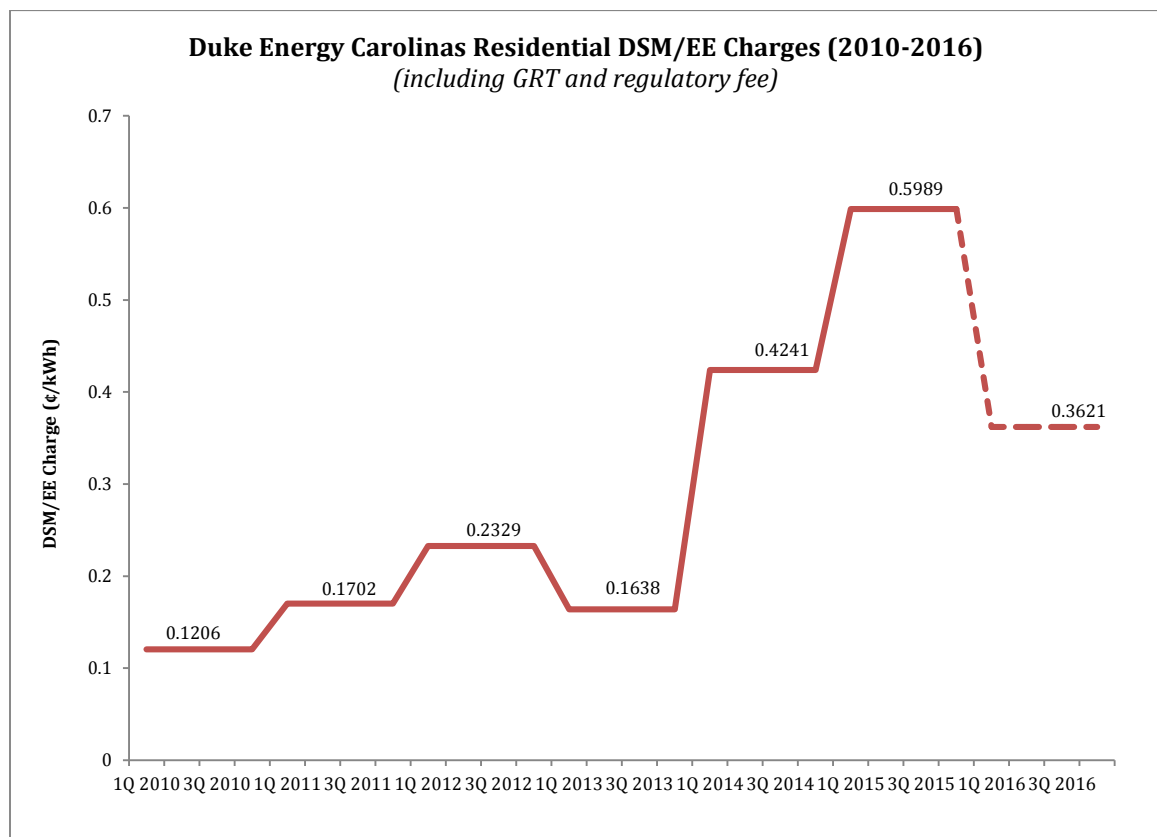
In this proceeding, DEC requests approval of Rider 7 related to both DEC’s save-a-watt pilot approved in Docket No. E-7, Sub 831 and the new cost recovery mechanism

¹ NCSEA has previously advocated in DEC’s DSM/EE rider proceedings for the design and implementation of a robust combined heat and power (“CHP”) program/pilot project for topping-cycle CHP. See, *NCSEA’s Post Hearing Brief*, Commission Docket No. E-7 Sub 1050 (7 July 2014). Because NCSEA has requested the Commission clarify issues of statutory interpretation regarding topping-cycle CHP in a different docket, see, *NCSEA’s Request for Declaratory Ruling*, Commission Docket No. E-100, Sub 113 (1 June 2015), NCSEA will not address the issue in DEC’s current rider proceeding.



and portfolio of programs approved by the Commission in Docket No. E-7, Sub 1032. DEC requests a DSM/EE charge of 0.3621¢/kWh for residential ratepayers, a decrement of approximately 0.02368¢/kWh from the current DSM/EE charge. The proposed charge is put in temporal context in **Figure 1** below.

Figure 1²

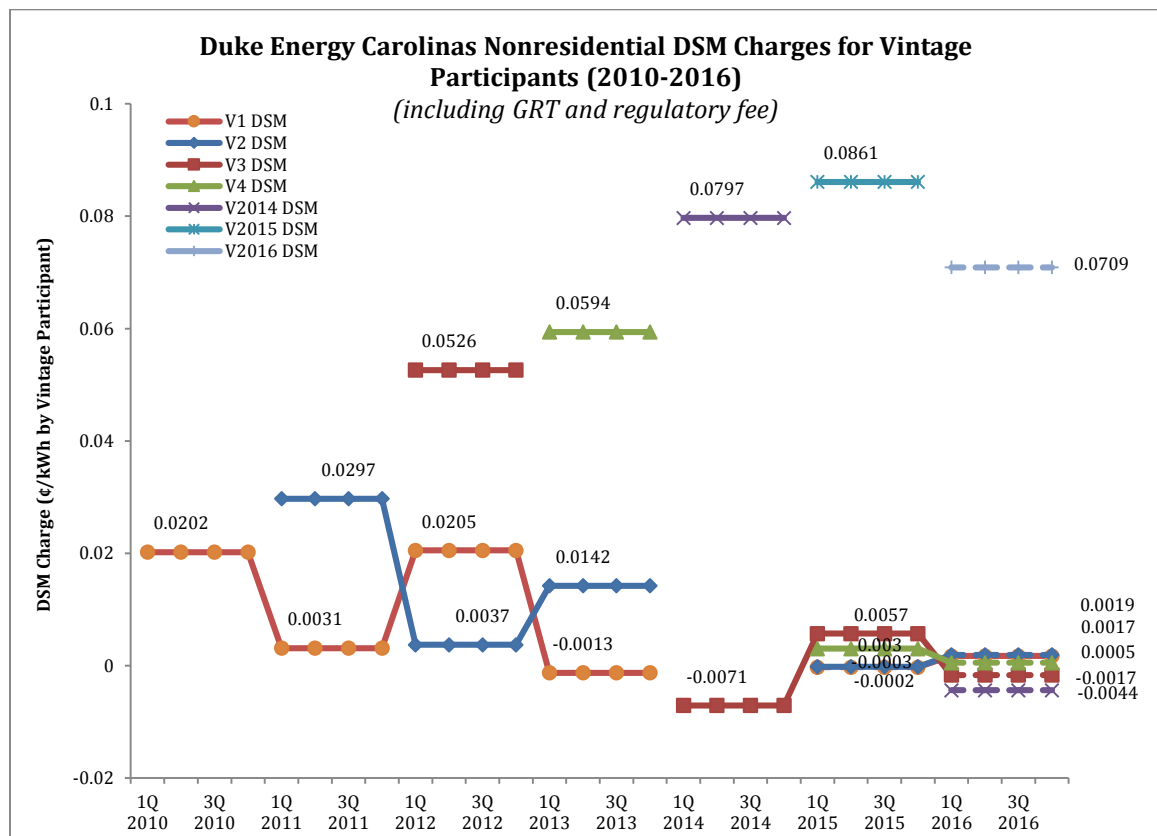


² Duke Energy Carolinas' Revised Tariff for Vintage 1 of Rider EE, p. 3 of 3, Commission Docket No. E-7, Sub 831 (13 August 2010); Order Approving Notice to Customers, Appendix A, Commission Docket No. E-7, Sub 941 (20 September 2010); Order Approving Notice to Customers of Change In Rates, Appendix A, p. 1 of 2, Commission Docket No. E-7, Sub 979 (16 December 2011); Order Approving Notice to Customers, Attachment, p. 1 of 2, Commission Docket No. E-7, Sub 1001 (5 October 2012); Order Approving Notice to Customers, Appendix A, p. 2 of 2, Commission Docket No. E-7, Sub 1031 (2 December 2013); Order Approving Notice to Customers of Changes in Rates, Appendix A, p. 2 of 2, Commission Docket No. E-7, Sub 1050 (26 November 2014); Official Exhibits of Hearing Held June 2, 2015, Raleigh (As Marked), Supplemental Miller Exhibit 7, Commission Docket No. E-7, Sub 1074 (15 June 2015).



For nonresidential ratepayers who have opted-in to its DSM program, DEC proposes charges of 0.0017¢/kWh for V1 DSM participants, 0.0019¢/kWh for V2 DSM participants, -0.0017¢/kWh for V3 DSM participants, 0.0005¢/kWh for V4 DSM participants, -0.0044¢/kWh for V2014 DSM participants, and 0.0709¢/kWh for V2016 DSM participants. The proposed charges are placed in temporal context in **Figure 2** below.

Figure 2³



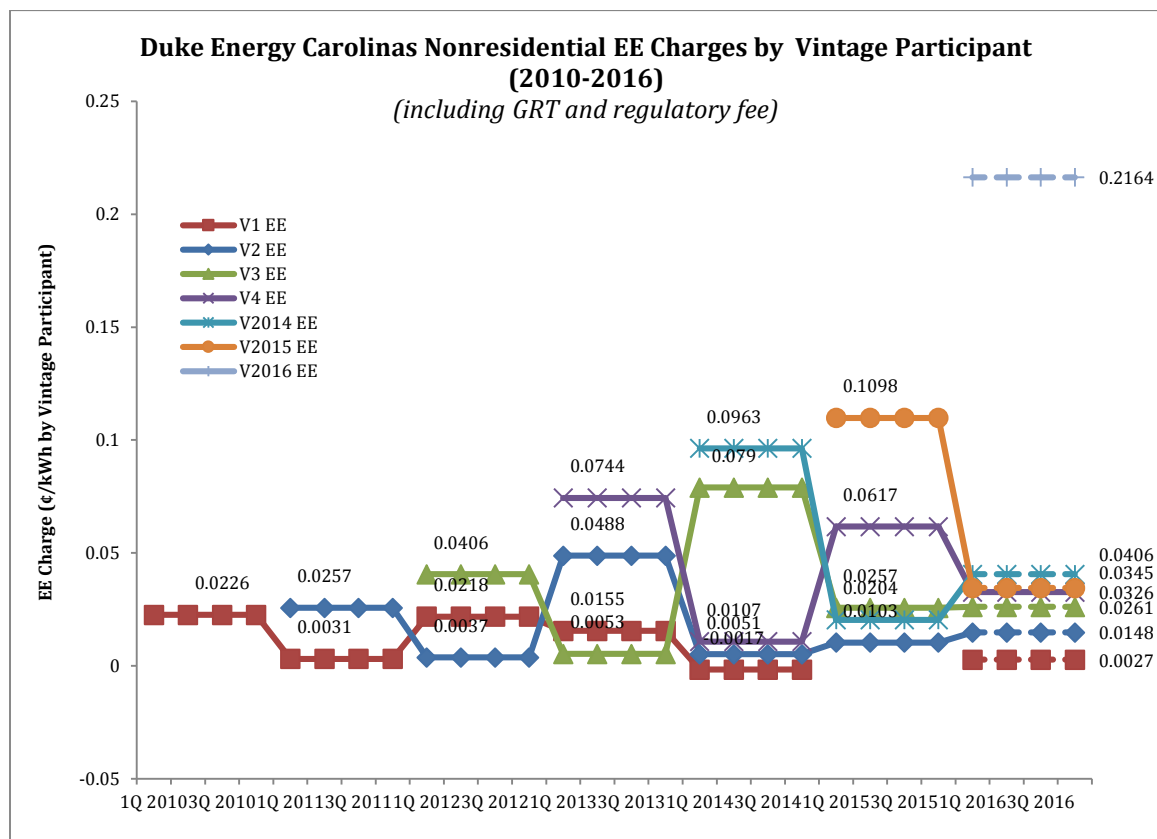
For nonresidential ratepayers who have opted-in to its EE program, DEC proposes charges of 0.0027¢/kWh for V1 EE participants, 0.0148¢/kWh for V2 EE participants,

³ *Id.*



0.0261¢/kWh for V3 EE participants, 0.0326¢/kWh for V4 EE participants, 0.0406¢/kWh for V2014 EE participants, 0.0345¢/kWh for V2015 EE participants, and 0.2164¢/kWh for V2016 EE participants. These proposed charges are placed in temporal context in **Figure 3** below.

Figure 3⁴



NCSEA does not challenge the reasonableness or prudence of any costs for which DEC seeks recovery in its Rider 7 application.

⁴ *Id.*



Respectfully submitted,

/s/ Peter Ledford

Peter H. Ledford
Counsel for NCSEA
N.C. State Bar No. 42999
4800 Six Forks Road
Suite 300
Raleigh, NC 27609
919-832-7601 x. 107
peter@energync.org

CERTIFICATE OF SERVICE

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing Post-Hearing Brief by hand delivery, first class mail deposited in the U.S. mail, postage pre-paid, or by email transmission with the party's consent.

This the 17th day of July, 2015.

/s/ Peter Ledford

Peter H. Ledford
Counsel for NCSEA
N.C. State Bar No. 42999
4800 Six Forks Road
Suite 300
Raleigh, NC 27609
919-832-7601 x. 107
peter@energync.org