

Ladawn S. Toon Associate General Counsel

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May 9, 2024

VIA ELECTRONIC FILING

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

RE: Duke Energy Carolinas, LLC's Motion for Expedited Waiver and

Proposed Public Notice Docket No. E-7, Sub 1304

Dear Ms. Dunston:

Please find enclosed in the above-referenced proceeding Duke Energy Carolinas, LLC's Motion for Expedited Waiver as well as a clean and redlined version of the Proposed Public Notice.

If you have any questions, please do not hesitate to contact me. Thank you for your assistance with this matter.

Sincerely,

Ladawn S. Toon

Enclosures

cc: Parties of Record

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1304

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Duke Energy Carolinas, LLC)	
Pursuant to G.S. 62-133.2 and NCUC Rule)	MOTION FOR EXPEDITED
R8-55 Relating to Fuel and Fuel-Related)	WAIVER
Charge Adjustments for Electric Utilities)	

NOW COMES Duke Energy Carolinas, LLC ("DEC," the "Company") by and through counsel and pursuant to Rule R8-55 of the Rules and Regulations of the North Carolina Utilities Commission ("Commission"), and respectfully requests that the Commission expeditiously enter an order waiving the timing requirements for public notice in Commission Rule R8-55(g) and the Ordering Paragraph Six of the Commission's March 15, 2024 Order Scheduling Hearing, Establishing Procedural and Filing Requirements, and Requiring Public Notice ("Scheduling Order") pertaining to the Company's Application requesting approval of Fuel Rider.

In support of this Motion, the Company shows the following:

- 1. On February 27, 2024, DEC filed its initial application for approval of the Fuel Program rider pursuant to N.C.G.S. § 62-133.2 and Commission Rule R8-55. By its application, DEC initially requested Commission approval for a temporary increase in its fuel and fuel-related costs currently in effect, with the changes being effective for service rendered on and after September 1, 2024 ("Initial Filing").
- 2. On March 15, 2024, the Commission issued its *Scheduling Order*, which scheduled a public hearing on DEC's application for June 10, 2024, established deadlines

for the submission of petitions to intervene by interested persons, and the filing of testimony by intervenors and rebuttal testimony by DEC, and further required public notice to customers and mandated compliance with certain discovery guidelines. Specifically, Ordering Paragraph 6 of the *Scheduling Order* required DEC to publish a Notice in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks beginning at least 30 days prior to the hearing, in accordance with Commission Rule R8-55(g).

- 3. Accordingly, on April 18, 2024, DEC began to circulate the Notice included with the *Scheduling Order*, reflecting rates proposed in the Company's Initial Filing, in newspapers having general circulation in its service area for two consecutive weeks.
- 4. On May 8, 2024, the Company filed supplemental testimony ("Supplemental Testimony"). By its Supplemental Filing, DEC requests Commission approval for a revised increase in its fuel and fuel-related costs as compared to its Initial Filing. The Supplemental Filing provided revised rates reflecting impacts of the proposed EMF increment for the experienced net under recovery of fuel and fuel-related costs through March 31, 2024 and proposes a new EMF increment factor for the experienced net under-recovery of certain fuel and fuel-related expenses from September 1, 2023 through March 31, 2024. In addition, from its Initial Filing, the Company also proposed a mitigant for the industrial customer class's bill impacts.
- 5. If approved by the Commission, DEC's proposed changes in fuel rates would result in a temporary increase of the current fuel rates of all customer classes with the amount of the increase varying for different customer classes effective September 1, 2024, followed by a decrease beginning on January 1, 2025. More particularly, for the four-

month period beginning September 1, 2024 and ending December 31, 2024, a typical residential customer using 1,000 kWh per month would experience an increase of \$1.78, or 1.3%. The impacts for average general service/lighting customers and industrial customers vary by customer, but are approximately increases of 3.6% and 4.3%, respectively. Beginning on January 1, 2025, customer bills are expected to decrease. A typical residential customer using 1,000 kWh per month would experience a decrease of \$12.68, or 8.9% from fuel factors currently in effect at that time. The impacts for average general service/lighting customers and industrial customers vary by customer, but are approximate decreases of 12.5% and 7.6%, respectively from fuel factors in effect at that time.

- 6. Considering the Company's Supplemental Filing, DEC has updated the Notice originally issued with the *Scheduling Order* to address the Supplemental Filing and change in proposed Fuel Rider rates. A copy of the Company's updated proposed Notice is attached to this Motion as <u>Attachment A</u>, and a redline copy of the *Scheduling Order's* original Notice¹ as compared to the updated proposed Notice is attached to this Motion as <u>Attachment B</u>.
- 7. As discussed above, the Ordering Paragraph 6 of the *Scheduling Order* requires DEC to provide public notice of the Fuel Rider hearing via newspaper at least once a week for two successive weeks beginning at least 30 days prior to the hearing. Ordering Paragraph Six aligns with Commission Rule R8-55(g)², which similarly requires the

² The electric public utility shall publish a notice for two (2) successive weeks in a newspaper or newspapers having general circulation in its service area, normally beginning at least 30 days prior to the hearing, notifying the public of the hearing before the Commission pursuant to G.S. 62-133.2(b) and setting forth the time and place of the hearing." See Commission Rule R8-55(g)

¹ See the Public Notice attached to the Scheduling Order as Appendix A.

Company to "publish a notice of the annual hearing for 2 successive weeks in a newspaper or newspapers having general circulation in its service area, normally beginning at least 30 days prior to the hearing...".

- 8. Although it is not yet 30 days before the June 10, 2024 hearing scheduled on this matter, due to the timing of the Supplemental Filing, DEC does not have sufficient time to contract with newspapers and circulate an updated public notice with the revised proposed Fuel Rider rates beginning at least 30 days³ prior to the hearing in accordance with the *Scheduling Order* and R8-55(g). In fact, it can take up to two weeks to contract and coordinate with the newspapers prior to the newspapers being able to circulate the updated Notice. That said, the Company is able to cause the updated Notice to be posted in newspapers having general circulation in its service area on or before May 31, 2024.
- 9. Accordingly, the Company respectfully requests that the Commission expeditiously waive the requirement that DEC post the updated Notice, once approved, 30 days prior to the hearing for two successive weeks contained in the *Scheduling Order* and R8-55 (g), and instead allow the Company to post Notice on or before May 31, 2024.
- 10. Granting the Company's request is in the public interest and will allow time for the Company to revise and post the updated Notice for customers via newspaper prior to the Fuel Rider hearing.
- 11. The Company has provided the Public Staff—North Carolina Utilities Commission Public Staff with an advance copy of the updated proposed Notice attached hereto as <u>Attachment A</u>, but it is not authorized to represent anything further as to the Public Staff's review of said Notice.

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³ Order Paragraph Six of the *scheduling order* contemplates DEC circulating an updated Notice with revised Fuel Rider rates by tomorrow, Friday, May 10, 2024—for two successive weeks.

WHEREFORE, Duke Energy Carolinas, LLC respectfully requests that the Commission expeditiously issue an order: granting any further relief the Commission deems necessary.

Respectfully submitted this 9th day of May, 2024.

Ladawn S. Toon Associate General Counsel Duke Energy Corporation P.O. Box 1551/NCRH 20 Raleigh, North Carolina 27602 (919) 546-2148 ladawn.toon@duke-energy.com

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Attorneys for Duke Energy Carolinas, LLC

DUKE ENERGY CAROLINAS, LLC

ATTACHMENT A CLEAN PROPOSED PUBLIC NOTICE

DOCKET NO. E-7, SUB 1304

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1304

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Duke Energy Carolinas, LLC,)	
Relating to Fuel and Fuel-Related Charge)	
Adjustments for Electric Utilities Pursuant to)	PUBLIC NOTICE
N.C. Gen. Stat. § 62-133.2 and Commission)	
Rule R8-55)	

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing in the annual fuel and fuel-related adjustment charge proceeding for Duke Energy Carolinas, LLC (DEC). The public hearing is scheduled to begin at 2:00 p.m. on Monday, June 10, 2024, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

This proceeding is being held pursuant to the provisions of N.C. Gen. Stat. § 62-133.2 and Commission Rule R8-55 for the purpose of determining whether an increment or decrement rider is required to reflect changes in fuel and fuel-related costs over or under the base fuel rate established for DEC in its last general rate case.

On February 27, 2024, DEC filed its application in the above-captioned docket. By its application, DEC initially requested Commission approval for an increase in its fuel and fuel-related costs currently in effect, with the changes being effective for service rendered on and after September 1, 2024.

On May 8, 2024, DEC filed Supplemental Testimony, Exhibits and Workpapers ("Supplemental Filing"). By its Supplemental Filing, DEC requests Commission approval for a revised increase in its fuel and fuel related as compared to its Initial Filing. The Supplemental Filing provided revised rates reflecting impacts of the proposed EMF increment for the experienced net under-recovery of fuel and fuel-related costs through March 31, 2024; and proposes a new EMF increment factor for the experienced net under-recovery of certain fuel and fuel-related expenses from September 1, 2023 through March 31, 2024. In addition, from its Initial Filing, the Company also proposed a mitigant for the Industrial customer class's bill impacts. If approved by the Commission, DEC's proposed changes in fuel rates would result in an increase of the current fuel rates of all customer classes with the amount of the increase varying for different customer classes effective September 1, 2024, followed by a decrease beginning on January 1, 2025. More particularly, for the fourmonth period beginning September 1, 2024, and ending December 31, 2024, a typical residential customer using 1,000 kWh per month would experience an increase of \$1.78, or 1.3%. The impacts for average general service/lighting customers and industrial customers vary by customer, but are approximately increases of 3.6% and 4.3%, respectively. Beginning on January 1, 2025, customer bills are expected to decrease. A typical residential customer using 1,000 kWh per month would experience a decrease of \$12.68, or 8.9% from fuel factors in effect at that time. The impacts for average

general service/lighting customers and industrial customers vary by customer, but are approximate decreases of 12.5% and 7.6%, respectively from fuel factors in effect at that time.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Dobbs Building, 5th Floor, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEC's application and testimony is available for review by the public, or on the Commission's website at www.ncuc.gov.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Consumer Protection-Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001. Written statements may be emailed to utilityAGO@ncdoj.gov.

Written statements are not evidence unless persons appear at a public hearing and testify concerning the information contained in their written statements.

Any person desiring to intervene in the proceeding as a formal party of record should file a petition under North Carolina Utilities Commission Rules R1-5 and R1-19 on or before Monday, May 20, 2024. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before Monday, May 20, 2024.

ISSUED BY ORDER OF THE COMMISSION.

This the 10th day of May, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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DUKE ENERGY CAROLINAS, LLC

ATTACHMENT B MARKED PROPOSED PUBLIC NOTICE

DOCKET NO. E-7, SUB 1304

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-7, SUB 1304

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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general service/lighting customers and industrial customers vary by customer, but are approximate decreases of 12.5% and 45.97.6%, respectively from fuel factors currently in effect at that time.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Dobbs Building, 5th Floor, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEC's application and testimony is available for review by the public, or on the Commission's website at www.ncuc.gov.

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ISSUED BY ORDER OF THE COMMISSION.

This the 15th10th day of MarchMay, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Motion for Expedited Waiver and Proposed Public Notice, in Docket No. E-7, Sub 1304, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the parties of record.

This the 9th day of May, 2024.

Ladawn S. Toon

Associate General Counsel Duke Energy Corporation P.O. Box 1551/NCRH 20

Jadun Stow

Raleigh, North Carolina 27602

Tel: 919.546.2148

<u>ladawn.toon@duke-energy.com</u>