

Brian L. Franklin Associate General Counsel

> Duke Energy 550 South Tryon Street Charlotte, NC 28202

Mailing Address: DEC45A / P.O. Box 1321 Charlotte, NC 28201

> o: 980.373.4465 f: 980.373.8534

brian.franklin@duke-energy.com

March 1, 2017

VIA ELECTRONIC FILING

Ms. Lynn Jarvis Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

> RE: Duke Energy Progress, LLC's Notification of Projected Total Resource Cost Test Result for its Home Energy Improvement Program Docket No. E-2, Sub 936

Dear Ms. Jarvis:

Pursuant to the Commission's February 9, 2016 Order in Docket No. E-2, Sub 936 in the matter of Duke Energy Progress, LLC's ("Company") request for the approval of modifications to its Residential Home Energy Improvement Program ("Program"), the Company is providing the Commission with notification of the Program's projected Total Resource Cost ("TRC") test result. In the February 9, 2016 Order, the Commission stated that:

[I]f the Residential Home Energy Improvement Program does not have a projected TRC result greater than 1.0 by March 1, 2017, the Program shall be terminated effective March 31, 2017, and DEP shall refund any vintage year 2016 and 2017 portfolio performance incentive and net lost revenues that are associated with the Program and that DEP has collected in rates.

The Company has projected a 1.05 TRC value for 2017 Program year. This projected TRC score along with the Program's other cost effectiveness results will be provided in the Company's 2017 DSM/EE Cost Recovery Request. As a result of this score, the Company does not intend to terminate the Program on March 31, 2017.

Please contact me if you have any questions.

Respectfully Submitted,

Brian of Fral.

Brian L. Franklin

Enclosure

cc: Parties of Record

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Modifications to Residential Home Energy Improvement Program has been served by electronic mail (e-mail), hand delivery or by depositing a copy in the United States Mail, first class postage prepaid, properly addressed to parties of record.

This, the 1st day of March 2017.

Brian L. Franklin Associate General Counsel Duke Energy Corporation 550 S. Tryon St. DEC 45A/P.O. Box 1321 Charlotte, North Carolina 28201

Tel: 980-373-4465 Brian.Franklin@duke-energy.com

North Carolina State Bar No. 35075

ATTORNEY FOR DUKE ENERGY PROGRESS, LLC