

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-7, SUB 487
DOCKET NO. E-7, SUB 828
DOCKET NO. E-7, SUB 1026
DOCKET NO. E-7, SUB 1146

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Duke Energy Carolinas, LLC, Existing)
DSM Program Rider Docket No. E-7,) ORDER APPROVING
Subs 487, 828, 1026, and 1146) EDPR RIDER

BY THE COMMISSION: On April 1, 2021, Duke Energy Carolinas, LLC (DEC or the Company), made a filing proposing its annual change to the Existing DSM Program Rider (EDPR), based on the December 31, 2020, legacy demand-side management (DSM) deferral account balance. The Company requested that the EDPR be effective beginning July 1, 2021.

An EDPR was first approved in DEC's general rate case in Docket No. E-7, Sub 828 (the Sub 828 Order), and the Commission has continued to approve the EDPR mechanism in DEC's subsequent general rate cases. The EDPR reflects the inclusion in DEC's approved base rates of a per kilowatt-hour (kWh) amount specifically intended to recover the costs of certain legacy DSM and energy efficiency (EE) programs existing as of the date of the Sub 828 Order. The EDPR is adjusted annually to true up the difference between the applicable base rate amount in effect and the actual cost of the legacy DSM and EE programs incurred during the then most recent calendar year. In its April 1, 2021 filing, DEC indicated that during calendar year 2020, the applicable base rate amount was 0.0067 cents per kWh,¹ as reaffirmed pursuant to the Commission's June 25, 2019, Order in general rate case Docket No. E-7, Sub 1146.

In its April 1, 2021 filing, DEC proposed to replace the existing EDPR decrement rider amount of (0.0007) cents per kWh (excluding the regulatory fee),² with a new decrement rider amount of (0.0019) cents per kWh (excluding the regulatory fee), to be effective on and after July 1, 2021.

The base existing DSM program cost amount of 0.0067 cents per kWh will remain in place following Commission approval of the new EDPR pursuant to the current filing. Adjusting for the regulatory fee does not result in a change to either the base amount or

¹ Except as otherwise indicated, all rates are excluding the North Carolina regulatory fee.

² The existing EDPR decrement rider was allowed to become effective as of July 1, 2020, pursuant to Commission Order in these dockets.

the rider amount proposed in this proceeding. Therefore, the proposed net change to the EDPR, relative to the currently approved amount, including all rate adders, is the difference between the proposed decrement rider, including the regulatory fee, of (0.0019) cents per kWh, and the current decrement rider, including the regulatory fee, of (0.0007) cents per kWh, or a net rate decrease of (0.0012) cents per kWh.

This matter was presented to the Commission at its Regular Staff Conference on June 21, 2021. The Public Staff stated that it had reviewed DEC's calculation of the proposed EDPR, including the supporting workpapers submitted with the filing and information provided by DEC in response to Public Staff data requests. Based on its review, the Public Staff determined that the proposed rate decrement is reasonable. Therefore, the Public Staff recommended that DEC's proposed EDPR be approved, effective for the period July 1, 2021, through June 30, 2022.

Based on its review of DEC's filing and the recommendation of the Public Staff, the Commission concludes that the proposed EDPR is reasonable and should be approved, effective July 1, 2021.

IT IS, THEREFORE, ORDERED that the EDPR proposed by DEC in its filing of April 1, 2021, consisting of a rate decrement of (0.0019) cents per kWh excluding the regulatory fee [(0.0019) cents per kWh, including the regulatory fee], is approved effective July 1, 2021, through June 30, 2022.

ISSUED BY ORDER OF THE COMMISSION.

This the 23rd day of June, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Kimberley A. Campbell". The signature is written in a cursive style with a large initial 'K'.

Kimberley A. Campbell, Chief Clerk