

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1176

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC,) ORDER SCHEDULING
Pursuant to G.S. 62-133.14 and Commission) ADDITIONAL PUBLIC
Rule R8-70 for Approval of a Joint Agency Asset) HEARING AND REQUIRING
Rider for Recovery of Joint Agency Asset Costs) PUBLIC NOTICE

BY THE PRESIDING COMMISSIONER: On June 20, 2018, Duke Energy Progress, LLC (DEP) filed its application in the above-captioned docket for recovery of costs incurred by DEP for the acquisition and operation of generating capacity acquired by DEP from North Carolina Eastern Municipal Power Agency in 2015. Pursuant to Commission Rule R8-70, DEP shall recover such costs by means of a Joint Agency Asset Rider (JAAR) to be approved annually by the Commission. The JAAR proposed by DEP in this proceeding would be effective for service rendered on and after December 1, 2018, through November 30, 2019.

On July 2, 2018, the Commission issued an Order Scheduling Hearing, Requiring Filing of Testimony, Establishing Discovery Guidelines, and Requiring Public Notice (Scheduling Order). The Scheduling Order, among other things, scheduled a public hearing in this matter for Tuesday, September 18, 2018, in Raleigh, North Carolina. In addition, pursuant to Commission Rule R8-70(f) DEP was required to publish notice of the hearing date, time and the proposed change in JAAR rates.

In its application and required public notice, DEP stated specific per kilowatt-hour (kWh) or kilowatt (kW) amounts, as applicable, for its proposed JAAR rates. On August 31, 2018, DEP filed additional testimony and exhibits in this docket. In its additional testimony, DEP states that based on the Public Staff's audit of DEP's proposed rates and recommended adjustments, and other factors, DEP requests an increase in the residential and three classes of non-residential rates initially included in DEP's application.

Also on August 31, 2018, DEP filed a Motion for Additional Public Hearing and Public Notice of Revised Proposed Rates. In summary, DEP requests that the Commission schedule an additional public hearing in this docket concerning the change in rates proposed by DEP, and that the Commission require DEP to publish notice of the date and time of the hearing and DEP's modified JAAR rates.

Based on the foregoing and the record herein, the Presiding Commissioner finds good cause to schedule an additional public hearing in this docket. Further, the Presiding

Commissioner finds good cause to require that DEP publish the Public Notice attached hereto as Attachment A providing notice of the additional public hearing.

IT IS, THEREFORE, ORDERED as follows:

1. That an additional public hearing in this docket shall be, and is hereby, scheduled to be held at 2:00 p.m. on Monday, October 8, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering the annual JAAR cost recovery proceeding for DEP.

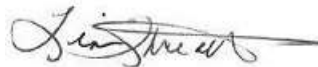
2. That DEP shall publish the Public Notice attached hereto as Appendix A in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks, the first publication of which shall occur at least 25 days prior to the hearing.

3. That DEP shall file affidavits of publication on or before the date of the hearing.

ISSUED BY ORDER OF THE COMMISSION.

This the 5th day of September, 2018.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threatt, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1176

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Duke Energy Progress, LLC,)
Pursuant to G.S. 62-133.14 and Commission)
Rule R8-70 for Approval of a Joint Agency) PUBLIC NOTICE
Asset Rider for Recovery of Joint Agency)
Asset Costs)

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled an additional public hearing in the above-captioned docket on an application filed by Duke Energy Progress, LLC (DEP) for the recovery of costs incurred by DEP for the acquisition and operation of electric generating assets acquired from North Carolina Eastern Municipal Power Agency. The public hearing has been scheduled to begin at 2:00 p.m. on Monday, October 8, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. This proceeding is being held pursuant to the provisions of N.C. Gen Stat. § 62-133.14 and Commission Rule R8-70 for the purpose of establishing a Joint Agency Asset Rider (JAAR) to allow DEP to recover its acquisition and non-fuel operating costs. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

On June 20, 2018, DEP filed its application to revise its JAAR rates. On July 2, 2018, the Commission issued a Scheduling Order that, among other things, scheduled a public hearing in this matter for Tuesday, September 18, 2018, in Raleigh, North Carolina. In addition, pursuant to Commission Rule R8-70(f) DEP was required to publish notice of the hearing date, time, and proposed change in JAAR rates.

In its application and required public notice, DEP stated specific per kilowatt-hour (kWh) or kilowatt (kW) amounts, as applicable, for its proposed JAAR rates. On August 31, 2018, DEP filed additional testimony and exhibits in this docket. In its additional testimony, DEP states that based on the Public Staff's audit of DEP's proposed rates and recommended adjustments, and other factors, DEP requests an increase in the residential and three classes of non-residential rates initially proposed in DEP's application.

According to DEP's additional testimony and exhibits, the proposed JAAR for residential service is 0.441 cents per kilowatt hour (kWh), including regulatory fee, which would be a decrease of 0.035 cents per kWh over the JAAR presently in effect, and would decrease the monthly bill of a residential customer using 1,000 kilowatt hours per month by \$0.35. The proposed JAAR per kWh for other non-demand rate class customers, including regulatory fee, is: 0.498 cents for Small General Service; 0.372 cents for Medium General Service; 0.449 cents for Seasonal and Intermittent Service; 0.237 cents for Traffic Signal

Service; and no charge for Outdoor Lighting Service. The proposed JAAR per kilowatt for demand rate class customers, including regulatory fee, is: \$1.17 for Medium General Service and \$1.36 for Large General Service. The proposed JAAR rates for all customer classes would be effective for service rendered on and after December 1, 2018, through November 30, 2019.

Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of DEP's application is available for review by the public. Also, documents may be viewed on the Commission's website at www.ncuc.net.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Correspondence concerning DEP's JAAR proceeding and the additional hearing scheduled thereon should be directed to the Public Staff. 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 Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4326.

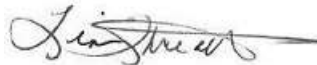
The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Consumer Protection-Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Consumers may also file written statements of position with the Commission. However, written statements are not evidence unless the writers appear at a public hearing and testify concerning the information contained in their written statements.

ISSUED BY ORDER OF THE COMMISSION.

This the 5th day of September, 2018.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threatt, Deputy Clerk