

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1219
DOCKET NO. E-2, SUB 1280

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1219)	
)	
In the Matter of)	
Application of Duke Energy Progress, LLC, for)	
Adjustment of Rates and Charges Applicable)	ORDER REQUESTING
to Electric Utility Service in North Carolina)	COMMENTS ON PROPOSED
)	RATE DESIGNS
DOCKET NO. E-2, SUB 1280)	
)	
In the Matter of)	
Application of Duke Energy Progress, LLC, for)	
Approval of Time of Use Rate Designs)	

BY THE CHAIR: On April 16, 2021, the Commission issued an Order Accepting Stipulations, Granting Partial Rate Increase, and Requiring Customer Notice in Docket No. E-2, Sub 1219 (Rate Order). The Rate Order, among other things, approved a proposal by Duke Energy Progress, LLC (DEP), to initiate a comprehensive rate design study (Rate Design Study), with Duke Energy Carolinas, LLC (DEC), the Public Staff and other interested stakeholders.

On May 7, 2021, DEC filed a petition (Rate Design Petition), in Docket No. E-7, Sub 1253 requesting that the Commission approve three time of use (TOU) rate designs, as follows: (1) Residential Service: Time of Use with Critical Peak Pricing Schedules - RSTC for standard customers; (2) Residential Service: Time of Use with Critical Peak Pricing Schedules - RETC for all-electric customers; and (3) Small General Service: Time of Use with Critical Peak Pricing Schedule (SGSTC). The three TOU rate designs were derived in large part from nine TOU rate design pilot rates that were tested by DEC. After requesting comments on DEC's three TOU rate designs, the Commission approved them in an Order issued on August 25, 2021, in Docket Nos. E-7, Subs 1146 and 1253.

On September 30, 2021, DEP filed an application in Docket No. E-2, Sub 1280 requesting approval of two proposed TOU rate designs to be effective for service provided on and after March 1, 2022. In summary, DEP stated that its two proposed TOU rate designs are nearly identical in structure to the DEC residential and small general service rate designs approved by the Commission. DEP stated that the TOU periods proposed by DEP reflect a refreshed analysis of TOU periods similar to DEC's analysis as described in DEC's Rate Design Petition. DEP stated that like DEC it took a forward-looking approach, considering not only current conditions but also how its system is expected to evolve over the next decade. According to DEP, multiple perspectives and goals were considered in crafting TOU periods that better reflect cost causation and the growing impact of solar generation, create price signals and promote dynamic rate design offerings for electric

vehicle charging, and make it easier for customers to use their behavior or technology to change their consumption pattern and create bill savings. DEP stated that its TOU period analysis has been discussed by the Fast Track Working Group as a part of the Rate Design Study and has been received with general support by the participating stakeholders. The final version of Duke Energy's TOU Period Technical Report analysis was attached to DEP's application as Exhibit 1.

According to DEP, unlike DEC it is proposing one rate design for all residential customers because this is consistent with existing residential rate designs offered by DEP and is compatible with the Energy Conservation Discount Rider. Further, DEP stated that the overall rate structure of its proposed TOU rate designs is consistent with that of DEC, with the exception that demand charges are not included in DEP's proposed Schedule SGS-TOU-CPP because all eligible customers have less than 30 kilowatts of peak demand. In addition, DEP stated that the pricing of its rate designs and certain policy provisions are unique to DEP. Finally, DEP provided additional details of its proposed TOU rate designs, and attached its proposed tariffs.

Based on the foregoing and the record in these dockets, the Chair finds good cause to request comments and reply comments from the parties. In addition, the Chair finds good cause to make all parties to Docket No. E-2, Sub 1219 parties to Docket No. E-2, Sub 1280 without the necessity of said parties filing a petition to intervene, and to direct the Chief Clerk to serve a copy of this Order on all parties to Docket No. E-2, Sub 1219.

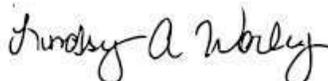
IT IS, THEREFORE, ORDERED as follows:

1. That all parties to Docket No. E-2, Sub 1219 are hereby made parties to Docket No. E-2, Sub 1280, without the necessity of filing a petition to intervene;
2. That the Chief Clerk shall serve a copy of this Order on all parties to Docket No. E-2, Sub 1219;
3. That on or before November 16, 2021, the parties may file comments on DEP's proposed TOU rate designs; and
4. That on or before November 30, 2021, the parties may file reply comments.

ISSUED BY ORDER OF THE COMMISSION.

This the 12th day of October, 2021.

NORTH CAROLINA UTILITIES COMMISSION



Lindsey A. Worley, Acting Deputy Clerk