



Lawrence B. Somers  
Deputy General Counsel

Mailing Address:  
NCRH 20 / P.O. Box 1551  
Raleigh, NC 27602

o: 919.546.6722  
f: 919.546.2694

bo.somers@duke-energy.com

OFFICIAL COPY

Apr 09 2020

April 9, 2020

**VIA ELECTRONIC FILING**

Ms. Kimberley A. Campbell, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**RE: Response of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC to CUCA's Petition for Relief to Avoid Paying Electricity Charges Docket Nos. E-2, Sub 1249; E-7, Sub 1237 and E-22, Sub 585**

Dear Ms. Campbell:

Pursuant to North Carolina Utilities Commission's ("Commission") Rule R1-7 and the Commission's April 2, 2020 *Order Joining Necessary Parties and Requesting Comments*, I enclose the Response of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC to CUCA's Petition for Relief to Avoid Paying Electricity Charges for filing in connection with the referenced matter.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

Lawrence B. Somers

Enclosure

cc: Parties of Record

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1249  
DOCKET NO. E-7, SUB 1237  
DOCKET NO. E-22, SUB 585

In the Matter of	)	
	)	<b>RESPONSE OF DUKE ENERGY</b>
	)	<b>CAROLINAS, LLC AND DUKE</b>
Petition for Expedited Approval of	)	<b>ENERGY PROGRESS, LLC TO</b>
Temporary Adjustments to Electric	)	<b>CUCA’S PETITION FOR</b>
Billing Demand Charges	)	<b>RELIEF TO AVOID PAYING</b>
	)	<b>ELECTRICITY CHARGES</b>

---

NOW COME Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (“DEP” and collectively with DEC, the “Companies”), pursuant to North Carolina Utilities Commission (“Commission”) Rule R1-7 and the Commission’s April 2, 2020 *Order Joining Necessary Parties and Requesting Comments* (“Order”), and hereby respond to the Petition for Expedited Approval of Temporary Adjustments to Electric Billing Demand Charges (“Petition”), filed by the Carolina Utility Customers Association (“CUCA”) on March 31, 2020 in the above-referenced proceedings.

**INTRODUCTION**

CUCA’s Petition seeks expedited approval to avoid payment of a portion of the electric bills for all commercial and industrial (“C&I”)<sup>1</sup> customers who have either decreased or increased load associated with the COVID-19 pandemic and state of emergency, and who are served under DEC’s Rate Schedules LGS, OPT-V, HP, OPT-E, SGS, SGS-TOU-CPP, SGS-TOU-DPP and DEP’s Rate Schedules LGS, LGS TOU, LGS-

---

<sup>1</sup> The Companies note that CUCA does not have standing to make a request on behalf of anyone other than its members. As such, any prayer for relief for such other customers should be stricken.

RTP, and MGS. By its Petition “to temporarily make adjustments to the minimum and maximum demand levels for customers,” CUCA seeks Commission approval to have all C&I customers relieved of their obligation to pay a portion of their electricity bills, which directly contradicts the Commission’s March 19, 2020 *Order Suspending Utility Disconnections for Non-Payment, Allowing Reconnection, and Waiving Certain Fees* in Docket No. M-100, Sub 158, in which the Commission held, “No provision in this Order shall be construed as relieving a customer of their obligation to pay bills for receipt of any utility service covered by this Order.”

DEC and DEP recognize the economic impact that the pandemic has on North Carolina families and businesses - - the Companies themselves are not immune from these financial challenges. In response to these customer challenges, DEC and DEP voluntarily suspended all customer disconnections for nonpayment of bills and obtained Commission approval to waive late charges and other fees throughout the state of emergency. *See* March 20, 2020 *Order Granting Additional Temporary Waivers of Specific Provisions of Commission Rules* in Docket Nos. E-7, Sub 1236, E-2, Sub 1228 and G-9, Sub 767. As set forth below, the Companies’ respective approved Service Regulations do, in fact, provide certain relief for customers to have the minimum bill waived, or their billing demand reduced, under certain extreme conditions like the COVID-19 state of emergency. DEC and DEP discussed these issues with CUCA representatives prior to CUCA filing its Petition and have explained that they are willing to work with individual customers to determine the applicability of these tariff provisions to their circumstances and are willing to work with individual customers on extended payment options if needed.

As the Commission is well aware, minimum demand charges are not “penalties” as CUCA seems to characterize them, but rather represent fixed costs that are unaffected by usage and are part of the overall rates approved by the Commission to recover the Companies’ costs to serve customers. Again, the Companies understand that many customers are facing challenges during this unprecedented state of emergency, including C&I customers and CUCA’s members. Likewise, the reduction in the Companies’ load and associated revenues, as well as the recent volatility in the debt and equity markets during the state of emergency, are presenting, or soon will be presenting, challenges for the Companies. As requested by the Commission, and as set forth in more detail *infra*, the potential impact of the actions requested by CUCA on utility cash flows, uncollectibles, and lost revenues if the COVID-19 state of emergency in North Carolina continues until July 1, 2020 are significant – particularly in the context of the overall challenges the Companies are experiencing. The Companies respectfully assert that voiding Commission-approved tariffs and allowing all C&I customers on the requested rate schedules to avoid paying a portion of their bills is not legally permissible and would result in these costs unfairly being shifted to other customers that are already paying their respective fair share of similar fixed components. DEC and DEP provide an essential service and, perhaps now more than ever, it is important that we keep our facilities in operation and our employees working for our customers to ensure safe and reliable electricity service for their benefit.

## ARGUMENT

### **I. THE COMPANIES' COMMISSION-APPROVED TARIFFS ALREADY PROVIDE TEMPORARY RELIEF FROM MINIMUM DEMAND CHARGES OR THE ABILITY TO TEMPORARILY RESET MINIMUM BILLING DEMANDS UNDER CERTAIN EXTREME CIRCUMSTANCES SUCH AS THE COVID-19 STATE OF EMERGENCY.**

In its Petition, CUCA fails to acknowledge that DEC's and DEP's Service Regulations, approved by the Commission in the context of general rate cases, already provide opportunities for certain commercial and/or industrial customers to have the minimum bill waived, or their billing demand reduced, under certain extreme conditions. For DEC industrial customers, under the "Unavoidable Cessation of Consumption" provision of the Service Regulations, if the operation of their "plant" is shut down due to a "cause beyond the Customer's control," and there is a "complete cessation of service," then upon written notice by the customer within 30 days advising the customer's intent to resume service as soon as possible, "any minimum charge" or "guarantee for which the Customer may be liable" "will be waived" during the period of such cessation. Following is the relevant provision of the DEC Service Regulations:

### **XIII**

#### **Unavoidable Cessation of Consumption**

In the event the Customer's premises is destroyed by fire, natural disaster; or other casualty, or the operation of its plant is shut down because of strike, fire, natural disaster, or other cause beyond the Customer's control, making a complete cessation of service, then upon written notice by the Customer to the Company within thirty (30) days thereafter, advising that the Customer intends to resume service as soon as possible, any minimum charge, or guarantee for which the Customer may be liable will be waived during the period of such cessation, and the contract shall be extended for a corresponding period. Otherwise, the agreement for service shall immediately terminate. When service has ceased under the described conditions, the Company shall have the right to (1) waive the collection of a deposit to reestablish service, (2) waive temporary service charges for temporary facilities or for reestablishment of service when such charges do not

exceed a reasonable amount, (3) waive the collection of area lighting charges due to early termination of contract, and (4) waive the collection of a reconnection fee.

For DEP C&I customers, under the relevant paragraph of the “Suspension of Billing Under Agreement at Customer’s Request” provision of the Service Regulations, if a Customer “will be using less than one-half of their contract demand during a period of suspended operations for at least three consecutive months but no longer than twelve consecutive months,” and upon written request by Customer, the billing demand shall be the maximum kW registered during the current billing month under the Schedules and Riders effective for the reduced usage. Following is the relevant provision of the DEP Service Regulations:

1 Service Agreement

\* \* \*

(f) Suspension of Billing Under Agreement at Customer's Request:

\* \* \*

If Customer will be using less than one-half of Contract Demand during a period of suspended operations for at least three consecutive months but no longer than twelve consecutive months, and upon written request by Customer, the Billing Demand shall be the maximum kW registered during the current billing month under the Schedules and Riders effective for the reduced usage. When Customer's load regularly falls below one-half of his Contract Demand, such operations shall not be considered as suspended operations.

The Companies are willing to review customers’ circumstances on a case-by-case basis to determine if the foregoing provisions of the Companies’ respective tariffs are applicable.

Finally, the Companies note that CUCA has requested relief from minimum demand charges for several rate schedules that do not contain such charges. DEC rate schedules HP, OPT-E (an energy-only rate), SGS-TOU-CPP (Pilot) (an energy-only rate), and SGS-TOU-DPP (Pilot) have no applicable minimum demand charge.

**II. DEC, DEP AND THE COMMISSION HAVE ALREADY PROVIDED RELIEF TO C&I CUSTOMERS IN RESPONSE TO THE COVID-19 STATE OF EMERGENCY, AND THE COMPANIES ARE WILLING TO WORK WITH IMPACTED CUSTOMERS ON PAYMENT ARRANGEMENTS AS MAY BE NEEDED.**

On March 13, 2020, DEC and DEP suspended disconnections due to nonpayment for all commercial, industrial and residential customers. On March 19, 2020, the Companies, along with Piedmont Natural Gas Company, Inc., filed a request in Docket Nos. E-7, Sub 1236, E-2, Sub 1228 and G-9, Sub 767 for Commission approval to (1) suspend as of March 13, 2020, the disconnection of electric and natural gas service to the Companies' residential and non-residential customers who are unable to pay their bills, (2) waive for both residential and non-residential customers the application of late-payment charges provided for in the Commission's rules and the Companies' rate schedules, (3) allow reconnection of residential and non-residential customers who have recently been disconnected without assessment of a reconnection fee, (4) waive for both residential and non-residential customers the application of fees for checks returned due to insufficient funds, (5) waive for residential customers the transaction fees associated with the payment of electric and gas bills by credit card or debit card, and (6) use flexibility in applying other requirements for restoration of electric and gas services, including the guidelines for re-establishment of credit pursuant to Commission Rules R12-2 and R12-3. The Commission approved the Companies' waiver requests in its March 20, 2020 *Order Granting Additional Temporary Waivers of Specific Provisions of Commission Rules*. On March 19, 2020, the Commission also issued its *Order Suspending Utility Disconnections for Non-Payment, Allowing Reconnection, and Waiving Certain Fees* in Docket No. M-100 Sub 158, which

likewise applied waivers for the benefit of non-residential and residential customers in the wake of the difficulties posed by the COVID-19 state of emergency.

The Companies and the Commission have therefore already responded to the difficult COVID-19 circumstances and are providing relief to C&I customers. As discussed above, the Companies' Commission-approved Service Regulations already provide options for relief to CUCA members and C&I customers, and the Companies remain willing to work with impacted customers on payment arrangements as may be needed. CUCA's Petition asks that the Commission take additional immediate action to temporarily eliminate the monthly minimum and maximum billing demand charges, prorate the current monthly demand charges to reflect a partial month of operation for sites that have significantly curtailed or expanded consumption, and review other tariff provisions to provide as much flexibility as possible while customers' normal operations are disrupted during the state of emergency. Petition at ¶ 5. As such, CUCA is asking the Commission to allow all C&I customers on the named rate schedules to be relieved of their obligation to pay a portion of their bills.<sup>2</sup> CUCA's request directly contradicts the Commission's holding in its March 19, 2020 order that "No provision in this Order shall be construed as relieving a customer of their obligation to pay bills for receipt of any utility service covered by this Order." Order at p. 2.<sup>3</sup> Accordingly, the Companies respectfully request that the Petition be denied.

---

<sup>2</sup> CUCA's Petition proposes no criteria to determine which customers qualify for the requested waiver of the obligation to pay a portion of the bills, nor any required showing of financial harm or inability to pay.

<sup>3</sup> Although it only applies to residential customers, Governor Cooper's Executive Order No. 124 issued on March 31, 2020 also provides in Section 1 (c) that "No provision of this Executive Order shall be construed as relieving a customer of their obligation to pay bills for receipt of any service covered by this Executive Order."

### **III. CUCA'S REQUEST CONTRADICTS COMMISSION PRECEDENT AND AUTHORITY.**

Notably, CUCA cites no legal authority in support of its Petition. The Commission's authority to alter rates outside of a general rate case is limited. *State ex rel. Utilities Comm. v. Carolina Util. Customers Ass'n*, 142 N.C. App. 127, 130, 542 S.E.2d 247, 249 (2001). Additionally, before granting CUCA's request, the parties must be afforded procedural due process, and the Commission must follow the procedures provided by statute. N.C. Gen. Stat. § 63-137. Rate changes must be prospective, not retroactive, and based on a finding, supported by evidence, that the established rates to be adjusted are unjust, unreasonable, discriminatory or preferential. N.C. Gen. Stat. § 62-132. N.C. Gen. Stat. § 62-131(a) requires that all utility rates must be just and reasonable. Once approved by the Commission, they are presumptively just and reasonable and can only be changed by order of the Commission. N.C. Gen. Stat. § 62-132. In *State ex rel. Utilities Commission v. Public Staff-N.C. Utilities Commission*, 323 N.C. 481, 491, 374 S.E. 2d 361, 367 (1988), the Supreme Court stated "Once fixed by the Commission, the rates are deemed prima facie just and reasonable . . . The party attacking rates established by the Commission bears the burden of proving that they are improper." CUCA has made no such showing. Demand charges are no different than any other component of rates set by the Commission in a general rate case and are entitled to the same presumption of reasonableness. These charges are designed to compensate the utility for the fixed costs that it incurs in having enough capacity available when the customer demands it. The Companies' fixed costs to

serve customers are unaffected by usage or the COVID-19 pandemic and the obligation to pay them should not be waived as requested by CUCA.<sup>4</sup>

In its Petition, CUCA makes no mention of how the demand charges that it argues all C&I customers should be excused from paying should be recovered.<sup>5</sup> Demand charges are established in the context of a general rate case and contribute to the utility's opportunity to recover its revenue requirements. Even assuming *arguendo* that such charges could be legally waived, which the Companies deny, it is simply not reasonable to eliminate such charges without establishing a mechanism for the lost revenue to be recovered from other sources. Because CUCA does not offer that its members or all C&I customers for whom it seeks relief should have any responsibility to pay the fixed portion of their bills, presumably CUCA proposes to shift responsibility for those costs to other customers. Duke Energy's C&I rates for which CUCA is seeking to avoid the obligation to pay are designed and approved by the NCUC in order to recover the costs to serve those customers, without unfair subsidization of those customers by residential or commercial and industrial customers on other rate schedules. Furthermore, although undoubtedly many C&I customers' businesses are struggling during the state of emergency, CUCA's Petition

---

<sup>4</sup> CUCA's alternative proposal for a prorated demand charge for a partial month still involves the change in an established rate, which is no more valid than the proposal for a complete waiver.

<sup>5</sup> CUCA refers at page 4 of its Petition to an AEP filing made to the Public Utilities Commission of Ohio; however, AEP's filing referenced several cost recovery mechanisms, including the creation of a regulatory asset to be deferred for future recovery. Furthermore, Ohio law is distinct from North Carolina's law, and the regulatory circumstances in Ohio are not relevant for this Commission's decision on CUCA's Petition. For example, R.C. 4909.16 provides that the Ohio Commission "may temporarily alter, amend, or, with the consent of the public utility concerned, suspend any existing rates, schedules, or order relating to or affecting any public utility or part of any public utility in this state." Further, R.C. 4905.31 permits a utility subject to the Ohio Commission's jurisdiction to provide a reasonable arrangement with one or more of its customers. Specifically, R.C. 4905.31(E) provides that a reasonable arrangement may be a "financial device that may be practicable or advantageous to the parties interested" and contains provisions that would allow an Ohio utility to recover lost revenues associated with an economic development or job retention program. There are no such applicable provisions under North Carolina law.

offers no process to demonstrate the financial viability of individual C&I customers, but instead seeks a blanket waiver of the obligation to pay a portion of their bills - - even for customers who have ramped up production and have increased business, and presumably increased revenues and profits, due to the COVID-19 pandemic. The Petition makes no showing that all C&I customers lack the ability to pay their bills, or lack access to other sources to help pay their utility bills, including the federal COVID relief funds, or other sources such as their own lines of credit or parent companies. Again, the Companies are willing to work with customers on extended payment arrangements as may be needed. Furthermore, the Commission held in its March 19, 2020 Order that “At the end of the State of Emergency, customers having arrearages accrued during the State of Emergency shall be provided the opportunity to make a reasonable payment arrangement over no less than a six month period and shall not be charged any late fees for late payment for arrearages accrued during the State of Emergency.” Order at p. 2.

Importantly, in somewhat analogous circumstances, the Commission has refused to deviate from approved tariffs when requested outside of a general rate case, even when such enforcement was detrimental to certain classes of customers. First, in the aftermath of the 2013-2014 Polar Vortex, the NCUC denied a petition by PSNC (which had been supported by the Public Staff) to lower certain higher gas rate charges for curtailable customers than were required by their Commission-approved tariffs. PSNC had argued that extraordinary conditions of the 2014 Polar Vortex made the application of its approved tariff unfair to customers. In its September 8, 2014 *Order on Petition for Limited Modification of Rider A and Request for Expedited Decision* in Docket No. G-5, Sub 545, the Commission held that, “The Commission is concerned that should it authorize after-

the-fact modifications to tariffs in effect when service has been provided in this difficult circumstance, *it will set a precedent of questionable legality and one that should be avoided as poor practice.*” *Id.* at p. 15 (emphasis added). The Commission further noted that although the parties had made “a forceful case that equitable relief is justified in these unique circumstances, granting the relief requested has countervailing and adverse consequences to PSNC customers other than those who chose not to curtail when notified that they should do so.” *Id.* The Commission noted that it had approved the tariff during a PSNC general rate case where it had weighed all the evidence and considerations in deciding that PSNC's interruptible tariffs struck the appropriate balance for approving substantially lower rates for interruptible customers, providing an incentive to interruptible customers to curtail, and requiring them to pay a premium if they do not curtail.” *Id.* at 19. The Commission ruled that “that balance should not be altered in the present docket where the Commission does not have before it adequate evidence to support a need for such changes.” *Id.* As a concession to PSNC’s interruptible customers, the Commission allowed the customers to pay the additional amount owed in equal installments during an 18-month period without the imposition of a late fee or interest charge, so long as all installment payments were made on time.

In response to the same Polar Vortex circumstances, Piedmont Natural Gas also reduced certain charges to its interruptible customers because it deemed them punitive - - and then sought Commission approval to do so. In its October 29, 2014 *Order on Petition for Limited Waiver of Rate Schedule 106 Billing Procedures* in Docket No. G-9, Sub 649, the Commission denied Piedmont’s request for a limited waiver of its tariffs and also held, that “The Commission is concerned that should it authorize after-the-fact modifications to

tariffs in effect when service has been provided in this difficult circumstance, it will set a precedent of questionable legality and one that should be avoided as poor practice.” *Id.* at p. 18. As a “measure of relief” for Piedmont’s interruptible customers in light of the difficulties caused them by “enforcing Piedmont’s tariffs as written,” the Commission allowed the customers to pay the additional amount owed in equal installments during an 18-month period without the imposition of a late fee or interest charge, so long as all installment payments are made on time. *Id.* at 19.

As the Commission held in the PSNC and Piedmont Polar Vortex cases *supra*, even though a compelling equitable argument could be made that customers facing temporary hardships would be burdened by paying Commission-approved tariff rates, there was no valid legal basis to do so, and to do otherwise would be a “poor practice.” Likewise, to grant CUCA’s Petition here would be inequitable and subsidize larger C&I customers at the expense of other customers, including residential customers and small business customers, some of whom have lost their jobs or been forced to close their businesses due to the pandemic. The Companies respectfully submit that reasonable deferred payment arrangements as may be needed on a case-by-case basis at the end of this state of emergency of undeterminable duration, and as already offered by the Companies and ordered by the Commission, is a more reasonable approach than simply waiving the C&I customers’ obligations to pay the fixed portion of their bills as requested by CUCA.

#### **IV. FINANCIAL IMPACTS TO DEC AND DEP FROM COVID-19 AND CUCA’S PETITION.**

DEC and DEP are beginning to experience a significant reduction in the Companies’ load and associated revenues due to many commercial and industrial

customers as well as schools and colleges scaling back operations, if not closing completely, during the COVID-19 state of emergency. In addition, there has been recent volatility in the debt and equity markets<sup>6</sup> and pressure on liquidity for most industries, including utilities. The Companies are no exception, and during March 2020 encountered difficulties in borrowing in the commercial paper market to meet their daily and short-term capital needs. The negative consequences to the Companies from these load and financial challenges, combined with the uncertainty of their duration during and after the COVID-19 state of emergency, should also be considered in the context of CUCA’s Petition.

Commission staff requested that the Companies include “projections of the potential impact of the actions requested by CUCA on utility cash flows, uncollectibles, and lost revenues if the COVID-19 State of Emergency in North Carolina continues until July 1, 2020” in this response. Following are estimated lost revenue (and utility cash flows) impacts by customer segment, by jurisdiction, by month.

**Estimated Financial Impacts of Waiving Minimum Demand Charges by Customer Segment and Jurisdiction**

	DEC-NC	DEP-NC
Retail, Schools & Colleges, and Offices <sup>1</sup>	\$0.3M	\$1.3M
Manufacturing <sup>2</sup>	\$6.0M	\$1.7M
Total by month	\$6.3 M / month	\$3.0 M / month
<b>3 Month (May-July) Total</b>	<b>\$18.9M</b>	<b>\$9.0M</b>

Notes:

---

<sup>6</sup> The CBOE volatility index, commonly referred to as the VIX, reached an all-time record high the week of March 16, surpassing even the most volatile trading days during the height of the Global Financial Crisis in fourth quarter of 2008. <https://www.cnbc.com/2020/03/16/wall-streets-fear-gauge-hits-highest-level-ever.html> (last accessed April 7, 2020)

1. Assumes demand reduction of 65% across 75% of all retail customers in the applicable rate schedules. For the other commercial sectors listed, demand reductions of 35-45% were assumed. As a result, for DEC, the \$0.3M figure is entirely related to retail, as the other categories are not expected to be impacted under the minimum demand charge provisions in DEC tariffs. For DEP, demand reductions of 35-45% coupled with CUCA's recommended changes can lead to lost revenue under the applicable tariffs, which losses are estimated and reflected in the figure above.
2. The analysis of manufacturing losses assumed demand reduction of 80% across 100% of all segment customers in the applicable rate schedules.

The estimates above do not attempt to quantify the impact of the Petition's request to "prorate those current monthly demand charges for partial month of operation for sites that have significantly curtailed or expanded consumption." Petition at p. 4. The Companies are challenged to determine how to produce an estimate of pro-rating demand as requested by CUCA, but the impacts would be significant and would cover all rate schedules. The Companies respectfully assert that attempting to predict when and why a customer reduced their demand in the middle of a month, across thousands of accounts, would be practically impossible. Furthermore, even if proration of the demand charges was theoretically possible and allowed, to do so the Companies would be required to attempt to manually bill potentially tens of thousands of accounts that had reduced usage.

In addition to the potential impact estimates above if CUCA's Petition were to be granted, the Companies expect to incur other financial impacts directly from the consequences of the COVID-19 pandemic, such as expected load reductions and the impacts from the Companies' actions to reduce the burden to our customers during these challenging times, such as suspension of disconnects for customers unable to pay their bills and waiving fees for late payments or reconnections. These are challenging and uncertain times for everyone – CUCA members, C&I customers, residential customers, and the Companies. DEC and DEP provide an essential service and have the legal right to collect

the Commission-approved costs to provide this service. For C&I customers, the demand charge represents the fixed portion of providing the capacity necessary to serve these customers and is no less an obligation for service rendered than the variable energy charge component. Notwithstanding the equitable arguments advanced by CUCA, and the temporary challenges that some of its members are undoubtedly facing, the Companies respectfully assert that granting the Petition would establish dangerous precedent - - especially when the Companies' Commission-approved Service Regulations already provide opportunities for relief, and the Companies and the Commission's COVID-19 order have waived disconnections for nonpayment, waived late fees and offered extended payment arrangements.

**CONCLUSION**

WHEREFORE, for all the foregoing reasons, the Companies respectfully request that the Commission deny CUCA's Petition. The Companies remain willing to work with C&I customers on an individual basis to determine if the Companies' respective Service Regulations and other tariff provisions apply to COVID-19 circumstances and to work with individual customers on extended payment options if needed.

This the 9<sup>th</sup> day of April, 2020.



---

Lawrence B. Somers  
Deputy General Counsel  
Duke Energy Corporation  
P.O. Box 1551/NCRH 20  
Raleigh NC 27602  
Telephone: (919) 546-6722  
[bo.somers@duke-energy.com](mailto:bo.somers@duke-energy.com)

*Counsel for Duke Energy Carolinas, LLC  
and Duke Energy Progress, LLC*

## CERTIFICATE OF SERVICE

I certify that a copy of the Response of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC to CUCA's Petition for Relief to Avoid Paying Electricity Charges, in Docket Nos. E-2, Sub 1249; E-7, Sub 1237 and E-22, Sub 585, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties:

David Drooz  
Lucy Edmondson  
Chris Ayers  
Public Staff  
North Carolina Utilities Commission  
4326 Mail Service Center  
Raleigh, NC 27699-4300  
[david.drooz@psncuc.nc.gov](mailto:david.drooz@psncuc.nc.gov)  
[lucy.edmondson@psncuc.nc.gov](mailto:lucy.edmondson@psncuc.nc.gov)  
[chris.ayers@psncuc.nc.gov](mailto:chris.ayers@psncuc.nc.gov)

David Lyons  
Gerdau Long Steel North America  
384 Old Grassdale Road NE  
Cartersville, GA 30121  
[david.lyons@gerdau.com](mailto:david.lyons@gerdau.com)

Sean Finsel  
Moen, Inc.  
2609 Cox Mill Rd.  
Sanford, NC 27332  
[sean.finsel@fbgpg.com](mailto:sean.finsel@fbgpg.com)

Lauren Biskie  
Dominion Energy  
PO Box 26532  
Richmond, VA 23219  
[lauren.w.biskie@dominionenergy.com](mailto:lauren.w.biskie@dominionenergy.com)

Kevin Martin  
Carolina Utility Customer Association  
1708 Trawick Road, Suite 210  
Raleigh, NC 27604  
[kmartin@cucainc.org](mailto:kmartin@cucainc.org)

Robert Page  
Crisp, Page & Currin, LLP  
410 Barrett Dr., Suite 205  
Raleigh, NC 27609-6622  
[rpage@crisppage.com](mailto:rpage@crisppage.com)

Candy Paton  
Public Service Gas Co. of NC  
PO Box 1398  
Gastonia, NC 28053  
[cpaton@scana.com](mailto:cpaton@scana.com)

Fred Steele  
Frontier Natural Gas Company, LLC  
110 PGW Drive  
Elkin, NC 28621  
[FSteele@egas.net](mailto:FSteele@egas.net)

M. Gray Styers  
Karen Kemerait  
Fox Rothschild, LLP  
434 Fayetteville St., Ste. 2800  
Raleigh, NC 27601  
[gstyers@foxrothschild.com](mailto:gstyers@foxrothschild.com)  
[kkemerait@foxrothschild.com](mailto:kkemerait@foxrothschild.com)

Margaret Force  
Attorney General's Office  
PO Box 629  
Raleigh, NC 27602-0629  
[pforce@ncdoj.gov](mailto:pforce@ncdoj.gov)

Harry Scott  
Rai Trippe  
Toccoa Natural Gas  
PO Box 579  
Toccoa, GA 30577-1409  
[hscott@cityoftoccoa.com](mailto:hscott@cityoftoccoa.com)  
[rtippe@gasauthority.com](mailto:rtippe@gasauthority.com)

Brett Breitschwerdt  
Mary Lynn Grigg  
Jim Jeffries  
Keith Goley  
McGuireWoods, LLP  
434 Fayetteville Street, Ste. 2600  
Raleigh, NC 27601  
[bbreitschwerdt@mcguirewoods.com](mailto:bbreitschwerdt@mcguirewoods.com)  
[mgrigg@mcguirewoods.com](mailto:mgrigg@mcguirewoods.com)  
[JJeffries@mcguirewoods.com](mailto:JJeffries@mcguirewoods.com)  
[kgoley@mcguirewoods.com](mailto:kgoley@mcguirewoods.com)

Pia Powers  
Piedmont Natural Gas Company, Inc.  
PO Box 33068  
Charlotte, NC 28233  
[pia.powers@duke-energy.com](mailto:pia.powers@duke-energy.com)

This is the 9<sup>th</sup> day of April, 2020.



---

Lawrence B. Somers  
Deputy General Counsel  
Duke Energy Corporation  
P.O. Box 1551/NCRH 20  
Raleigh, North Carolina 27602  
Tel 919.546.6722  
[bo.somers@duke-energy.com](mailto:bo.somers@duke-energy.com)