

# North Carolina Retail - DSM/EE Revenue Requirements Summary

## A. Test Period

NORTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY																			
	O&M	Insurance	A&G Expense	Capitalized O&M and A&G	Amortization of Capitalized O&M	Amortization of Capitalized A&G	Prior Period Amortization	DSDR Capital Costs	Income Taxes on DSDR Capital Costs	DSDR Property Taxes	DSDR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & NLR	Net Lost Revenue Retoupment	Program Performance Incentive	Rev Reqmt With PPI & NLR		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)		
			Costs(\$/yr)	(\$/2010)	(\$)									Costs(\$/yr)			Costs(\$/yr)		
<b>NC DSM Program Expenses</b>																			
1	CIG DR	Per Books	859,037	859,037	85,904	-	307,548							393,452	-	101,637	495,089		
2	EnergyWise	Per Books	6,731,056	6,731,056	673,106	-	2,785,912							3,459,018	-	2,053,249	5,512,267		
3	Total DSM	Lines 1 thru 2	7,590,093	7,590,093	759,010	-	3,093,460							3,852,470	-	2,154,885	6,007,355		
4	DSM Assigned A&G and CCost	Per Books		538,305	538,305	-	179,435	495,157				1,620,356	626,186	2,921,134	-	-	2,921,134		
5	Total DSM and Assigned Costs	Lines 3 thru 4	7,590,093	538,305	8,128,398	759,010	179,435	3,588,617				1,620,356	626,186	6,773,604	-	2,154,885	8,928,489		
<b>NC EE Program Expenses</b>																			
6	Res Home Advantage	Per Books	480,339	480,339	48,034	-	384,687							432,721	275,604	177,073	685,399		
7	Res Home Energy Improvem't	Per Books	5,168,057	5,168,057	516,806	-	1,783,629							2,300,435	431,391	288,157	3,019,983		
8	Residential Low Income	Per Books	1,712,820	1,712,820	171,282	-	477,614							648,896	23,967	-	672,863		
9	Solar Hot Water Pilot	Per Books				-	39,343							39,343	-	-	39,343		
10	Lighting (Res)*	Per Books (allocated)	5,813,974	5,813,974	1,162,795	-	2,436,536							3,599,331	6,047,010	1,392,988	11,039,329		
11	Res Appliance Recycling	Per Books	1,186,981	1,186,981	118,698	-	262,699							381,397	316,991	78,142	776,530		
12	EE Benchmarking*	Per Books	686,339	686,339	686,339	-	-							686,339	(73,587)	4,948	617,700		
13	Residential New Construction	Per Books	359,017	359,017	35,902	-	9,408							45,310	185	-	45,495		
14	Home Depot CFL	Per Books				-	34,012							34,012	-	-	34,012		
15	Subtotal-Residential	Lines 6 thru 14	15,407,527	15,407,527	2,739,856	-	5,427,928							8,167,784	7,021,560	1,941,308	17,130,653		
16	CIG Energy Efficiency	Per Books	6,679,453	6,679,453	667,945	-	2,077,342							2,745,287	4,853,907	2,034,581	9,633,775		
17	Lighting (Gen Svc)*	Per Books (allocated)	590,881	590,881	118,176	-	247,628							365,804	2,331,388	344,015	3,041,207		
18	Small Business Energy Saver	Per Books	178,293	178,293	17,829	-	11,847							29,676	566	-	30,242		
19	Subtotal-General Service	Lines 16 thru 18	7,448,627	7,448,627	803,950	-	2,336,817							3,140,767	7,185,862	2,378,596	12,705,225		
20	Total of EE Programs	Lines 15 + 19	22,856,154	22,856,154	3,543,806	-	7,764,745							11,308,551	14,207,422	4,319,905	29,835,878		
21	EE Assigned A&G and CCost	Per Books		1,544,189	1,544,189	-	514,730	965,690				3,280,141	1,267,609	6,028,170	-	-	6,028,170		
22	Total EE and Assigned Costs	Lines 20 + 21	22,856,154	1,544,189	24,400,343	3,543,806	514,730	8,730,435				3,280,141	1,267,609	17,336,721	14,207,422	4,319,905	35,864,048		
<b>NC DSDR Program Expenses</b>																			
23	DSDR Program	Per Books	4,731,228	814,278	5,545,506	554,551	-	1,958,375	9,127,856	4,551,997	506,573	7,487,485		24,186,837	-	-	24,186,837		
24	DSDR Assigned A&G and CCost	Per Books					-	(1,002)				992,030	383,370	1,374,398	-	-	1,374,398		
25	Total DSDR and Assigned Costs	Lines 23 thru 24	4,731,228	814,278	5,545,506	554,551	-	1,957,373	9,127,856	4,551,997	506,573	7,487,485	992,030	383,370	25,561,235	-	25,561,235		
26	Test Period Totals	Lines 5 + 22 + 25	35,177,475	814,278	2,082,494	38,074,247	4,857,367	694,165	14,276,425	9,127,856	4,551,997	506,573	7,487,485	5,892,527	2,277,165	49,671,540	14,207,422	6,474,790	70,353,772

\* Lighting Program is recoverable over a 5 year period. EE Benchmarking program is recoverable over a 1 year period. All other EE programs are over 10 years.

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## B. Prospective Period

NORTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY																	
	O&M	Insurance	A&G Expense	Capitalized O&M and A&G	Amortization of Capitalized O&M	Amortization of Capitalized A&G	Prior Period Amortization	DSOR Capital Costs	Income Taxes on DSOR Capital Costs	DSOR Property Taxes	DSOR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & NLR	Net Lost Revenue Recoupment	Program Performance Incentive	Rev Reqmt With PPI & NLR
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
				ICols(3)&(4)	(1)-(2)&(5)	(6)								ICols(14)&(15)			ICols(16)&(17)
<b>NC DSM Program Expenses</b>																	
1	CIG DR	Per Forecast	642,523	-	642,523	64,252	-	-	-	-	-	-	-	64,252	-	-	64,252
2	EnergyWise	Per Forecast	2,306,637	-	2,306,637	230,664	-	-	-	-	-	-	-	230,664	-	-	230,664
3	Total DSM	T Lines 1 thru 2	2,949,160	-	2,949,160	294,916	-	-	-	-	-	-	-	294,916	-	-	294,916
4	DSM Assigned A&G and CCost	Per Books	-	205,420	-	-	68,473	-	-	-	-	514,742	215,381	798,596	-	-	798,596
5	Total DSM and Assigned Costs	T Lines 3 thru 4	2,949,160	205,420	3,154,580	294,916	68,473	-	-	-	-	514,742	215,381	1,093,512	-	-	1,093,512
<b>NCEE Program Expenses</b>																	
6	Res Home Advantage	Per Forecast	3,997	-	3,997	400	-	-	-	-	-	-	-	400	69,323	-	69,723
7	Res Home Energy Improvem't	Per Forecast	1,777,043	-	1,777,043	177,704	-	-	-	-	-	-	-	177,704	142,418	-	320,122
8	Residential Low Income	Per Forecast	607,339	-	607,339	60,734	-	-	-	-	-	-	-	60,734	66,939	-	127,673
9	Solar Hot Water Pilot	Per Forecast	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Lighting (Res)*	Per Forecast (allocated)	1,339,828	-	1,339,828	267,966	-	-	-	-	-	-	-	267,965	2,075,381	-	2,343,346
11	Res Appliance Recycling	Per Forecast	420,184	-	420,184	42,018	-	-	-	-	-	-	-	42,018	138,242	-	180,260
12	EE Benchmarking*	Per Forecast	243,556	-	243,556	243,556	-	-	-	-	-	-	-	243,556	-	-	243,556
13	Residential New Construction	Per Forecast	1,201,219	-	1,201,219	120,122	-	-	-	-	-	-	-	120,122	8,490	-	128,612
14	Home Depot CFL	Per Forecast	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Subtotal-Residential	T Lines 6 thru 14	5,593,166	-	5,593,166	912,500	-	-	-	-	-	-	-	912,499	2,500,794	-	3,413,293
16	CIG Energy Efficiency	Per Forecast	2,532,843	-	2,532,843	253,284	-	-	-	-	-	-	-	253,284	1,065,713	-	1,318,997
17	Lighting (Gen Svc)*	Per Forecast (allocated)	136,168	-	136,168	27,234	-	-	-	-	-	-	-	27,234	862,170	-	889,404
18	Small Business Energy Saver	Per Forecast	876,166	-	876,166	87,617	-	-	-	-	-	-	-	87,617	70,741	-	108,358
19	Subtotal-General Service	T Lines 16 thru 18	3,545,177	-	3,545,177	368,135	-	-	-	-	-	-	-	368,135	1,948,624	-	2,316,759
20	Total of EE Programs	Lines 15 + 19	9,138,343	-	9,138,343	1,280,635	-	-	-	-	-	-	-	1,280,634	4,449,418	-	5,730,052
21	EE Assigned A&G and CCost	Per Forecast	-	647,776	647,776	-	215,925	-	-	-	-	1,090,715	456,720	1,763,360	-	-	1,763,360
22	Total EE and Assigned Costs	Lines 20 + 21	9,138,343	647,776	9,786,119	1,280,635	215,925	-	-	-	-	1,090,715	456,720	3,043,994	4,449,418	-	7,493,412
<b>NC DSDR Program Expenses</b>																	
23	DSDR Program	Per Forecast	2,496,240	309,528	2,805,768	280,577	-	3,129,552	1,491,760	192,269	3,274,896	-	-	8,369,054	-	-	8,369,054
24	DSOR Assigned A&G and CCost	Per Forecast	-	-	-	-	-	-	-	-	-	326,878	136,936	463,814	-	-	463,814
25	Total DSDR and Assigned Costs	T Lines 23 thru 24	2,496,240	309,528	2,805,768	280,577	-	3,129,552	1,491,760	192,269	3,274,896	326,878	136,936	8,832,868	-	-	8,832,868
26	Prospective Period Totals	Lines 5 + 22 + 25	14,583,743	309,528	15,746,467	1,856,128	284,398	3,129,552	1,491,760	192,269	3,274,896	1,932,335	809,037	12,970,374	4,449,418	-	17,419,792

\* Lighting Program is recoverable over a 5 year period. EE Benchmarking program is recoverable over a 1 year period. All other EE programs are over 10 years.

# North Carolina Retail - DSM/EE Revenue Requirements Summary

## C. Prior Prospective Period

NORTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY																		
	OSM	Insurance	A&G Expense	Capitalized O&M and A&G	Amortization of Capitalized O&M	Amortization of Capitalized A&G	Prior Period Amortization	DSDR Capital Costs	Income Taxes on DSDR Capital Costs	DSDR Property Taxes	DSDR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & MIR	Net Lost Revenue Recoupment	Program Performance Incentive	Rev Reqmt With PPI & MIR	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
				Cost/Pror(%)	(10-20)/10	(9)								Cost/Pror(%)			Cost/Pror(%)	
<b>NC DSM Program Expenses</b>																		
1	CIG DR	Per Books	242,918	-	242,918	24,292	-	-	-	-	-	-	-	24,292	6,310	-	30,602	
2	EnergyWise	Per Books	2,020,056	-	2,020,056	202,006	-	-	-	-	-	-	-	202,006	10,848	-	212,854	
3	Total DSM	Lines 1 thru 2	2,262,974	-	2,262,974	226,298	-	-	-	-	-	-	-	226,298	17,158	-	243,456	
4	OSM Assigned A&G and CCost	Per Books	-	223,503	223,503	-	74,501	-	-	-	-	514,167	198,700	787,368	-	-	787,368	
5	Total DSM and Assigned Costs	Lines 3 thru 4	2,262,974	223,503	2,486,477	226,298	74,501	-	-	-	-	514,167	198,700	1,013,666	17,158	-	1,030,824	
<b>NC EE Program Expenses</b>																		
6	Res Home Advantage	Per Books	180,216	-	180,216	18,022	-	-	-	-	-	-	-	18,022	128,955	-	146,977	
7	Res Home Energy Improvem't	Per Books	2,041,006	-	2,041,006	204,101	-	-	-	-	-	-	-	204,101	254,618	-	458,719	
8	Residential Low Income	Per Books	604,893	-	604,893	60,489	-	-	-	-	-	-	-	60,489	183,845	-	244,334	
9	Solar Hot Water Pilot	Per Books	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Lighting (Res)*	Per Books (allocated)	1,359,761	-	1,359,761	271,952	-	-	-	-	-	-	-	271,952	2,656,935	-	2,928,887	
11	Res Appliance Recycling	Per Books	405,606	-	405,606	40,561	-	-	-	-	-	-	-	40,561	200,019	-	240,580	
12	EE Benchmarking*	Per Books	336,527	-	336,527	33,652	-	-	-	-	-	-	-	33,652	156,282	-	492,809	
13	Residential New Construction	Per Books	50,892	-	50,892	5,089	-	-	-	-	-	-	-	5,089	-	-	5,089	
14	Home Depot CFL	Per Books	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Subtotal-Residential	Lines 6 thru 14	4,978,901	-	4,978,901	936,741	-	-	-	-	-	-	-	936,741	3,580,654	-	4,517,395	
16	CIG Energy Efficiency	Per Books	2,373,882	-	2,373,882	237,388	-	-	-	-	-	-	-	237,388	1,392,714	-	1,630,102	
17	Lighting (Gen Svc)*	Per Books (allocated)	138,194	-	138,194	27,639	-	-	-	-	-	-	-	27,639	1,002,880	-	1,030,519	
18	Small Business Energy Saver	Per Books	54,353	-	54,353	5,435	-	-	-	-	-	-	-	5,435	-	-	5,435	
19	Subtotal-General Service	Lines 16 thru 18	2,566,429	-	2,428,235	270,462	-	-	-	-	-	-	-	270,462	2,395,594	-	2,666,056	
20	Total of EE Programs	Lines 15 + 19	7,545,330	-	7,407,136	1,207,203	-	-	-	-	-	-	-	1,207,203	5,976,249	-	7,183,452	
21	EE Assigned A&G and CCost	Per Books	-	571,549	571,549	-	190,516	-	-	-	-	1,001,467	387,017	1,579,000	-	-	1,579,000	
22	Total EE and Assigned Costs	Lines 20 + 21	7,545,330	571,549	7,978,685	1,207,203	190,516	-	-	-	-	1,001,467	387,017	2,786,203	5,976,249	-	8,762,452	
<b>NC DSDR Program Expenses</b>																		
23	DSDR Program	Per Books	1,524,145	242,683	-	1,766,828	176,683	-	2,726,867	1,368,617	161,054	1,983,289	-	-	6,416,510	-	-	6,416,510
24	DSDR Assigned A&G and CCost	Per Books	-	-	-	-	-	-	-	-	-	306,968	118,628	425,596	-	-	425,596	
25	Total DSDR and Assigned Costs	Lines 23 thru 24	1,524,145	242,683	-	1,766,828	176,683	-	2,726,867	1,368,617	161,054	1,983,289	306,968	118,628	6,842,106	-	-	6,842,106
26	Prior Prospective Period Totals	Lines 5 + 22 + 25	11,332,449	242,683	795,052	12,231,990	1,610,184	265,017	2,726,867	1,368,617	161,054	1,983,289	1,822,602	704,345	10,641,975	5,993,407	-	16,635,382

\* Lighting Program is recoverable over a 5 year period. EE Benchmarking program is recoverable over a 1 year period. All other EE programs are over 10 years.

# North Carolina Retail - DSM/EE Revenue Requirements Summary

## D. EMF Revenue Requirements

Test Period + Prospective Period - Prior Prospective Period

NORTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY																		
	OSM	Insurance	ABG Expense	Capitalized O&M and ABG	Amortization of Capitalized O&M	Amortization of Capitalized ABG	Prior Period Amortization	DSDR Capital Costs	Income Taxes on DSDR Capital Costs	DSDR Property Taxes	DSDR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & NLR	Net Lost Revenue Recoupment	Program Performance Incentive	Rev Reqmt With PPI & NLR	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
<b>NC DSM Program Expenses</b>																		
1	CIG DR	Sections A + B - C	1,258,642	-	1,258,642	125,864	-	307,548	-	-	-	-	-	433,412	(6,310)	101,637	528,739	
2	EnergyWise	Sections A + B - C	7,017,637	-	7,017,637	701,764	-	2,785,912	-	-	-	-	-	3,487,676	(10,848)	2,053,249	5,530,077	
3	Total DSM	Lines 1 thru 2	8,276,279	-	8,276,279	827,628	-	3,093,460	-	-	-	-	-	3,921,088	(17,158)	2,154,885	6,058,815	
4	DSM Assigned ABG and CCost	Per Books	-	520,222	520,222	-	-	373,407	495,157	-	-	-	1,620,931	642,867	-	-	2,932,362	
5	Total DSM and Assigned Costs	Lines 3 thru 4	8,276,279	520,222	8,796,501	827,628	373,407	3,588,617	495,157	-	-	1,620,931	642,867	6,853,450	(17,158)	2,154,885	8,991,177	
<b>NC EE Program Expenses</b>																		
6	Res Home Advantage	Sections A + B - C	304,120	-	304,120	30,412	-	384,687	-	-	-	-	-	415,099	215,973	177,073	808,145	
7	Res Home Energy Improvement	Sections A + B - C	4,904,094	-	4,904,094	490,409	-	1,783,629	-	-	-	-	-	2,274,038	319,191	288,157	2,881,387	
8	Residential Low Income	Sections A + B - C	1,715,266	-	1,715,266	171,527	-	477,614	-	-	-	-	-	649,141	(92,939)	-	556,202	
9	Solar Hot Water Pilot	Sections A + B - C	-	-	-	-	-	39,343	-	-	-	-	-	39,343	-	-	39,343	
10	Lighting (Res)*	Sections A + B - C	5,794,041	-	5,794,041	1,158,809	-	2,436,536	-	-	-	-	-	3,595,345	5,465,455	1,392,988	10,453,788	
11	Res Appliance Recycling	Sections A + B - C	1,201,559	-	1,201,559	120,155	-	262,699	-	-	-	-	-	382,854	255,214	78,142	716,210	
12	EE Benchmarking*	Sections A + B - C	593,368	-	593,368	59,338	-	-	-	-	-	-	-	593,368	(229,869)	4,948	368,447	
13	Residential New Construction	Sections A + B - C	1,509,344	-	1,509,344	150,935	-	9,408	-	-	-	-	-	160,343	8,676	-	169,019	
14	Home Depot CFL	Sections A + B - C	-	-	-	-	-	34,012	-	-	-	-	-	34,012	-	-	34,012	
15	Subtotal-Residential	Lines 6 thru 14	16,021,792	-	16,021,792	2,715,615	-	5,427,928	-	-	-	-	-	8,143,543	5,941,700	1,941,308	16,026,551	
16	CIG Energy Efficiency	Sections A + B - C	6,838,414	-	6,838,414	683,841	-	2,077,342	-	-	-	-	-	2,761,183	4,528,906	2,034,581	9,322,670	
17	Lighting (General Service)*	Sections A + B - C	588,855	-	588,855	117,771	-	247,628	-	-	-	-	-	365,399	2,190,678	344,015	2,900,092	
18	Small Business Energy Saver	Sections A + B - C	1,000,106	-	1,000,106	100,011	-	11,847	-	-	-	-	-	111,858	21,308	-	133,166	
19	Subtotal-General Service	Lines 16 thru 18	8,427,375	-	8,427,375	901,623	-	2,336,817	-	-	-	-	-	3,238,440	6,738,891	2,378,596	12,355,927	
20	Total of EE Programs	Lines 15 + 19	24,449,167	-	24,449,167	3,617,238	-	7,764,745	-	-	-	-	-	11,381,983	12,680,591	4,319,905	28,382,479	
21	EE Assigned ABG and CCost	Per Books	-	1,620,416	1,620,416	-	540,139	965,690	-	-	-	3,369,389	1,337,312	6,212,530	-	-	6,212,530	
22	Total EE and Assigned Costs	Lines 20 + 21	24,449,167	1,620,416	26,069,583	3,617,238	540,139	8,730,435	965,690	-	-	3,369,389	1,337,312	17,594,513	12,680,591	4,319,905	34,595,009	
<b>NC DSDR Program Expenses</b>																		
23	DSDR Program	Sections A + B - C	5,703,323	881,123	6,584,446	658,445	-	1,958,375	9,530,541	4,675,140	537,788	8,779,092	-	26,139,381	-	-	26,139,381	
24	DSDR Assigned ABG and CCost	Per Books	-	-	-	-	-	(1,002)	-	-	-	1,011,940	401,678	1,412,616	-	-	1,412,616	
25	Total DSDR and Assigned Costs	Lines 23 thru 24	5,703,323	881,123	6,584,446	658,445	-	1,957,373	9,530,541	4,675,140	537,788	8,779,092	1,011,940	401,678	27,551,997	-	27,551,997	
26	EMF Period Totals	Lines 5 + 22 + 25	38,428,769	881,123	39,309,892	4,275,683	540,139	14,276,425	10,496,131	4,675,140	537,788	8,779,092	6,002,260	2,381,857	51,999,960	12,663,433	6,474,790	71,138,183

\* Lighting Program is recoverable over a 5 year period. EE Benchmarking program is recoverable over a 1 year period. All other EE programs are over 10 years.

# North Carolina Retail - DSM/EE Revenue Requirements Summary

## E. Rate Period

NORTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY																				
	OSM	Insurance	ARG Expense	Capitalized O&M and A&G	Amortization of Capitalized O&M	Amortization of Capitalized A&G	Prior Period Amortization	DSDR Capital Costs	Income Taxes on DSDR Capital Costs	DSDR - Property Taxes	DSDR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & M/R	Net Lost Revenue Recoupment	Program Performance Incentive	Rev Reqmt With PPI & M/R			
	(1)	(2)	(3)	(4)	(5)	(6)		(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)			
				(\$Mn/Year)	(\$Mn/Year)	(\$Mn/Year)								(\$Mn/Year)			(\$Mn/Year)			
<b>NC DSM Program Expenses</b>																				
1	CIG DR	Per Forecast		1,798,111	179,811	-	433,412							613,223	-	116,080	729,303			
2	EnergyWise	Per Forecast		7,854,042	785,404	-	3,487,676							4,273,080	-	2,228,045	6,501,125			
3	Total DSM	3 Lines 1 thru 2		9,652,153	965,215	-	3,921,088							4,886,303	-	2,344,125	7,230,428			
4	DSM Assigned A&G and CCost	Per Blocks		566,535	566,535	-	188,845							1,505,566	694,861	2,813,534	2,813,534			
5	Total DSM and Assigned Costs	3 Lines 3 thru 4		9,652,153	965,215	-	3,921,088							1,505,566	694,861	2,813,534	10,043,962			
<b>NC EE Program Expenses</b>																				
6	Res Home Advantage	Per Forecast	854	854	85	-	415,099							415,184	4,395	177,267	596,846			
7	Res Home Energy Improvem't	Per Forecast	5,124,613	5,124,613	512,461	-	2,274,038							2,786,499	273,331	297,055	3,354,885			
8	Residential Low Income	Per Forecast	1,842,624	1,842,624	184,262	-	649,141							833,403	132,922	-	966,325			
9	Solar Hot Water Pilot	Per Forecast	-	-	-	-	39,343							39,343	-	-	39,343			
10	Lighting (Res)*	Per Forecast (allocated)	3,398,220	3,398,220	679,644	-	3,595,344							4,274,988	4,265,280	1,668,411	10,208,679			
11	Res Appliance Recycling	Per Forecast	1,282,814	1,282,814	128,281	-	382,855							511,136	324,340	92,877	928,353			
12	EE Benchmarking*	Per Forecast	567,565	567,565	567,565	-	567,565							567,565	-	13,118	580,683			
13	Residential New Construction	Per Forecast	6,320,905	6,320,905	632,091	-	160,342							792,433	220,683	8,917	1,022,033			
14	Home Depot CFL	Per Forecast	-	-	-	-	34,012							34,012	-	-	34,012			
15	Subtotal-Residential	3 Lines 6 thru 14		18,537,595	2,704,389	-	7,550,174							10,254,563	5,220,950	2,257,645	17,733,158			
16	CIG Energy Efficiency	Per Forecast	7,963,416	7,963,416	796,342	-	2,761,183							3,557,525	3,205,056	2,559,574	9,322,155			
17	Lighting (General Service)*	Per Forecast (allocated)	345,365	345,365	69,073	-	365,399							434,472	1,609,621	426,363	2,470,456			
18	Small Business Energy Saver	Per Forecast	3,530,798	3,530,798	353,080	-	111,858							464,938	388,552	48,518	902,008			
	Subtotal-General Service	3 Lines 16 thru 18		11,839,579	1,218,495	-	3,238,440							4,456,935	5,203,230	3,034,455	12,694,620			
19	Total of EE Programs	3 Lines 6 thru 14		30,377,174	3,922,884	-	10,788,614							14,711,498	10,424,180	5,292,100	30,427,778			
20	EE Assigned A&G and CCost	Per Forecast		1,787,698	1,787,698	-	595,899							3,431,903	1,583,920	6,662,021	6,662,021			
21	Total EE and Assigned Costs	Lines 19 + 20		10,377,174	3,922,884	-	10,788,614							3,431,903	1,583,920	6,662,021	37,089,799			
<b>NC DSDR Program Expenses</b>																				
22	DSDR Program	Per Forecast	8,260,635	8,260,635	920,982	-	2,616,819	8,663,581	3,998,488	643,110	10,612,769			27,455,749	-	-	27,455,749			
23	DSDR Assigned A&G and CCost	Per Forecast	949,183	949,183	94,918	-	29,665					1,069,141	493,439	1,562,580	-	-	1,562,580			
24	Total DSDR and Assigned Costs	3 Lines 22 thru 23		8,260,635	949,183	-	2,616,819	8,663,581	3,998,488	643,110	10,612,769	1,069,141	493,439	29,018,329	-	-	29,018,329			
25	Rate Period Totals	Lines 5 + 21 + 24		48,289,962	949,183	2,354,233	51,593,378	5,809,081	784,744	18,801,082	8,663,581	3,998,488	643,110	10,612,769	6,006,610	2,772,220	58,091,685	10,424,180	7,636,225	76,152,090

\* Lighting Program is recoverable over a 5 year period. EE Benchmarking program is recoverable over a 1 year period. All other EE programs are over 10 years.

DUKE ENERGY PROGRESS, INC.  
Annual Sales for NC Customers Opting-Out for DSM/EE Rate<sup>1</sup>  
Annual Sales for the Year Ended March 31, 2013

Rate Class	Opt-Out KWHS
Residential	-
General Service	11,187,663,391
Lighting	13,525,446
Total Opt-Out Sales	11,201,188,837

<sup>1</sup> Actual Opt-Out volumes for the twelve-months ending March 31, 2013.

DUKE ENERGY PROGRESS, INC.

Energy Allocation Factors - Applicable to EE Program Costs

North Carolina Rate Class Energy Allocation Factors

<u>Rate Class</u>	<u>Total NC Rate Class Sales (MWhrs) <sup>(1)</sup></u> (1)	<u>Opt-Out Sales<sup>(2)</sup></u> (2)	<u>Adjusted NC Rate Class MWhr Sales</u> (3) = (1) - (2)	<u>Rate Class Energy Allocation Factor</u> (4) = (3) / NC Total in Column 3
Residential	15,450,381	-	15,450,381	58.402%
General Service	21,758,727	11,187,663	10,571,064	39.958%
Lighting	447,233	13,525	433,708	1.639%
NC Retail	37,656,341	11,201,189	26,455,152	100.000%

**NOTES:**

- (1) Total NC Rate Class Sales (MWhrs) are for the forecasted year ending November 2014.  
(2) Opt-Out sales are provided in Evans Direct Exhibit No. 2. Since sales are not forecasted by individual customer, historic opt-out sales are assumed to be unchanged during the rate recovery period.

DUKE ENERGY PROGRESS, INC.

Demand Allocation Factors - Applicable to DSM Programs

North Carolina Rate Class Demand Allocation Factors

<u>Rate Class</u>	<u>Total NC Rate Class Sales <sup>(1)</sup></u> (1)	<u>Sales Subject to Opt-Out <sup>(2)</sup></u> (2)	<u>Rate Class Demand <sup>(3)</sup></u> (3)	<u>Revised Rate Class Demand</u> (4) = ((1 - 2) / 1) * 3	<u>Rate Class Allocation Factor</u> (5) = (4) / Total of Column 4
Residential	15,450,381	-	3,983,963	3,983,963	68.371%
General Service	21,758,727	11,187,663	3,793,575	1,843,036	31.629%
Lighting	447,233	13,525	0	0	0.000%
NC Retail	37,656,341	11,201,189	7,777,538	5,826,999	100.000%

**NOTES:**

- (1) Total NC Rate Class Sales (MWHrs) are for the forecasted year ended November 2014.
- (2) Opt-Out sales are provided in Evans Direct Exhibit No. 2
- (3) The CP demands are based on the 2012 Coincident Peak occurring on July 26 during the hour ended at 1700 EDT.



DUKE ENERGY PROGRESS, INC.

Energy Efficiency Rate Derivation

NC Rate Class	Adjusted NC Rate Class kWhr Sales <sup>(1)</sup> (1)	Rate Class Energy Allocation Factor <sup>(2)</sup> (2)	EE Revenue Requirements						
			Residential Programs <sup>(3)</sup> (3)	CIG Programs <sup>(4)</sup> (4)	DSDR <sup>(5)</sup> (5)	Non-DSDR Allocated A&G and Carrying Costs <sup>(6)</sup> (6)	DSDR Allocated A&G and Carrying Costs <sup>(7)</sup> (7)	Total of Allocated Costs (8) = Σ (3 thru 7)	Total EE Rate (9) = (8) / (1)
Residential	15,450,380,543	58.40%	\$17,733,158	\$0	\$16,034,751	\$4,643,723	\$912,580	\$39,324,212	\$0.002550
General Service	10,571,063,990	39.96%	\$0	\$12,694,620	\$10,970,887	\$2,018,298	\$624,382	\$26,308,187	\$0.002490
Lighting	433,707,891	1.64%	\$0	\$0	\$450,112	\$0	\$25,617	\$475,729	\$0.001100
NC Retail	26,455,152,423	100%	\$17,733,158	\$12,694,620	\$27,455,749	\$6,662,021	\$1,562,580	\$66,108,128	\$0.002499

**NOTES:**

- (1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Direct Exhibit No. 3, column (3).
- (2) Rate Class Energy Allocation Factor is derived in Evans Direct Exhibit No. 3, column (4).
- (3) Residential Program costs are allocated solely to Residential Class in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
- (4) CIG EE, Lighting, and Small Business Energy Saver costs are allocated solely to General Service Class in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
- (5) DSDR Costs allocated using Rate Class Energy Allocation Factor from column (2) in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
- (6) Non-DSDR A&G and Carrying Costs are allocated on the basis of Non-DSDR revenue requirements (excluding incentives).
- (7) DSDR A&G Costs and Carrying Costs are allocated using Rate Class Energy Allocation Factor from column (2).

## DUKE ENERGY PROGRESS, INC.

### Demand Side Management Rate Derivation

NC Rate Class	Adjusted NC Rate Class kWhr Sales <sup>(1)</sup> (1)	Rate Class Demand Allocation Factor <sup>(2)</sup> (2)	DSM Revenue Requirements					Total of Allocated Costs (7) = $\Sigma$ (3 thru 6)	Total DSM Rate (8) = (7) / (1)
			EnergyWise Program Costs <sup>(3)</sup> (3)	CIG DR Program <sup>(4)</sup> (4)	Allocated A&G Costs <sup>(5)</sup> (5)	Allocated Carrying Costs <sup>(5)</sup> (6)			
Residential	15,450,380,543	68.37%	\$6,501,125	\$0	\$536,163	\$1,924,277	\$8,961,565	\$0.000580	
General Service	10,571,063,990	31.63%	\$0	\$729,303	\$76,944	\$276,150	\$1,082,397	\$0.000100	
Lighting	433,707,891	0.00%	\$0	\$0	\$0	\$0	\$0	\$0.000000	
NC Retail	26,455,152,423	100.00%	\$6,501,125	\$729,303	\$613,107	\$2,200,427	\$10,043,962	\$0.000380	

**NOTES:**

- (1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Direct Exhibit No. 3, column (3).
- (2) Rate Class Demand Allocation Factor is derived in Evans Direct Exhibit No. 4, column (5).
- (3) EnergyWise costs are directly assigned solely to Residential Rate Class in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
- (4) CIG DR Program costs are directly assigned solely to General Service Class in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
- (5) A&G and Carrying Costs are allocated on the basis of revenue requirements (excluding incentives).

DUKE ENERGY PROGRESS, INC.  
EMF Adjustments

Line	Description	Residential				General Service				Lighting				Totals			
		DSM	DSOR	EE	Total	DSM	DSOR	EE	Total	DSM	DSOR	EE	Total	DSM	DSOR	EE	Total
1	Test Period DSM/EE Rate Billings <sup>1</sup>	\$ 6,730,539	\$ 15,367,504	\$ 23,759,344	\$ 45,857,386	\$ 971,959	\$ 10,309,433	\$ 10,174,804	\$ 21,456,197	\$ -	\$ 436,082	\$ -	\$ 436,082	\$ 7,702,498	\$ 26,113,018	\$ 33,934,148	\$ 67,749,664
2	Prospective Period DSM/EE Rate Billings <sup>2</sup>	2,423,760	5,930,775	8,463,376	16,817,912	340,576	4,181,662	5,203,347	9,725,584	-	173,086	-	173,086	2,764,336	10,285,523	13,666,723	26,716,582
3	Less: Prior Prospective Period Billings <sup>3</sup>	(1,997,069)	(4,379,619)	(7,091,912)	(13,468,600)	(329,811)	(3,294,631)	(2,866,433)	(6,490,874)	-	(134,170)	-	(134,170)	(2,326,880)	(7,808,419)	(9,958,345)	(20,093,644)
4	Less: Uncollectible Allowance in Rates <sup>4</sup>	(29,753)	(70,332)	(104,471)	(204,556)	(348)	(3,966)	(4,432)	(8,747)	-	-	-	-	(30,101)	(74,299)	(108,903)	(213,303)
5	Overcollection of Home Advantage PPI <sup>5</sup>	-	-	14,919	14,919	-	-	-	-	-	-	-	-	-	-	14,919	14,919
6	Overcollection of HEIP PPI <sup>6</sup>	-	-	21,231	21,231	-	-	-	-	-	-	-	-	-	-	21,231	21,231
7	Undercollection of EnergyWise PPI <sup>7</sup>	(1,028,089)	-	-	(1,028,089)	-	-	-	-	-	-	-	-	(1,028,089)	-	-	(1,028,089)
8	Overcollection of CIG EE PPI <sup>8</sup>	-	-	-	-	-	-	288,046	288,046	-	-	-	-	-	-	288,046	288,046
9	Undercollection of Home Advantage PPI <sup>9</sup>	-	-	(67,770)	(67,770)	-	-	-	-	-	-	-	-	-	-	(67,770)	(67,770)
10	Overcollection of Appliance Recycling PPI <sup>10</sup>	-	-	1,883	1,883	-	-	-	-	-	-	-	-	-	-	1,883	1,883
11	Undercollection of HEIP <sup>11</sup>	-	-	(36,252)	(36,252)	-	-	-	-	-	-	-	-	-	-	(36,252)	(36,252)
12	Overcollection of Residential Benchmarking <sup>12</sup>	-	-	24,289	24,289	-	-	-	-	-	-	-	-	-	-	24,289	24,289
13	Undercollection of CIG EE PPI <sup>13</sup>	-	-	-	-	-	-	(351,926)	(351,926)	-	-	-	-	-	-	(351,926)	(351,926)
14	Undercollection of EnergyWise PPI <sup>14</sup>	(825,890)	-	-	(825,890)	-	-	-	-	-	-	-	-	(825,890)	-	-	(825,890)
15	Interest on Overcollections <sup>15</sup>	46,153	109,100	162,056	317,309	-	-	-	-	3,108	-	3,108	46,153	112,208	162,056	320,417	
16	Net Adjustments to DSM/EE EMF Clause <i>Lines 1 through 15</i>	\$ 5,319,652	\$ 16,957,428	\$ 25,146,693	\$ 47,423,773	\$ 982,375	\$ 11,192,498	\$ 12,443,406	\$ 24,618,279	\$ -	\$ 478,105	\$ -	\$ 478,105	\$ 6,302,027	\$ 28,628,031	\$ 37,590,099	\$ 72,520,158
		\$42,104,121 To Exhibit #				\$23,635,904 To Exhibit #				\$66,218,130 To Exhibit #							

<sup>1</sup> Actual DSM/EE Rate billings for test period (April 2012 through March 2013).  
<sup>2</sup> Estimated DSM/EE Rate billings for prospective period (April 2013 through July 2013).  
<sup>3</sup> Actual DSM/EE Rate billings for prior prospective period (April 2012 through July 2013).  
<sup>4</sup> Recognition of Docket No. E-2, Sub 1002 and Sub 1019 based uncollectible revenues for the period August 1, 2012 through May 31, 2013 (NA after May 2013 Due to E-2 Sub 1023)  
<sup>5</sup> Reflects Vintage 2010 Home Advantage PPI true-up.  
<sup>6</sup> Reflects Vintage 2010 Home Energy Improvement PPI true-up.  
<sup>7</sup> Reflects Vintage 2010 EnergyWise PPI true-up.  
<sup>8</sup> Reflects Vintage 2010 CIG Energy Efficiency PPI true-up.  
<sup>9</sup> Reflects Vintage 2011 Home Advantage PPI true-up.  
<sup>10</sup> Reflects Vintage 2011 Appliance Recycling Program PPI true-up.  
<sup>11</sup> Reflects Vintage 2011 Home Advantage PPI true-up.  
<sup>12</sup> Reflects Vintage 2011 Residential Benchmarking PPI true-up.  
<sup>13</sup> Reflects Vintage 2011 CIG Energy Efficiency PPI true-up.  
<sup>14</sup> Reflects Vintage 2011 EnergyWise PPI true-up.  
<sup>15</sup> Estimated interest obligation associated with extended test period (August 1, 2012 through July 31, 2013) over-recovery of revenues.

DUKE ENERGY PROGRESS, INC.

Energy Efficiency Experience Modification Factor Rate Derivation

NC Rate Class	Adjusted NC Rate Class kWhr Sales <sup>(1)</sup>	Rate Class Energy Allocation Factor <sup>(2)</sup>	EE EMF Revenue Requirement								
			Residential Programs <sup>(3)</sup>	CIG Programs <sup>(4)</sup>	DSDR <sup>(5)</sup>	Non-DSDR Allocated A&G and Carrying Costs <sup>(6)</sup>	DSDR Allocated A&G and Carrying Costs <sup>(5)</sup>	Total of Allocated Costs <sup>(8) = Σ (3 thru 7)</sup>	Less: Prior Period EE Rate Adjustment <sup>(7)</sup>	Adjusted EE EMF Revenue Requirement <sup>(10) = (8) - (9)</sup>	Total EE EMF Rate <sup>(11) = (10) / (1)</sup>
Residential	15,450,380,543	58.40%	\$ 16,026,551	\$0	\$ 15,265,963	\$4,444,920	\$824,998	\$36,562,433	\$42,104,121	-\$5,541,688	-\$0.000360
General Service	10,571,063,990	39.96%	\$0	\$ 12,355,927	\$ 10,444,887	\$1,767,610	\$564,459	\$25,132,883	\$23,635,904	\$1,496,979	\$0.000140
Lighting	433,707,891	1.64%	\$0	\$0	\$ 428,531	\$0	\$23,159	\$451,690	\$478,105	-\$26,415	-\$0.000060
NC Retail	26,455,152,423	100.00%	\$ 16,026,551	\$12,355,927	\$26,139,381	\$6,212,530	\$1,412,616	\$62,147,006	\$66,218,130	-\$4,071,124	-\$0.000154

- NOTES:
- (1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Direct Exhibit No. 3, column (3).
  - (2) Rate Class Energy Allocation Factor is derived in Evans Direct Exhibit No. 3, column (4).
  - (3) Residential Program costs are allocated solely to Residential rates in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
  - (4) CIG Energy EE, Lighting, and Small Business Direct Energy Saver costs are allocated solely to General Service rates in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
  - (5) DSDR Costs allocated using Rate Class Energy Allocation Factor from column (2) in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
  - (6) Non-DSDR A&G and Carrying Costs are allocated on the basis of Non-DSDR revenue requirements (excluding incentives) assigned in preceding columns.
  - (7) Amounts are derived in Evans Direct Exhibit No. 7.

DUKE ENERGY PROGRESS, INC.

Demand Side Management Experience Modification Factor Rate Derivation

NC Rate Class	Adjusted NC Rate Class kWhr Sales <sup>(1)</sup>	Rate Class Demand Allocation Factor <sup>(2)</sup>	DSM EMF Revenue Requirement							Adjusted DSM EMF Revenue Requirement (9)=(7)-(8)	Total DSM EMF Rate (10) = (9) / (1)
			EnergyWise Program Costs <sup>(3)</sup>	CIG DR Program <sup>(4)</sup>	Cost Assigned A&G Costs <sup>(5)</sup>	Cost Assigned Carrying Costs <sup>(5)</sup>	Total of Allocated Costs (7) = Σ (3 thru 6)	Less: Prior Period DSM Rate Adjustment <sup>(6)</sup>			
Residential	15,450,380,543	68.37%	\$5,530,077	\$0	\$594,665	\$2,013,572	\$8,138,314	\$5,319,652	\$2,818,662	\$0.000180	
General Service	10,571,063,990	31.63%	\$0	\$528,739	\$73,899	\$250,226	\$852,863	\$982,375	-\$129,512	-\$0.000010	
Lighting	433,707,891	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.000000	
NC Retail	26,455,152,423	100%	\$5,530,077	\$528,739	\$668,564	\$2,263,798	\$8,991,177	\$6,302,027	\$2,689,150	\$0.000102	

NOTES:

- (1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Direct Exhibit No. 3, column (3).
- (2) Rate Class Demand Allocation Factor is derived in Evans Direct Exhibit No. 4, column (5).
- (3) EnergyWise costs are directly assigned solely to the Residential Rate Class in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
- (4) CIG DR costs are directly assigned solely to the General Service Rate Class in compliance with Commission's Order in Docket No. E-2, Sub 931, dated 6/15/09.
- (5) A&G and Carrying Costs are allocated on the basis of revenue requirements (excluding incentives) assigned in preceding columns.
- (6) Amounts are derived in Evans Direct Exhibit No. 7.

DUKE ENERGY PROGRESS, INC.

DSM/EE Annual Rate & EMF - December 2013 through November 2014

All rates are shown in dollars per kWh

NC Rate Class	DSM/EE Adjustment Rate			GRT & Reg Fee	DSM/EE Rate w/ Gross-up	Uncollectibles Adjustment	DSM/EE Billing Rate
	EE Rate (1)	DSM Rate (2)	DSM/EE Rate (3)				
Residential	\$0.002550	\$0.000580	\$ 0.00313	\$ 0.00011	\$ 0.00324	NA	\$ 0.00324
General Service	0.002490	0.000100	0.00259	0.00009	0.00268	NA	0.00268
Lighting	0.001100	0.000000	0.00110	0.00004	0.00114	NA	0.00114
NC Retail	\$ 0.002502	\$ 0.000379	\$ 0.00288	\$ 0.00010	\$ 0.00298	NA	\$ 0.00298

NC Rate Class	DSM/EE Experience Modification Factor (EMF)			GRT & Reg Fee	DSM/EE EMF w/ Gross-up	Uncollectibles Adjustment	DSM/EE EMF Billing Rate
	EE EMF Rate (8)	DSM EMF Rate (9)	DSM/EE EMF Rate (10)				
Residential	-\$0.000360	\$0.000180	-\$0.00018	-\$0.00001	-\$0.00019	NA	-\$0.00019
General Service	0.000140	-0.000010	0.00013	0.00000	0.00013	NA	0.00013
Lighting	-0.000060	0.000000	-0.00006	0.00000	-0.00006	NA	-0.00006
NC Retail	-\$0.000154	\$0.000102	-\$0.00005	\$0.00000	-\$0.00005	NA	-\$0.00005

Total Rate (DSM/EE Adjustment Rate and DSM/EE Experience Modification Factor)

NC Rate Class	DSM/EE Billing Rate (15) = (7)	DSM/EE EMF Billing Rate (16) = (14)	Total Billing Rate (17) = (15) + (16)
Residential	\$0.00324	-\$0.00019	\$0.00305
General Service	\$0.00268	\$0.00013	\$0.00281
Lighting	\$0.00114	-\$0.00006	\$0.00108
NC Retail	\$0.00298	-\$0.00005	\$0.00293

NOTES: (Referenced by Column Number)

- (1) Total EE Rate is derived in Evans Direct Exhibit No. 5, column (9).
- (2) Total DSM Rate is derived in Evans Direct Exhibit No. 6, column (8).
- (3) Total DSM/EE Rate is sum of columns (1) and (2) rounded to 5 decimal place billing precision.
- (4) Calculated Gross Receipts Tax and Regulatory Fee at the combined rate of 3.34% on column (3) rounded to 5 decimal places.
- (5) Adjusted DSM/EE Rate w/Gross-up for Gross Receipts Tax and Regulatory Fee is sum of columns (3) and (4).
- (6) Uncollectible adjustment factors are currently not applicable.
- (7) DSM/EE Billing Rate is the sum of columns (5) and (6) rounded to 5 decimal place billing precision.
- (8) Total EE EMF is derived in Evans Direct Exhibit No. 8, column (11).
- (9) Total DSM EMF is derived in Evans Direct Exhibit No. 9, column (10).
- (10) DSM/EE EMF Rate is derived from the sum of columns (8) and (9) rounded to 5 decimal place billing precision.
- (11) Calculated Gross Receipts Tax and Regulatory Fee at the combined rate of 3.34% on column (10) rounded to 5 decimal places.
- (12) Adjusted DSM/EE EMF Rate w/Gross-up for Gross Receipts Tax and Regulatory Fee is sum of columns (10) and (11).
- (13) Uncollectible adjustment factors are currently not applicable.
- (14) DSM/EE EMF is the sum of columns (12) and (13) rounded to 5 decimal place billing precision.

**DUKE ENERGY PROGRESS, INC.**  
2012 DSM/EE TRC Test Results

Program	Net (\$000's)	PV Benefits (\$000's)	PV Costs (\$000's)	TRC Ratio
CIG DR	2,590	2,928	338	8.7
EnergyWise	27,586	33,169	5,583	5.9
Res Home Advantage	2,050	4,602	2,552	1.8
Res Home Energy Improvem't	1,574	11,011	9,438	1.2
Residential Low Income	(882)	1,124	2,005	0.6
CIG Energy Efficiency	34,883	52,234	17,352	3.0
Lighting (Residential)	30,164	36,931	6,767	5.5
Lighting (General Service)	7,710	8,398	688	12.2
Res Appliance Recycling	2,110	2,991	881	3.4
EE Benchmarking	44	815	771	1.1
Sum Of Above	107,829	154,204	46,375	3.3
A&G Expenses (System)	(2,417)	NA	2,417	NA
Sum With A&G	105,412	154,204	48,792	3.2

**Duke Energy Progress, Inc.**

# **Demand Side Management and Energy Efficiency Programs**

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## **Filing Requirements**

**Pursuant to NCUC Rule R8-69**

**Docket No. E-2, Sub 1030**

**June 2013**



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**Rule R8-69(b)(2) – Experienced over or under-recovery of cost prior to hearing**

**Rule R8-69 (b) Recovery of Costs** Upon the request of the electric public utility, the Commission shall also incorporate the experienced over-recovery or under-recovery of costs up to thirty (30) days prior to the date of the hearing in its determination of the DSM/EE EMF rider, provided that the reasonableness and prudence of these costs shall be subject to review in the utility's next annual DSM/EE rider hearing.

The Company anticipates that it will have actual results available from the end of its test period through July 31, 2013 within the timeline provided for by Commission Rule R-69(b)(2). The Company has incorporated its estimated costs for the period April 1, 2013 through July 31, 2013 in the following table. Actual results will be provided to the Commission at least 30 days prior to the date of its hearing in this matter. At that time, the actual amounts will be used in place of the following estimates.

Program / Measure	Recoverable Expenditures (North Carolina Retail)					Total Costs and Incentives
	O&M <sup>1</sup>	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	
<b>Demand-Side Management Programs</b>						
CIG DR	642,523					642,523
EnergyWise™	2,306,637					2,306,637
<b>Energy Efficiency Programs</b>						
DSDR Implementation <sup>2</sup>	2,805,768	3,274,896	3,129,552	1,684,029		10,894,245
Res Home Advantage	3,997				69,323	134,358
Res Home Energy Improve.	1,777,043				142,418	1,790,451
Residential Low Income-NES <sup>3</sup>	607,339				66,939	767,929
CIG Energy Efficiency	2,532,843				1,065,713	4,037,285
Solar Hot Water Heating Pilot <sup>4</sup>						
Lighting (Residential) <sup>5</sup>	1,339,828				2,075,381	4,759,503
Lighting (General Service) <sup>5</sup>	136,168				862,170	
Res Appliance Recycling	420,184				138,242	787,938
Res EE Benchmarking <sup>6</sup>	243,556					412,241
Small Business Energy Saver	876,166				20,741	607,669
Residential New Construction	1,201,219				8,490	911,509
CFL Pilot						
Program Subtotals	14,893,271	3,274,896	3,129,552	1,684,029	4,449,418	27,431,166
A&G-General <sup>7</sup>						853,196
Return on Balances <sup>8</sup>						2,741,372
<b>Expenditure Totals</b>						<b>31,025,734</b>

DEP estimates that it will bill \$26,716,582 in non-EMF DSM/EE Rider related revenue from the end of the test period through July 31, 2013.

<sup>1</sup> The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

<sup>2</sup> The DSDR does not include Program Performance Incentives (PPI). As an event driven measure, net lost revenues are not forecasted for the DSDR program.

<sup>3</sup> The Residential Low Income Program does not include amounts for PPI.

<sup>4</sup> PPI and net lost revenues recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

<sup>5</sup> O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

<sup>6</sup> O&M expenses for the Residential EE Benchmark Program are not subject to deferral.

<sup>7</sup> A&G expenses will be recovered through the DSM/EE Rider over a three-year period.

<sup>8</sup> The Return on Balances reflects the sum of the North Carolina specific return calculated on the North Carolina deferral balance.

**Rule R8-69(d)(2) - List of customers opting out of participation**

**Rule R8-69. Cost recovery for demand-side management and energy efficiency measures of electric public utilities.**

**(d) Special Provisions for Industrial or Large Commercial Customers.**

(2) At the time the electric public utility petitions for the annual rider, it shall provide the Commission with a list of those industrial or large commercial customers that have opted out of participation in the new demand-side management or energy efficiency measures. The electric public utility shall also provide the Commission with a listing of industrial or large commercial customers that have elected to participate in new measures after having initially notified the electric public utility that it declined to participate.

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Please refer to Appendix A which provides a listing of industrial and large commercial customers, as of March 31, 2013, that have opted out of participation in DEP's new demand-side management or energy efficiency measures. Attached Appendix B provides a listing of industrial and large commercial customers that have elected to participate in new measures after having initially notified the electric public utility that it declined to participate.

**Rule R8-69(f)(1)(i) - Projected NC retail sales for the rate period**

**Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
- (i) Projected North Carolina retail monthly kWh sales for the rate period.

The Company's projected North Carolina retail monthly kWh sales for the rate period, December 1, 2013 through November 30, 2014, are provided in the following table:

**Projected North Carolina Retail Monthly kWh Sales**

Month	Estimated kWh
Dec-13	3,064,263,080
Jan-14	3,462,196,757
Feb-14	3,306,054,879
Mar-14	3,017,426,197
Apr-14	2,855,897,627
May-14	2,671,344,748
Jun-14	3,142,465,223
Jul-14	3,503,737,591
Aug-14	3,653,145,301
Sep-14	3,461,710,407
Oct-14	2,883,270,097
Nov-14	2,634,829,352
<b>Total</b>	<b>37,656,341,260</b>

**Rule R8-69(f)(1)(ii)a - Total expenses expected to be incurred during the rate period****Rule R8-69 (f) Filing Requirements and Procedure.**

(1) Each electric public utility shall submit to the Commission all of the following information and data in its application:

(ii) For each measure for which cost recovery is requested through the DSM/EE rider:

- a. total expenses expected to be incurred during the rate period in the aggregate and broken down by type of expenditure, per appropriate capacity, energy and measure unit metric and the proposed jurisdictional allocation factors

For purposes of cost recovery through the DSM/EE rider, the Company's expected expenses for the rate period, December 1, 2013 through November 30, 2014, have been broken down by type of expenditure and provided in the following table:

Program / Measure	Recoverable Expenditures (System Retail)					Total Costs and Incentives
	O&M <sup>1</sup>	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	
<b>Demand-Side Management Programs</b>						
CIG DR	2,079,462				134,243	2,213,705
EnergyWiseTM	9,082,968				2,576,668	11,659,636
<b>Energy Efficiency Programs</b>						
DSDR Implementation <sup>2</sup>	10,701,625	12,331,825	10,066,908	5,393,444	0	38,493,802
Res Home Advantage	992				211,087	212,080
Res Home Energy Improve.	5,954,698				662,777	6,617,475
Residential Low Income-NES <sup>3</sup>	2,141,092				154,453	2,295,545
CIG Energy Efficiency	9,253,330				6,698,385	15,951,715
Solar Hot Water Heating Pilot <sup>4</sup>	0				0	0
Lighting (Residential) <sup>5</sup>	3,948,664				6,894,830	10,843,494
Lighting (General Service) <sup>5</sup>	401,307				2,365,773	2,767,080
Res Appliance Recycling	1,490,604				484,798	1,975,402
Residential EE Benchmark <sup>6</sup>	659,499				15,243	674,742
Small Business Energy Saver	4,102,717				507,867	4,610,584
Residential New Construction	7,344,765				266,791	7,611,556
CFL Pilot						
Program Subtotals	57,161,724	12,331,825	10,066,908	5,393,444	20,972,915	105,926,816
Administrative and General						2,735,572
Return on Balances <sup>7</sup>						10,200,825
<b>Expenditure Totals</b>						<b>118,863,213</b>

<sup>1</sup> The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

<sup>2</sup> The DSDR does not include Program Performance Incentives (PPI). As an event driven measure, net lost revenues are not forecasted for the DSDR program.

<sup>3</sup> The Residential Low Income Program does not include amounts for PPI.

<sup>4</sup> PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

<sup>5</sup> O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

<sup>6</sup> O&M expenses for the Residential EE Benchmark Program are realized as they are incurred.

<sup>7</sup> The Return on Balances amount, on a system basis, reflects the sum of the North Carolina specific return calculated on the North Carolina deferral balance and the South Carolina specific return on the South Carolina deferral balance.

**Rule R8-69(f)(1)(ii)a – Continued**

The following table provides the program costs, excluding Program Performance Incentives and the recovery of net lost revenues, per appropriate capacity, energy and measure unit metric, over the various program lives. It is important to note that unitized costs will vary from year to year and should be viewed over program lives. Program cost estimates over the life of the program were supplied with the Company's original program applications.

Program / Measure	System Costs	Measure Lives	DSM Costs / (MW x Years)	EE Costs / (MWH x Years)
<b>Demand-Side Management Programs (Calculated on EOY 2013 MW Capabilities - at the meter)</b>				
CIG DR	1,982,360	30-yrs	\$17,534	NA
EnergyWise™	8,859,895	30-yrs	\$13,188	NA
DSDR Implementation	42,973,317	30-yrs	\$14,333	NA
<b>Energy Efficiency Programs (Calculated Using Rate Period MWH Savings - at the meter)</b>				
Res Home Advantage	7,392	20-yrs	NA	\$5
Res Home Energy Improvement	5,857,133	15-yrs	NA	\$85
Residential Low Income	2,112,611	10-yrs	NA	\$117
CIG Energy Efficiency	9,080,746	10-yrs	NA	\$17
Lighting (Residential)	4,644,708	7-yrs	NA	\$13
Lighting (General Service)	472,047	3-yrs	NA	\$7
Res Appliance Recycling	1,475,561	10-yrs	NA	\$33
Residential EE Benchmarking	654,458	1-yr	NA	\$62
Small Business Direct Install	3,629,303	10-yrs	NA	\$36
Residential New Construction	4,896,291	20-yrs	NA	\$36

### Rule R8-69(f)(1)(ii)a - Continued

For purposes of cost recovery through the North Carolina DSM/EE rider, the Company's expected expenses for the rate period, December 1, 2013 through November 30, 2014, have been broken down for North Carolina jurisdictional retail customers by type of expenditure and provided in the following table:

Program / Measure	Recoverable Expenditures (North Carolina Retail)					Total Costs and Incentives
	O&M <sup>1</sup>	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	
<b>Demand-Side Management Programs</b>						
CIG DR	1,798,111				116,080	1,914,191
EnergyWise™	7,854,042				2,228,045	10,082,087
<b>Energy Efficiency Programs</b>						
DSDR Implementation <sup>2</sup>	9,209,818	10,612,769	8,663,581	4,641,598		33,127,766
Res Home Advantage	854				181,662	182,516
Res Home Energy Improve.	5,124,613				570,386	5,694,999
Residential Low Income-NES <sup>3</sup>	1,842,624				132,922	1,975,546
CIG Energy Efficiency	7,963,416				5,764,630	13,728,046
Solar Hot Water Heating Pilot <sup>4</sup>	0					0
Lighting (Residential) <sup>5</sup>	3,398,220				5,933,691	9,331,911
Lighting (General Service) <sup>5</sup>	345,365				2,035,984	2,381,349
Res Appliance Recycling	1,282,814				417,217	1,700,031
Residential EE Benchmark <sup>6</sup>	567,565				13,118	580,683
Small Business Energy Saver	3,530,798				437,070	3,967,868
Residential New Construction	6,320,905				229,600	6,550,505
CFL Pilot						
Program Subtotals	49,239,145	10,612,769	8,663,581	4,641,598	18,060,405	91,217,499
Administrative and General						2,354,233
Return on Balances <sup>7</sup>						8,778,830
<b>Expenditure Totals</b>						<b>102,350,562</b>

The Company's proposed jurisdictional allocation factors for the rate period, December 1, 2013 through November 30, 2017, are provided in attached Appendix C.

<sup>1</sup> The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

<sup>2</sup> The DSDR does not include Program Performance Incentives (PPI). As an event driven measure, net lost revenues are not forecasted for the DSDR program..

<sup>3</sup> The Residential Low Income Program does not include amounts for PPI.

<sup>4</sup> PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

<sup>5</sup> O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period

<sup>6</sup> O&M expenses for the Residential EE Benchmark Program are realized as they are incurred.

<sup>7</sup> The Return on Balances amount, on a system basis, reflects the sum of the North Carolina specific return calculated on the North Carolina deferral balance.

## **Rule R8-69(f)(1)(ii)c - Measurement and verification activities for rate period**

### **Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
    - (ii) For each measure for which cost recovery is requested through the DSM/EE rider:
      - c. a description of the measurement and verification activities to be conducted during the rate period, including their estimated costs;
- 

## **Demand Side Management Portfolio**

### *DSDR*

A critical component of the DSDR program is the Distribution Management System ("DMS"). The DMS has been placed into service and will be used to determine DSDR program energy savings (MWh) and demand reduction (MW) in real time.

Evaluation, Measurement and Verification ("EM&V") activities related to the DSDR program will focus on measuring the peak load reduction impact observed at DEP's Energy Control Center and Distribution Control Center, using data from the DMS. DEP is developing a customized EM&V protocol specifically for the DSDR program to be implemented to efficiently and effectively gauge its performance. EM&V activities in 2014 will employ the customized EM&V protocol and utilize the DMS impact reports.

This data analysis will not be performed by a third party; therefore there will be no third-party incremental costs expended to perform anticipated measurement and verification activities during the rate period.

### *EnergyWise<sup>SM</sup>*

DEP has contracted with independent, third-party consultant, Navigant Consulting, to provide the appropriate EM&V support for determining the demand and energy impacts of the EnergyWise<sup>SM</sup> program.

Navigant is performing program evaluations for Duke Energy Progress' EnergyWise<sup>SM</sup> program including all relevant impact and process evaluation services required to support continued program planning, implementation, and system resource planning and forecasting, and regulatory filings.

EM&V services to be performed through November 2014 include:

- The collection of program data
- Process evaluation interviews



## **Rule R8-69(f)(1)(ii)c - Continued**

- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

The total estimated budget for EnergyWise<sup>SM</sup> EM&V activities for the rate period is \$260,000.

### *CIG Demand Response Program*

DEP has contracted with the independent, third-party consultant, Navigant Consulting, to provide the appropriate EM&V for determining the demand and energy impacts of the CIG Demand Response program.

Navigant is performing program evaluations for Duke Energy Progress' CIG Demand Response program, including all relevant impact and process evaluation services required to support program planning and implementation, system resource planning and forecasting, and regulatory filings.

EM&V services to be performed through November 2014 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

The total estimated budget for CIG Demand Response EM&V activities for the rate period is \$25,000.

## **Rule R8-69(f)(1)(ii)c - Continued**

### **Energy Efficiency Portfolio**

DEP has contracted with the independent, third-party consultant, Navigant Consulting, to provide the appropriate EM&V support for determining the demand and energy impacts of the energy efficiency portfolio.

Navigant is performing program evaluations for Duke Energy Progress' energy efficiency portfolio, including all relevant impact and process evaluation services required to support program planning and implementation, system resource planning and forecasting, and regulatory filings.

Neighborhood Energy Saver Program, Lighting Program, Appliance Recycling Program, Home Energy Improvement Program, Energy Efficiency for Business Program, Small Business Energy Saver, Residential New Construction, and Residential Energy Efficient Benchmarking are the programs that make up the energy efficiency portfolio.

EM&V services to be performed through November 2014 for all energy efficiency portfolio programs include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

## Rule R8-69(f)(1)(ii)c - Continued

Rate period budget for EE portfolio M&V activities is summarized in the following table

Program	Rate Period Budget
Neighborhood Energy Saver	\$109,002
Lighting	\$189,357
Appliance Recycling	\$88,165
Home Energy Improvement	\$102,000
Energy Efficiency for Business	\$416,500
Small Business Energy Saver	\$254,500
Residential New Construction	\$217,000
Residential Energy Efficient Benchmarking	\$138,502

**Rule R8-69(f)(1)(ii)d - Expected summer and winter peak demand reductions**

**Rule R8-69 (f) Filing Requirements and Procedure.**

(1) Each electric public utility shall submit to the Commission all of the following information and data in its application:

(ii) For each measure for which cost recovery is requested through the DSM/EE rider:

d. total expected summer and winter peak demand reduction per appropriate capacity, energy, and measure unit metric and in the aggregate;

The following tables provide estimated summer and winter peak demand reductions, at the meter, for the measures in which the Company is seeking cost recovery. The reductions are provided by measure and in aggregate.

Anticipated Summer Capacity Values (MW)

	CIG DR	Energy Wise <sup>SM</sup>	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2013	3.8	22.4	99.9	0.0	2.6	0.3	5.9	4.2	0.5	1.8	12.3	0.0	2.4	1.9	158.1
2014	5.0	24.0	30.1	0.0	4.3	0.2	5.8	4.7	0.9	0.5	12.9	0.0	3.6	1.6	93.6
2015	5.0	21.9	5.3	0.0	5.0	0.2	4.1	3.2	0.9	-0.6	13.7	0.0	3.6	3.4	65.7
2016	4.5	20.1	6.1	0.0	4.5	0.2	3.7	2.9	0.9	-1.9	14.4	0.0	3.6	3.7	62.7

Anticipated Winter Capacity Reductions (MW)

	CIG DR	Energy Wise <sup>SM</sup>	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2013	1.6	1.6	TBD	0.0	4.4	0.5	8.2	3.6	0.5	2.3	5.5	0.0	1.0	2.4	31.5
2014	3.3	1.4	TBD	0.0	3.0	0.4	8.0	3.3	0.8	2.1	5.7	0.0	1.5	1.9	31.5
2015	3.3	1.3	TBD	0.0	3.4	0.4	5.7	2.3	0.8	(2.6)	6.1	0.0	1.5	4.2	26.4
2016	3.0	1.2	TBD	0.0	3.1	0.4	5.2	2.1	0.8	(7.8)	6.4	0.0	1.5	4.6	20.4

## Rule R8-69(f)(1)(ii)e - Expected energy reductions

### Rule R8-69 (f) Filing Requirements and Procedure.

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
  - (ii) For each measure for which cost recovery is requested through the DSM/EE rider:
    - e. total expected energy reduction in the aggregate and per appropriate measure unit metric

The following table provides estimated energy reductions, at the meter, for the measures in which the Company is seeking cost recovery. The reductions are provided both by measure and in aggregate.

Anticipated Energy Reductions (MWH)															
	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2013	86	409	22,102	78	4,583	1,801	51,479	24,091	4,480	10,499	52,993	0	10,098	6,892	189,592
2014	90	83	2,861	0	5,040	1,801	37,606	30,140	5,416	2,880	53,004	0	15,000	5,596	159,517
2015	90	58	840	0	4,536	1,801	37,128	17,404	4,062	(3,600)	56,004	0	15,000	6,155	139,477
2016	86	54	1,057	0	4,082	1,801	33,415	15,664	2,843	(10,800)	56,804	0	15,000	6,155	128,161

## Rule R8-69(f)(1)(iii)a - Actual test period costs

### Rule R8-69 (f) Filing Requirements and Procedure.

(1) Each electric public utility shall submit to the Commission all of the following information and data in its application:

(iii) For each measure for which cost recovery is requested through the DSM/EE EMF rider:

- a. total expenses for the test period in the aggregate and broken down by type of expenditure per appropriate capacity, energy and measure unit metric and the proposed jurisdictional allocation factors

For purposes of cost recovery through the DSM/EE rider, the Company's actual expenditures for the test period, April 1, 2012 through March 31, 2013, have been broken down by type of expenditure and are provided in the following table:

Program / Measure	Recoverable Expenditures (System Retail)					Total Costs and Incentives
	O&M <sup>1</sup>	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	
<b>Demand-Side Management Programs</b>						
CIG DR	991,750				117,339	1,109,088
EnergyWise™	7,770,937				2,370,455	10,141,392
<b>Energy Efficiency Programs</b>						
DSDR Implementation <sup>2</sup>	6,456,709	8,717,782	10,627,689	5,889,763		31,691,942
Res Home Advantage	559,265				527,059	1,086,324
Res Home Energy Improve.	6,017,240				837,780	6,855,020
Residential Low Income-NES <sup>3</sup>	1,994,260				27,905	2,022,164
CIG Energy Efficiency	7,776,979				8,020,362	15,797,341
Solar Hot Water Heating Pilot <sup>4</sup>	0					
Lighting(Residential) <sup>5</sup>	6,769,290				8,662,492	15,431,782
Lighting(General Service) <sup>5</sup>	687,971				3,115,009	3,802,979
Res Appliance Recycling	1,382,018				460,058	1,842,077
Residential EE Benchmark <sup>6</sup>	799,114				-79,918	719,196
Small Business Energy Saver	207,589				660	208,249
Residential New Construction	418,008				216	418,224
CFL Pilot						
Program Subtotals	41,831,131	8,717,782	10,627,689	5,889,763	24,059,415	91,125,779
Administrative and General						2,424,676
Return on Balances <sup>7</sup>						9,512,085
<b>Expenditure Totals</b>						<b>103,062,541</b>

<sup>1</sup> The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

<sup>2</sup> The DSDR does not include Program Performance Incentives (PPI). Net lost revenues were not realized during this period.

<sup>3</sup> The Residential Low Income Program does not include amounts for PPI.

<sup>4</sup> PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

<sup>5</sup> O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period.

<sup>6</sup> O&M expenses for the Residential EE Benchmark Program are realized as they are incurred.

<sup>7</sup> The Return on Balances amount, on a system basis, reflects the sum of the North Carolina specific return calculated on the North Carolina deferral balance and the South Carolina specific return on the South Carolina deferral balance.

**Rule R8-69(f)(1)(iii)a – Continued**

Program / Measure	Recoverable Expenditures (North Carolina Retail)					Total Costs and Incentives
	O&M <sup>1</sup>	Depreciation	Capital Costs	Income and General Taxes	PPI and Net Lost Revenue	
<b>Demand-Side Management Programs</b>						
CIG DR	859,037				101,637	960,674
EnergyWise™	6,731,056				2,053,249	8,784,305
<b>Energy Efficiency Programs</b>						
DSDR Implementation <sup>2</sup>	5,545,506	7,487,485	9,127,856	5,058,570		27,219,417
Res Home Advantage	480,339				452,678	933,017
Res Home Energy Improve.	5,168,057				719,548	5,887,605
Residential Low Income-NES <sup>3</sup>	1,712,820				23,967	1,736,787
CIG Energy Efficiency	6,679,453				6,888,488	13,567,941
Solar Hot Water Heating Pilot <sup>4</sup>						0
Lighting(Residential) <sup>5</sup>	5,813,974				7,439,998	13,253,972
Lighting(General Service) <sup>5</sup>	590,881				2,675,403	3,266,284
Res Appliance Recycling	1,186,981				395,133	1,582,114
Residential EE Benchmark <sup>6</sup>	686,339				-68,639	617,700
Small Business Energy Saver	178,293				566	178,859
Residential New Construction	359,017				185	359,202
CFL Pilot						
Program Subtotals	35,991,753	7,487,485	9,127,856	5,058,570	20,682,212	78,347,876
Administrative and General						2,082,494
Return on Balances <sup>7</sup>						8,169,692
<b>Expenditure Totals</b>						<b>88,600,062</b>

For purposes of cost recovery through the North Carolina DSM/EE rider, the Company's actual expenses for the test period, April 1, 2012 through March 31, 2013, have been broken down for North Carolina jurisdictional retail customers by type of expenditure and are provided in the following table:

<sup>1</sup> The listed O&M expenses will be recovered through the DSM/EE Rider over a ten-year period except where otherwise indicated.

<sup>2</sup> The DSDR does not include Program Performance Incentives (PPI). Net lost revenues were not realized during this period.

<sup>3</sup> The Residential Low Income Program does not include amounts for PPI.

<sup>4</sup> PPI and net lost revenue recoveries were not requested by the Company for its Residential Solar Hot Water Heating Pilot Program.

<sup>5</sup> O&M expenses for the Residential Lighting Program will be recovered through the DSM/EE Rider over a five-year period.

<sup>6</sup> O&M expenses for the Residential EE Benchmark Program are realized as they are incurred.

<sup>7</sup> The Return on Balances amount, on a system basis, reflects the sum of the North Carolina specific return calculated on the North Carolina deferral balance.

**Rule R8-69(f)(1)(iii)a - Continued**

The following table provides the program costs, excluding Program Performance Incentives and the recovery of net lost revenues, per appropriate capacity, energy and measure unit metric, over the various program lives. It is important to note that unitized costs will vary from year to year and should be viewed over program lives. Program cost estimates over the life of the program were supplied with the Company's original program applications.

Program / Measure	System Costs	Measure Lives	DSM Costs / (MW x Years)	EE Costs / (MWH x Years)
<b>Demand-Side Management Programs (Calculated on EOY 2012 MW Capabilities - at the meter)</b>				
CIG DR	1,015,245	30-yrs	\$15,326	NA
EnergyWise™	7,838,160	30-yrs	\$11,089	NA
DSDR Implementation	32,261,862	30-yrs	\$10,126	NA
<b>Energy Efficiency Programs (Calculated Using Test Period MWH Savings - at the meter)</b>				
Res Home Advantage	518,385	20-yrs	NA	\$9
Res Home Energy Improvement	6,222,128	15-yrs	NA	\$78
Residential Low Income	2,037,573	10-yrs	NA	\$110
CIG Energy Efficiency	8,428,559	10-yrs	NA	\$16
Lighting (Residential)	6,044,028	7-yrs	NA	\$11
Lighting (General Service)	669,426	3-yrs	NA	\$3
Res Appliance Recycling	1,440,509	10-yrs	NA	\$33
Residential EE Benchmarking	803,168	1-yr	NA	\$78
Small Business Direct Install	658,766	10-yrs	NA	NA
Residential New Construction	508,968	20-yrs	NA	NA

The Company's proposed jurisdictional allocation factors for the test period, April 1, 2012 through March 31, 2013, are provided in attached Appendix C.



## **Rule R8-69(f)(1)(iii)c - Measurement and verification activities for test period**

### **Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
  - (iii) For each measure for which cost recovery is requested through the DSM/EE EMF rider:
    - c. a description of, the results of, and the costs of all measurement and verification activities conducted in the test period;

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## **Demand Side Management Portfolio**

### ***DSDR***

A critical component of the DSDR program is the Distribution Management System ("DMS"). The DMS has been placed in service and will be used to determine DSDR program energy savings (MWh) and demand reduction (MW) in real time.

Evaluation, Measurement and Verification ("EM&V") activities related to the DSDR program will focus on measuring the peak load reduction impact observed at DEP's Energy Control Center and Distribution Control Center, using data from the DMS. DEP is developing a customized EM&V protocol specifically for the DSDR program to be implemented to efficiently and effectively gauge its performance. EM&V activities in 2013 will employ the customized EM&V protocol and utilize the DMS impact reports.

This data analysis will not be performed by a third party; therefore there will be no third-party incremental costs expended to perform anticipated measurement and verification activities during the rate period.

### ***EnergyWise<sup>SM</sup>***

DEP has contracted with independent, third-party consultant, Navigant Consulting, to provide the appropriate EM&V support for determining the demand and energy impacts of the EnergyWise<sup>SM</sup> program.

EM&V services to be performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- The collection of interval data
- Program database review
- Data analysis
- Reporting

EnergyWise<sup>SM</sup> EM&V results for Summer 2012 and Winter 2011-2012 are contained in the EnergyWise<sup>SM</sup> EM&V report dated September 28, 2012 filed with the Commission on October 1, 2012 in Docket No. E-2, Sub 927.

Total actual and estimated cost of EnergyWise<sup>SM</sup> EM&V activities for the test period through March 2013 are \$230,211.

## **Rule R8-69(f)(1)(iii)c - Continued**

### ***Demand Response Automation Program***

DEP has contracted with independent, third-party consultant, Navigant Consulting, to provide the appropriate EM&V support for determining the demand and energy impacts of the CIG Demand Response program.

Navigant is performing evaluations for Duke Energy Progress' Demand Response Automation Program, including all relevant impact and process evaluation services required to support program planning and implementation, system resource planning and forecasting, and regulatory filings.

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

EM&V results for the program year 2011 are contained in the Demand Response Automation Program EM&V report dated September 28, 2012 filed with the Commission on October 1, 2012 in Docket No. E-2, Sub 951.

Total actual and estimated cost of Demand Response Automation Program EM&V activities for the test period through March 2013 are \$37,781.

### **Energy Efficiency Portfolio**

DEP has contracted with independent, third-party consultant, Navigant Consulting, to provide the appropriate EM&V support for determining the demand and energy impacts of the energy efficiency portfolio.

Navigant is performing program evaluations for Duke Energy Progress' energy efficiency portfolio, including all relevant impact and process evaluation services required to support program planning and implementation, system resource planning and forecasting, and regulatory filings.

Neighborhood Energy Saver Program, Lighting Program, Appliance Recycling Program, Home Energy Improvement Program, Energy Efficiency for Business Program, Home Advantage Program, Small Business Energy Saver, Solar Hot Water Pilot, Residential New Construction, and Residential Energy Efficient Benchmarking are the programs that make up the energy efficiency portfolio.

## **Rule R8-69(f)(1)(iii)c - Continued**

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

### ***Neighborhood Energy Saver Program***

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

EM&V results for the program year 2010 are contained in the Neighborhood Energy Saver Program EM&V report dated June 27, 2012 filed on June 29, 2012 in Docket No. E-2, Sub 952.

### ***Lighting Program***

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Determination of non-residential participation
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

EM&V results for the program years 2010 and 2011 are contained in the Lighting Program EM&V report dated June 27, 2012 filed on June 29, 2012 in Docket No. E-2, Sub 950.

## **Rule R8-69(f)(1)(iii)c - Continued**

### ***Appliance Recycling Program***

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

### ***Home Advantage Program***

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

EM&V results for the program years 2010 and 2011 are contained in the Home Advantage Program EM&V report dated September 27, 2012 filed with the Commission on October 1, 2012 in Docket No. E-2, Sub 928.

### ***Home Energy Improvement Program***

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

EM&V results for the program years 2010 and 2011 are contained in the Home Energy Improvement Program EM&V report dated June 27, 2012 filed on June 29, 2012 in Docket No. E-2, Sub 936.

## **Rule R8-69(f)(1)(iii)c - Continued**

### ***Energy Efficiency for Business Program***

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

EM&V results for program years 2010 and 2011 are contained in the Energy Efficiency for Business Program EM&V report dated June 27, 2012 filed on June 29, 2012 in Docket No. E-2, Sub 938.

### ***Residential Energy Efficient Benchmarking Program***

EM&V services performed through March 2013 include:

- The collection of program data
- Process evaluation interviews
- Verify measure through on-site visits
- Program database review
- Data analysis
- Reporting

EM&V results for the 2011-2012 program period are contained in the Residential Energy Efficient Benchmarking Program EM&V report dated December 21, 2012 filed with the Commission on January 7, 2013 in Docket No. E-2, Sub 989.

### Rule R8-69(f)(1)(iii)c - Continued

Test period actual and budgeted costs through March 2013 for EE portfolio EM&V activities are summarized in the following table:

Program	Test Period Actual and Budget
Neighborhood Energy Saver	\$168,975
Lighting	\$411,402
Appliance Recycling	\$56,603
Home Advantage	\$28,367
Home Energy Improvement	\$143,496
Energy Efficiency for Business	\$480,875
Residential Energy Efficient Benchmarking	\$137,390
Small Business Energy Saver	\$46,474
Residential New Construction	\$86,077

**Rule R8-69(f)(1)(iii)d - Test period summer and winter peak demand reductions**

**Rule R8-69 (f) Filing Requirements and Procedure.**

(1) Each electric public utility shall submit to the Commission all of the following information and data in its application:

(iii) For each measure for which cost recovery is requested through the DSM/EE EMF rider:

- d. total summer and winter peak demand reduction in the aggregate and per appropriate measure unit metric and, as well as any changes in estimated future amounts since last filed with the Commission;

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The information associated with this section has been supplied as a part of response to Rule R8-69(f) (1) (iii) h.

## **Rule R8-69(f)(1)(iii)e - Test period energy reductions**

### **Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
    - (iii) For each measure for which cost recovery is requested through the DSM/EE EMF rider:
      - e. total energy reduction in the aggregate and per appropriate measure unit metric, as well as any changes in the estimated future amounts since last filed with the Commission;
- 

The information associated with this section has been supplied as a part of response to Rule R8-69(f) (1) (iii) h and within attached Appendix D.



## **Rule R8-69(f)(1)(iii)f - Test period findings and results of measures**

### **Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
    - (iii) For each measure for which cost recovery is requested through the DSM/EE EMF rider:
      - f. a discussion of the findings and the results of the program or measure;
- 

### **Neighborhood Energy Saver**

The Neighborhood Energy Saver (NES) Program was launched in October 2009 to provide information and energy conservation measures to encourage and reduce energy consumption and costs in low-income homes. A comprehensive package of energy conservation measures is installed in the homes of low-income families to assist them in reducing their overall energy use and household energy costs. The Program has served 14,809 participants from its inception through December 2012. The program has experienced greater than expected program participation with over 85% of the eligible residents choosing to participate and receive the services.

Participation success can be attributed to the efforts made in advance to disseminate information about the program to residents, working with the local community leaders and advocacy groups, and the work of the installer teams to ensure every resident's home has been contacted.

A challenge of the program is the timely preparation of the next neighborhood so that the installation team can move from one neighborhood to the next without 'downtime'. However, the Program has been successful meeting the manpower needs with minimal interruption.

### **Home Advantage Program**

The Home Advantage Program was launched in January 2009 to encourage home builders and residential developers to build to ENERGY STAR standards. While participation was nominal in 2009 partially as a result of the recession and the distressed housing industry, participation levels rebounded in 2010. Through year end 2011, 4,641 homes have been built to Home Advantage standards, capturing approximately 70% of the Energy Star Homes built to date.

With the increase in Energy Star standards starting 2012, the program is no longer cost effective. As a result, the program will only accept rebate applications for homes that were permitted before March 1, 2012 and completed by February 28, 2013. A new program, Residential New Construction, was filed and approved in its place (see below).

## **Provision (h)(1)(ii)k – *Continued***

### **Lighting Program**

The Lighting Program launched in January of 2010 and expanded to offer additional measures in January 2013 (now called Energy Efficient Lighting Program). This program works through lighting manufacturers and retailers to offer discounts to DEP customers at the register on CFLs, LEDs, and energy-efficient fixtures. Participation levels (CFLs) for the first three years of the program were higher than originally forecasted. This success can be attributed to high customer interest in energy efficiency, low socket penetration of CFLs in the DEP territory and effective promotion of the program in the marketplace.

As a result of the initial EM&V analysis, DEP was able to determine the extent of non-residential participation in this program. This determination allowed DEP to quantify two impacts. The first of these was the recognition of greater hours of use in the non-residential market which impacted program savings. The second of these impacts, due greater hours of use in the non-residential market, was a corresponding lessening of the expected bulb life.

As the program moves into the fourth year, the DEP Energy Efficient Lighting Program will encourage customers to adopt energy efficient lighting through incentives on a wide range of products, including CFLs, LEDs and fixtures. Customer education is imperative to ensure customers are purchasing the right bulb for the application in order to obtain high satisfaction with lighting products.

### **Appliance Recycling Program**

The Appliance Recycling Program was launched in mid-April of 2010. The program has met its goal for the past two years surpassing 22,600 appliances recycled program to date. Overall program success can be attributed to higher customer interest in energy efficiency, DEP's rebates, and customer acceptance and appreciation of the recycling benefits of the program for the environment. Since this is a retirement program, a challenge is reaching and encouraging those customers with second refrigerators / freezers to recycle them. It is also recognized that the lifestyle and habits of DEP customers are likely having a negative impact on program participation due to the longstanding tradition of having a secondary refrigerator for cold storage of food and beverages.

## **Provision (h)(1)(ii)k – Continued**

### **Home Energy Improvement Program**

The Home Energy Improvement Program was launched in July of 2009. The purpose of this program is to offer customers, with existing homes, a variety of energy conservation measures designed to increase energy efficiency in existing residential dwellings.

The program utilizes a network of over 676 prequalified contractors from a list provided by Company to install energy efficiency measures. Program to date, 90,200 rebates have been processed. The overall program success can be attributed to higher customer interest in energy efficiency, customers capitalizing on the 2010 and 2011 federal tax credits in conjunction with DEP's rebates, and promotion of the program by contractor acceptance.

In 2012 HEIP made modifications to measure incentives, removing measure Level I Tune-Ups, Duct Testing and Windows as a result of third party EM&V and legislation. Additional measures added to the portfolio were Energy Star room air conditioners and heat pump water heaters. Promotion of the program includes consumer and contractor program flyers, direct mail, bill inserts, email blasts, trade shows to consumers, contractors and contractor collateral to support the contractor network. The current economy will likely have a negative impact on program participation due to less disposable income. The federal tax credit incentive was reinstated for 2012 and 2013 at reduced levels compared to previous years, which makes it harder to justify energy efficiency improvements with longer term paybacks.

### **Residential New Construction**

The RNC program was approved in October 2012 and launched in January 2013. Since this is a new program just launched, detailed participation is not available. The program is designed to provide incentives to builders who 1) install energy efficient HVAC / water heating equipment or 2) build their homes to higher standards than code. The incentives for homes built to higher standards are based on documented Home Energy Raters (HERS) scores.

### **Energy Efficiency for Business (EEB) Program**

The Energy Efficiency for Business (EEB) program promotes energy efficient construction and retrofit in Duke Energy Progress' commercial, industrial, and governmental markets. During its fourth full year of operation, the program continues to exceed expectations and savings targets. The poor economy that had dampened customer interest in new building construction since program inception has waned spurring customer applications for new construction incentives and for technical assistance dollars, including large customers. While large customer interest has declined overall, the program continues to be sustained by strong participation from small and mid-sized commercial customers, especially from the retrofit portion of the program. Lighting continues to be the primary program impact driver for the program with customers trying to get T12 fluorescent fixtures retrofitted or replaced. Customer feedback continued to tout EEB's technical assistance incentives as a key enabler to implement efficiency projects. The vast majority of customers who have applied for technical assistance have subsequently implemented energy efficiency projects.

## **Provision (h)(1)(ii)k – Continued**

Additional MWh savings in 2012 can be attributed to greater customer knowledge of EEB, and the maturation of the program's trade ally network. Despite these positive developments, DEP has decreased its projected EEB MWh savings contribution going forward from 2013. This is based on expectations of a continued negative impact on large customer participation due to the rising DSM/EE rider and the addition of a small business direct install program. Retrofit projects with large customers in the EEB program has continued to decrease due to anticipated increases in the DSM/EE Rider. During program development, there was considerable uncertainty regarding how the rider may affect program participation over time. After three full years of program performance, DEP now has a better sense of the negative impact an increasing rider poses to EEB program.

### **Residential Load Control Program (EnergyWise<sup>SM</sup>)**

The summer program (air conditioning load control), which is available to eligible customers system-wide, has experienced a participation level for the test period that has been right at or slightly above the Company's expectations. Response rates to the direct mail campaign have averaged 1.2% for the test period. The primary form of enrollment continues to be through business reply cards, which has constituted 75% of all enrollments. The remainder of enrollments has been through inbound telephone calls at 15% and online web enrollments at 10%. The summer program was activated five times during the test period in response to system reliability alerts under General Load Reduction Plan (GLRP) and system testing.

The winter program (load control of water heating and auxiliary heat strips on central electric heat pumps) is available to DEP's Western region customers only. The program's participation levels for the test period have been below the Company's expectations. Response rate to the direct mail campaign has been fair to poor at 0.6%. Acquiring these loads even after enrollment has been a challenge since the load control switch installation requires a customer appointment to enter the home. Of all customers enrolling via the direct mail business reply card (BRC), approximately 20% either did not respond to outbound telephone calls to schedule an appointment, rescheduled multiple times, or cancelled an appointment all together. Enrollment to acquisition rate has also been diluted by a higher than expected percentage of customer equipment being in poor condition and/or in need of repair and customers who are unaware of their energy source for water and space heating. While auxiliary heat strip control was not activated during the test period, water heaters were controlled on two occasions.

## **Provision (h)(1)(ii)k – Continued**

### **CIG DR (Demand Response Automation)**

Participation in the Demand Response Automation program has been below the Company's expectations. 2 customers at 8 customer sites were enrolled in the program during the test period, accounting for approximately 2.3 MW of new contracted curtailable demand bringing the total program to approximately 15.8 MW. 79% of the contracted curtailable demand in the program thus far has been from opt-out eligible customers. The program was activated three times during the test period in response to minimum event requirements of the program tariff and system reliability alerts under the DEP General Load Reduction Plan (GLRP).

The opt-out clause, (and the associated DSM/EE rider requirement for those customers that opt-in) and the new EPA RICE NESHAP regulations for emergency generators continue to be a market barrier to customer participation.

Approximately 71% of the MW's enrolled in the program have come from customers that can backup their curtailable demand with emergency generation. The remaining committed load is straight curtailment, typically from shutdown of processes from participating industrial customers.

Over the course of the past three years, the U.S. Environmental Protection Agency (EPA) has been producing and revising rules on the use of Reciprocating Internal Combustion Engines and their inclusion in the National Emission Standards for Hazardous Air Pollutants (RICE NESHAP). These rules negatively impact customer owned emergency generators and their use in utility demand response programs. After much public comment and multiple iterations, the final RICE NESHAP rules were released on January 14, 2013.

The following is a summary of important items from this regulation relating to demand response issues:

- The use of emergency generators for utility/RTO emergency demand response programs is limited to 100 hours annually—including testing. The rule states that a customer may not have a demand response contract that would require them to operate the generators for more than 100 hours, including testing.
- Emergency curtailments are defined as those that the RTO or Load Balancing Authority has declared conditions have reached an EEA Level 2 emergency, as defined by NERC.
- Within the 100 hours of allowed emergency demand response, 50 hours of use may be dispatched by the local balancing authority or local transmission and distribution system operator to mitigate local transmission and/or distribution limitations so as to avert potential voltage collapse or line overloads that could lead to the interruption of power supply in a local area or region in accordance w/ specific conditions identified in the rule.

### **Provision (h)(1)(ii)k – *Continued***

- The use of emergency generators for peak shaving or other non-emergency economic demand response purposes will be limited to 50 hours and will not be allowed after May 3, 2014. Sources that wish to continue peak shaving or other non-emergency operation must install controls and complete an initial performance test which demonstrates compliance with non-emergency NESHAP MACT standards by May 3, 2014.
- The utility will be required to report customers with emergency generators on its demand response programs and the start and stop times of operation during the course of the year (tests as well as events). This requirement begins for calendar year 2015.
- These same rules are proposed to be added to the New Source Performance Standards so that all (new and existing) generators have the same emissions rules.

As it exists today, this EPA regulation negatively impacts the current DRA program design by disallowing program participants to reduce load using emergency standby generation as it is defined under the new RICE NESHAP language. DEP is currently investigating potential changes to DRA rider design and internal procedures in an effort to retain existing customers and increase future participation

#### **DSDR**

During the twelve month period ending March 31, 2013, DSDR was not activated except for testing. The full implementation of the DMS was extended through December 2012 in order to allow for a comprehensive validation of the system's functionality. As a result, the 2012 incremental MW estimate could not be validated during the summer peak season. The 2013 incremental estimate has therefore been modified and the realization of the total peak demand reduction capability of the DSDR program has been extended into 2014. The DSDR peak demand reduction and MWh savings estimates have been updated to reflect these changes as well as changes in the MW Optimization construction schedule and forecasted retail peak demand and energy sales.

**Rule R8-69(f)(1)(iii)g - Evaluation of event based measure during test period**

**Rule R8-69 (f) Filing Requirements and Procedure.**

(1) Each electric public utility shall submit to the Commission all of the following information and data in its application:

(iii) For each measure for which cost recovery is requested through the DSM/EE EMF rider:

g. evaluations of event-based programs including the date, weather conditions, event trigger, number of customers notified and number of customers enrolled; and

**DSDR**

During the twelve month period ending March 31, 2013, DSDR was not activated except for testing. The full potential of DSDR activations will be realized when its DMS capabilities are up and running later this year.

**Residential Load Control Program (EnergyWise™)**

The following table provides information on load control occurrences associated with DEP's EnergyWise™ program covering the twelve month period ending March 31, 2013:

Date	Weather Conditions	Event Trigger <sup>1</sup>	Control Mode	Switches Activated	Number of Customers Controlled	Number of Customers Enrolled
May-02-12	90.0° F	GLRP System Reliability Alert	AC Units	93,188	81,260	AC - 81,260
Jun-29-12	103.0° F	GLRP System Reliability Alert	AC Units	93,561	81,315	AC - 81,315
Jun-29-12	103.0° F	GLRP System Reliability Alert	Water Heaters	3,825	3,720	WH - 3,720
Jul-06-12	97.0° F	GLRP System Reliability Alert	AC Units	93,496	81,217	AC - 81,217
Jul-18-12	92.0° F	Testing	AC Units	93,817	81,386	AC - 81,386
Jul-18-12	92.0° F	Testing	Water Heaters	3,835	3,730	WH - 3,730
Jul-26-12	98.0° F	GLRP System Reliability Alert	AC Units	93,874	81,487	AC - 81,487

<sup>1</sup> GLRP - General Load Reduction Plan

**Rule R8-69(f)(1)(iii)g – Continued**

**CIG DR (Demand Response Automation)**

The following table provides information on load control occurrences associated with DEP’s CIG Demand Response Automation program covering the twelve month period ending March 31, 2013:

Date	Weather Conditions	Event Trigger <sup>1</sup>	Control Mode	Points of Delivery Controlled	Number of Customers Controlled	Number of Customers Enrolled
Jul-06-12	97.0° F	GLRP System Reliability Alert	NA	41	15	15
Jul-26-12	98.0° F	GLRP System Reliability Alert	NA	41	15	15
Aug-16-12	90.0° F	Minimum Event Requirement	NA	41	15	15

<sup>1</sup> GLRP - General Load Reduction Plan



## Rule R8-69(f)(1)(iii)h – Comparison of impact estimates

### Rule R8-69 (f) Filing Requirements and Procedure.

(1) Each electric public utility shall submit to the Commission all of the following information and data in its application:

(iii) For each measure for which cost recovery is requested through the DSM/EE EMF rider:

h. a comparison of impact estimates presented in the measure application from the previous year, those used in reporting for previous measure years, and an explanation of significant differences in the impacts reported and those previously found or used.

The Company's current impact estimate of capacity savings, estimated savings used in its previous report, and their differences, expressed in megawatts at the meter, varied by program, however, in aggregate, the forecasted summer and winter capacity reductions exceeded expectations. These items are provided in the following tables. Explanations of variances are provided in Rule R8-69(f)(1)(iii)f::

Forecasted Summer Capacity Savings from Docket No. E-2, Sub 1019 (MW)<sup>1</sup>

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Lighting Residential	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	5.4	13.2	136.0	0.4	4.9	0.6	6.2	NA	0.7	0.1	11.0	NA	2.4	0.0	180.9
2013	5.0	21.9	5.1	0.0	4.6	0.6	5.0	NA	0.7	-0.5	12.2	NA	3.6	0.0	58.4
2014	5.0	18.4	6.1	0.0	5.1	0.6	4.0	NA	0.8	0.5	12.9	NA	3.6	0.0	57.1
2015	5.0	14.9	5.5	0.0	4.6	0.6	3.0	NA	0.6	-0.6	13.6	NA	3.6	0.0	50.8

Anticipated Summer Capacity Reductions (MW)

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	2.2	23.6	106.2	0.9	5.2	0.3	9.1	7.7	0.5	2.0	12.2	0.0	0.0	0.0	169.9
2013	3.8	22.4	99.9	0.0	2.6	0.3	5.9	4.2	0.5	1.8	12.3	0.0	2.4	1.9	158.1
2014	5.0	24.0	30.1	0.0	4.3	0.2	5.8	4.7	0.9	0.5	12.9	0.0	3.6	1.6	93.6
2015	5.0	21.9	5.3	0.0	5.0	0.2	4.1	3.2	0.9	-0.6	13.7	0.0	3.6	3.4	65.7
2016	4.5	20.1	6.1	0.0	4.5	0.2	3.7	2.9	0.9	-1.9	14.4	0.0	3.6	3.7	62.7

Differences Between Previous and Updated Summer Capacity Forecasts (MW)

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	(3.2)	10.4	(29.8)	0.5	0.3	(0.3)	2.8	7.7	(0.2)	1.9	1.2	0.0	(2.4)	(0.0)	(11.1)
2013	(1.2)	0.5	94.8	0.0	(2.1)	(0.4)	0.9	4.2	(0.2)	2.4	0.1	0.0	(1.2)	1.9	99.7
2014	0.0	5.5	24.0	0.0	(0.8)	(0.4)	1.8	4.7	0.1	0.0	0.0	0.0	(0.0)	1.6	36.5
2015	0.0	7.0	(0.2)	0.0	0.4	(0.4)	1.1	3.2	0.3	0.0	0.1	0.0	(0.0)	3.4	14.9

**Rule R8-69(f)(1)(iii)h - Continued**

Forecasted Winter Capacity Values from Docket No. E-2, Sub 1002

Forecasted Winter Capacity Values from Docket No. E-2, Sub 1019 (MW)<sup>1</sup>

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	0.0	1.2	TBD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.0	0.0	1.2
2013	0.0	1.2	TBD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.0	0.0	1.2
2014	0.0	1.2	TBD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.0	0.0	1.2
2015	0.0	1.0	TBD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.0	0.0	1.0

Actual and Anticipated Winter Capacity Values

Anticipated Winter Capacity Reductions (MW)

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	1.7	1.6	TBD	1.0	2.4	0.5	12.7	5.2	0.4	2.3	5.5	0.0	0.0	0.0	33.4
2013	1.6	1.6	TBD	0.0	4.4	0.5	8.2	3.6	0.5	2.3	5.5	0.0	1.0	2.4	31.5
2014	3.3	1.4	TBD	0.0	3.0	0.4	8.0	3.3	0.8	2.1	5.7	0.0	1.5	1.9	31.5
2015	3.3	1.3	TBD	0.0	3.4	0.4	5.7	2.3	0.8	(2.6)	6.1	0.0	1.5	4.2	26.4
2016	3.0	1.2	TBD	0.0	3.1	0.4	5.2	2.1	0.8	(7.8)	6.4	0.0	1.5	4.6	20.4

Differences Between Previous and Updated Winter Capacity Values

Differences Between Previous and Updated Winter Capacity Forecasts (MW)

	CIG DR	Energy Wise™	DSDR	Res Home Advantage	Residential HEIP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	1.7	0.4	TBD	1.0	2.4	0.5	12.7	5.2	0.4	2.3	5.5	0.0	0.0	0.0	32.2
2013	1.6	0.4	TBD	0.0	4.4	0.5	8.2	3.6	0.5	2.3	5.5	0.0	1.0	2.4	30.3
2014	3.3	0.2	TBD	0.0	3.0	0.4	8.0	3.3	0.8	2.1	5.7	0.0	1.5	1.9	30.3
2015	3.3	0.3	TBD	0.0	3.4	0.4	5.7	2.3	0.8	(2.6)	6.1	0.0	1.5	4.2	25.4

<sup>1</sup> The previous update, provided in Docket No. 2012-93-E, did not recognize the categorization of PEC's Lighting Program or recognize its Solar Water Heating Pilot Program.

**Rule R8-69(f)(1)(iii)h - Continued**

The Company's current impact estimate of cumulative energy savings, estimated savings used in its previous report, expressed in megawatt hours at the meter, and their differences are provided in the following tables.

Forecasted Energy Values from Docket No. E-2, Sub 1019<sup>1</sup>

	CGDR	Energy Wise™	DSDR	Res Home Advantage	Residential HEP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	19	62	11,539	1,198	5,431	4,176	65,964	NA	6,046	594	45,180	NA	10,002	3,027	153,238
2013	90	106	19,369	0	5,507	4,176	52,771	NA	6,326	2,880	50,220	NA	15,000	5,784	156,469
2014	90	114	939	0	6,058	4,176	42,217	NA	6,642	2,880	53,004	NA	15,000	6,389	137,509
2015	90	94	821	0	5,452	4,176	31,663	NA	4,981	(3,600)	56,004	NA	15,000	6,709	121,390

Anticipated Energy Reductions (MWH)

	CGDR	Energy Wise™	DSDR	Res Home Advantage	Residential HEP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	Solar Water Heating	SMB Direct Install	Res New Const.	Total
2012	39	222	31,587	2,885	5,337	1,859	79,537	37,358	4,375	10,281	52,460	0	0	0	225,942
2013	86	409	22,102	78	4,583	1,801	51,479	24,091	4,480	10,499	52,993	0	10,098	6,892	189,592
2014	90	83	2,861	0	5,040	1,801	37,606	30,140	5,416	2,880	53,004	0	15,000	5,596	159,517
2015	90	58	840	0	4,536	1,801	37,128	17,404	4,062	(3,600)	56,004	0	15,000	6,155	139,477
2016	86	54	1,057	0	4,082	1,801	33,415	15,664	2,843	(10,800)	58,804	0	15,000	6,155	128,161

Differences Between Previous and Updated Energy Forecasts (MWH)

	CGDR	Energy Wise™	DSDR	Res Home Advantage	Residential HEP	Res Low Income	Res Lighting	Lighting Gen Service	Res Appl. Recycling	Res EE Benchmark	CIG Energy Efficiency	CFL Pilot	SMB Direct Install	Res New Const.	Total
2012	19.4	160.6	20,048.4	1,687.1	(93.1)	(2,316.7)	13,573.0	37,358.5	(1,671.0)	9,687.4	7,279.6	0.0	(10,002.0)	(3,027.4)	72,704
2013	(3.9)	302.9	2,733.9	77.9	(924.6)	(2,375.1)	(1,292.2)	24,090.7	(1,845.2)	13,378.8	2,773.4	0.0	(4,901.9)	1,108.3	33,123
2014	0.0	(30.2)	1,921.7	0.0	(1,018.4)	(2,375.1)	(4,610.7)	30,140.1	(1,226.2)	0.0	0.0	0.0	0.0	(793.6)	22,008
2015	0.0	(36.7)	19.2	0.0	(916.6)	(2,375.1)	5,464.8	17,404.0	(919.6)	0.0	0.0	0.0	0.0	(553.5)	18,087

## Rule R8-69(f)(1)(iv) – Determination of utility incentives

### Rule R8-69 (f) Filing Requirements and Procedure.

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
  - (iv) For each measure for which recovery of utility incentives is requested, a detailed explanation of the method proposed for calculating those utility incentives, the actual calculation of the proposed utility incentives, and the proposed method of providing for their recovery and true-up through the annual rider. If recovery of net lost revenues is requested, the total net lost kWh sales and net lost revenues per appropriate capacity, energy, and program unit metric and in the aggregate for the test period, and the proposed jurisdictional allocation factors, as well as any changes in estimated future amounts since last filed with the Commission.

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The Company is requesting recovery of (1) net lost revenues, and (2) program performance incentives to create future benefits based on achieved savings from Demand-Side Management (DSM) and Energy Efficiency (EE) programs. The cost recovery mechanism is based upon the Settlement Agreement as approved by the Commission in Docket No. E-2, Sub 931, and has been summarized below. The specific calculations associated with these amounts are included as a part of the Company's supporting workpapers.

#### A. Net Lost Revenues

Net lost revenues are determined by multiplying lost sales by a net lost revenue rate.

$$\text{Net Lost Revenues} = \text{Lost Sales} \times \text{Net Lost Revenue Rate}$$

Lost Sales are those sales that do not occur by virtue of employing the DSM/EE measures. These values are initially based on estimates and subsequently confirmed through the measurement and verification (M&V) process.

Net Lost Revenue Rate is the difference between the average retail rate applicable to the customer class impacted by the measure and (1) the related customer charge component of that rate, (2) the fuel component of the rate, and (3) the incremental variable O&M rate. When multiple customer classes are impacted by the DSM/EE measures, a weighted or system wide net lost revenue rate is employed. The recovery of net lost revenues applicable to a given vintage year shall be recovered through the DSM/EE rider only for the first 36 months after the installation of the measurement unit. Thereafter, recovery of Net Lost Revenues shall end. An exception to the 36-month recoupment allowance involves the Residential EE Benchmark program, which in the absence of M&V results indicating greater persistence of benefits, is limited to 12-months.

#### B. Incentive to Create Future Benefits

##### DSM and EE Program Performance Incentives (PPI)

For DSM programs, the PPI to be recovered for a given measurement unit and vintage year shall be equal to 8% of the net present value of the DSM program savings based upon the Utility Cost Test ("UCT"). For EE programs, the PPI to be recovered for a given measurement unit and vintage year shall be equal to 13% of the net present value of the EE program savings based upon the UCT. The UCT is an industry standard test, which compares the costs incurred

**Rule R8-69(f)(1)(iv) - Continued**

by a utility in offering a DSM/EE program to the benefits as measured by the costs avoided by the utility.

The PPI is converted into a stream of ten (10) levelized annual payments, accounting for and incorporating DEP's overall weighted average net-of tax rate of return approved in DEP's most recent general rate case as the appropriate discount rate. An exception to the 10-year PPI levelization involves the Residential EE Benchmark program, which in the absence of M&V results indicating greater persistence of benefits, is being recovered in a single year.

Pursuant to the Docket No. E-2, Sub 931 based Settlement Agreement, the amount of the PPI ultimately to be recovered for a given program or measure and vintage year shall be trued-up so that the PPI is based on the actual net savings derived from all measurement units specific to the program or measure.

North Carolina jurisdictional estimated lost sales quantities for the Company's system are provided in the following table. They have been segmented into the recovery periods.

Program / Measure	Sales Loss For Purposes of Lost Revenue Calculation (MWh) – North Carolina	
	Test Period (4/1/12 through 3/31/13)	Rate Period (12/1/13 through 11/30/14)
<b>Demand-Side Management Programs</b>		
CIG DR <sup>1</sup>	NA	-
EnergyWise <sup>1</sup>	NA	-
<b>Energy Efficiency Programs</b>		
DSDR Implementation <sup>1</sup>	-	-
Res Home Advantage	4,741.12	74.87
Res Home Energy Improve.	7,421.05	4,656.22
Residential Low Income-NES	7,309.27	11,311.90
Lighting (Residential)	104,024.37	72,659.5
Lighting (General Service)	49,948.04	34,128.21
Res Appliance Recycling	5,453.07	5,525.16
Residential EE Benchmark	-1,265.90	-
Solar Hot Water Heating Pilot	-	-
CIG Energy Efficiency	103,990.87	67,955.65
Small Business Energy Saver	12.14	8,238.33
Residential New Construction	3.19	3,759.36
CFL Pilot	-	-
<b>Total Reduction in Energy (kWh)</b>	<b>120,789.18</b>	<b>88,939.45</b>

<sup>1</sup> Net lost revenues for event based measures are based on actual events as opposed to estimated occurrences.

**Rule R8-69(f)(1)(iv) - Continued**

The following table provides calculated North Carolina jurisdictional utility incentives for the Company's test period (4/1/12 through 3/31/13). The PPI values encompass program results associated with program vintages 2009, 2010, 2011, and 2012.

Program / Measure	Utility Incentives (North Carolina Only) – Test Period (4/1/12 through 3/31/13)			
	Net Lost Revenue	DSM PPI	EE PPI	Total
<b>Demand-Side Management Programs</b>				
CIG DR	-	101,637	-	101,637
EnergyWise	-	2,053,249	-	2,053,249
<b>Energy Efficiency Programs</b>				
DSDR Implementation	-	-	-	-
Res Home Advantage	275,604	-	177,073	452,678
Res Home Energy Improve.	431,391	-	288,157	719,548
Residential Low Income-NES	23,967	-	-	23,967
Lighting (Residential)	6,047,010	-	1,392,988	7,439,998
Lighting (General Service)	2,331,388	-	344,015	2,675,403
Res Appliance Recycling	381,397	-	78,142	395,133
Residential EE Benchmark	-73,587	-	4,948	-68,639
Solar Hot Water Heating Pilot	-	-	-	-
CIG Energy Efficiency	4,853,907	-	2,034,581	6,888,488
Small Business Energy Saver	566	-	-	566
Residential New Construction	185	-	-	185
CFL Pilot	-	-	-	-
<b>Total Utility Incentives Including Net Lost Revenue</b>	<b>14,207,422</b>	<b>2,154,885</b>	<b>4,319,905</b>	<b>20,682,212</b>

The following table provides calculated North Carolina jurisdictional utility incentives for the Company's rate period (12/1/13 through 11/30/14). The PPI values encompass program results associated with program vintages 2009, 2010, 2011, 2012, and estimates for 2013.

Program / Measure	Utility Incentives (North Carolina Only) – Rate Period (12/1/13 through 11/30/14)			
	Net Lost Revenue	DSM PPI	EE PPI	Total
<b>Demand-Side Management Programs</b>				
CIG DR	-	116,080	-	116,080
EnergyWise	-	2,228,045	-	2,228,045
<b>Energy Efficiency Programs</b>				
DSDR Implementation	-	-	-	-
Res Home Advantage	4,395	-	177,267	181,662
Res Home Energy Improve.	273,331	-	297,055	570,386
Residential Low Income-NES	132,922	-	-	132,922
Lighting (Residential)	4,265,280	-	1,668,411	5,933,691
Lighting (General Service)	1,609,621	-	426,363	2,035,984
Res Appliance Recycling	324,340	-	92,877	417,217
Residential EE Benchmark	-	-	13,118	13,118
Solar Hot Water Heating Pilot	-	-	-	-
CIG Energy Efficiency	3,205,056	-	2,559,574	5,764,630
Small Business Energy Saver	388,552	-	48,518	437,070
Residential New Construction	220,683	-	8,917	229,600
CFL Pilot	-	-	-	-
<b>Total Utility Incentives Including Net Lost Revenue</b>	<b>10,424,180</b>	<b>2,344,125</b>	<b>5,292,100</b>	<b>18,060,405</b>

**Rule R8-69(f)(1)(iv) – Continued**

The Company's proposed jurisdictional allocation factors for the test period, April 1, 2012 through March 31, 2013, and for the rate period, December 1, 2013 through November 30, 2014 are provided in attached Appendix C.

**Rule R8-69(f)(1)(v) – Actual revenue from DSM/EE and DSM/EE EMF riders**

**Rule R8-69 (f) Filing Requirements and Procedure.**

(1) Each electric public utility shall submit to the Commission all of the following information and data in its application:

(v) Actual revenues produced by the DSM/EE rider and the DSM/EE EMF rider established by the Commission during the test period and for all available months immediately preceding the rate period.

The following table provides DSM/ EE revenues billed from April 1, 2012 through March 31, 2013.

	DSM/EE Rider	DSM/EE EMF Rider	Total from Riders
Residential DSM/EE Recoveries	\$ 45,857,386	\$ 1,239,937	\$ 47,097,323
General Service	\$ 44,503,891	\$ 2,685,695	\$ 47,189,586
Less: Opt-Out Credits	\$ 23,047,694	\$ 1,312,724	\$ 24,360,418
General Service DSM/EE Recoveries	\$ 21,456,197	\$ 1,372,971	\$ 22,829,168
Lighting	\$ 449,757	\$ (40,004)	\$ 409,753
Less: Opt-Out Credits	\$ 13,675	\$ (1,214)	\$ 12,461
Lighting DSM/EE Recoveries	\$ 436,082	\$ (38,790)	\$ 397,292
<b>Total DSM/EE Recoveries</b>	<b>\$ 67,749,664</b>	<b>\$ 2,574,118</b>	<b>\$ 70,323,783</b>

The following table provides actual and estimated DSM/EE revenues for the period April 1, 2013 through July 31, 2013.

	DSM/EE Rider	DSM/EE EMF Rider	Total from Riders
Residential DSM/EE Recoveries	\$ 16,817,912	\$ 656,513	\$ 17,474,425
General Service	\$ 20,395,767	\$ 3,584,630	\$ 23,980,397
Less: Opt-Out Credits	\$ 10,670,182	\$ 1,801,446	12,471,628
General Service DSM/EE Recoveries	\$ 9,725,584	\$ 1,783,184	\$ 11,508,769
Lighting	\$ 178,121	\$ (13,786)	\$ 164,335
Less: Opt-Out Credits	\$ 5,035	\$ (386)	\$ 4,649
Lighting DSM/EE Recoveries	\$ 173,086	\$ (13,401)	\$ 159,686
<b>Total DSM/EE Recoveries</b>	<b>\$ 26,716,582</b>	<b>\$2,426,297</b>	<b>\$ 29,142,879</b>



**Rule R8-69(f)(1)(vi) – Proposed DSM/EE and DSM/EE EMF riders**

**Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
  - (vi) The requested DSM/EE rider and DSM/EE EMF rider and the basis for their determination.

Detailed information regarding the determination of the DSM/EE and DSM/EE EMF factors has been provided as a part of the attached testimony of Robert P. Evans. The following table provides a summary of the Company’s requested DSM/EE rates exclusive of gross receipts taxes (GRT) and North Carolina Regulatory Fees.

Rate Class	DSM /EE Rate	DSM /EE EMF	DSM/EE Annual Rider
Residential	0.313¢/kWh	-0.018¢/kWh	0.295¢/kWh
General Service	0.259¢/kWh	0.013¢/kWh	0.272¢/kWh
Lighting	0.110¢/kWh	-0.006¢/kWh	0.104¢/kWh

The following table provides a summary of the Company’s requested DSM/EE rates including both GRT and North Carolina Regulatory Fees.

Rate Class	DSM /EE Rate	DSM /EE EMF	DSM/EE Annual Rider
Residential	0.324¢/kWh	-0.019¢/kWh	0.305¢/kWh
General Service	0.268¢/kWh	0.013¢/kWh	0.281¢/kWh
Lighting	0.114¢/kWh	-0.006¢/kWh	0.108¢/kWh

**Rule R8-69(f)(1)(vii) – Projected NC retail sales for customers opting out of measures**

**Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
  - (vii) Projected North Carolina retail monthly kWh sales for the rate period for all industrial and large commercial accounts, in the aggregate, that are not assessed the rider charges as provided in this rule.

Based on the current proportion of General Service sales associated customers who have “opted-out” of participation in DEP’s DSM/EE programs, DEP estimates that 11,187,663,381 kWh will not be subject to billing under its rider for the twelve month period ending November 30, 2014. A similar analysis estimated that there is another 13,525,446 kWh, associated with the lighting accounts of commercial and industrial customers who have elected to “opt-out”, that would not be subject to billing under the rider. The following table provides the Company’s estimate of North Carolina retail monthly kWh sales in the aggregate, that will not be assessed DSM/EE rider charges.

Estimated “Opt-Out” Sales from with Industrial, Large Commercial & Lighting Customers

Month	Estimated kWh
Dec-13	842,579,404
Jan-14	903,169,124
Feb-14	858,382,130
Mar-14	786,581,218
Apr-14	941,328,982
May-14	931,487,316
Jun-14	910,822,797
Jul-14	1,083,137,685
Aug-14	1,056,383,409
Sep-14	969,410,070
Oct-14	1,011,493,118
Nov-14	906,413,584
Total	11,201,188,837

## **Rule R8-69(f)(1)(viii) – Supporting work papers**

### **Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall submit to the Commission all of the following information and data in its application:
    - (viii) All work papers supporting the calculations and adjustments described above
- 

Workpapers and supporting documents are provided in Appendix F.

## **Rule R8-69(f)(2) – Work papers and testimony**

### **Rule R8-69 (f) Filing Requirements and Procedure.**

- (1) Each electric public utility shall file the information required under this rule, accompanied by work papers and direct testimony and exhibits of expert witnesses supporting the information filed in this proceeding, and any change in rates proposed by the electric utility, by the date specified in subdivision (e)(2) of this rule. An electric public utility may request a rider lower than that to which its filed information suggests that it is entitled.
- 

Work papers and supporting documents are attached to this document along with the testimony and exhibits of Robert P. Evans providing details associated with the development of the Company's proposed DSM/EE rates and information requested by the Commission in its November 27, 2012 Order in Docket Number E-2, Sub 1019 and its March 30, 2013 Order in Docket No. E-2, Sub 1023.

### Appendix A: Non-Participating Customers

Non-Participant	Non-Participating Accounts
3 M COMPANY INC	4
3141 PROPERTIES LLC	1
333 VENTURES LLC C/O RDC PROP	2
3700 GLENWOOD LLC	1
A STUCKI COMPANY	1
ACME-MCCRARY CORP	5
AG PROVISION LCC	3
AIMET TECHNOLOGIES INC	1
AJINOMOTO USA INC	3
ALAMAC AMERICAN KNITS LLC	2
ALLEN CANNING CO	2
ALLEN HARIM FARMS LLC	1
ALLEN IND & WELDING SUPPLY LLC	1
ALOTECH INC	3
ALPLA INC	1
AMC INC	5
AMCOR FLEXIBLES INC	1
AMCOR PHARMACEUTICAL PACKAGING	2
AMERICAN EUROPEAN LLC	1
AMERICAN GROWLER INC	2
AMERICAN SKIN COMPANY INC	1
AMISUB OF NORTH CAROLINA INC	1
AMT/BCU INC	5
ANGUS BARN LTD	6
ANGUS FIRE ARMOUR CORP	2
ANSON COMMUNITY HOSPITAL	4
ANSON MACHINE WORKS	4
APAC TENNESSEE INC	3
APEX TOOL GROUP LLC	1
ARAUCO PANELS USA LLC	4
ARCADIA DAIRY FARMS INC	2
ARCHER DANIELS MIDLAND CO	1
ARCLIN USA INC	1
ARDEN CORPORATION	4
ARI RALEIGH CAPITOL CTR LLC	2
ARVATO DIGITAL SERVICES LLC	3
ASHEBORO CITY OF	3
ASHEBORO ELASTICS CORP	3
ASHEVILLE BUNCOMBE TECH	2
ASHEVILLE CITY OF	3
ASHEVILLE DYING AND FINISHING	2
ASHEVILLE EYE ASSOCIATES PLLC	1
ASHEVILLE REGIONAL AIRPORT	1
AT & T MOBILITY	3

Non-Participant	Non-Participating Accounts
ATEX TECHNOLOGIES INC	2
ATLANTIC CORP OF WILM INC	13
ATRIUM @ BLUE RIDGE LLC	1
AUSTIN QUALITY FOODS INC	3
AUTUMN CARE OF MYRTLE GROVE	1
B V HEDRICK GRAVEL & SAND CO	2
BALCRANK CORPORATION	2
BARHAM FARMS INC	1
BARNHARDT MFG CO	1
BARTLETT MILLING CO	2
BB&T	2
BELK INC	8
BELLSOUTH TELECOMMUNICATIONS	10
BERKELEY MALL LLC	4
BEST BUY STORES LP	3
BI-LO LLC	3
BILTMORE BAPTIST CHURCH	1
BILTMORE FARMS HOTEL GRP LLC	4
BILTMORE FOREST CNTRY CLUB INC	5
BJ'S WHOLESALE CLUB INC	8
BJT, INC	1
BLACK MTN CENTER	6
BLUE RIDGE PAPER PRODUCTS INC	31
BONSAL AMERICAN INC	1
BORG WARNER TURBO SYSTEMS INC	2
BORGWARNER THERMAL SYSTEMS INC	1
BP SOLUTIONS GROUP INC	2
BRH ASSOCIATES LP	3
BRM PARTNERS II LLC	1
BRM PARTNERS LLC	1
BROMLEY PLASTICS CORPORATION	1
BROOKS HOWELL RETIREMENT HOME	3
BSH HOME APPLIANCES	6
BURCAM CAPITAL II LLC	1
BURLINGTON INDUSTRIES LLC	2
BUTLER MFG CO	5
CAMP DAVIS INDUSTRIAL PARK INC	7
CAMPBELL SOUP SUPPLY CO LLC	4
CAMPBELL UNIVERSITY	41
CAN AM SOUTH LLC	2
CAPE FEAR ACADEMY	3
CAPE FEAR COUNTRY CLUB	8
CAPE FEAR MEM HOSP INC	2
CAPE FEAR PUBLIC UTILITY AUTH	5

**Appendix A – Continued**

Non-Participant	Non-Participating Accounts
CAPEL INC	6
CAPELSIE MILLS INC	1
CAPITAL ASSOCIATES	11
CAPITAL BROADCASTING CO	4
CAPITOL FUNDS INC	6
CARGILL INC	2
CARMIKE CINEMA INC	2
CAROLINA APPAREL GROUP INC	1
CAROLINA BEACH TOWN OF	1
CAROLINA COUNTRY CLUB	3
CAROLINA CRATE & PALLET INC	3
CAROLINA CUSTOM FINISHING LLC	1
CAROLINA EGG CO INC	1
CAROLINA ELECTRONIC ASSEMBLERS	1
CAROLINA GROWLER	1
CARQUEST OF SRONCE	2
CARTERET CO BD OF ED	32
CARTERET GENERAL HOSPITAL	2
CARY TOWN OF	12
CASCADES MOULDED PULP	1
CASCADES TISSUE GROUP NC INC	5
CASE FARMS	8
CATALENT PHARMA SOLUTIONS LLC	17
CATERPILLAR INC	6
CERTAINTED INC	1
CHATHAM CO	1
CHATHAM HOSPITAL INC	3
CHERRY HOSPITAL	40
CITY OF HENDERSON	2
CITY OF RALEIGH PARKS REC DEPT	10
CLIENT LOGIC INC	1
CLIFFORD W ESTES CO INC	3
CLINTON CITY OF	3
CLOSURE MEDICAL CORPORATION	1
CLOVERLEAF COLD STORAGE CO	1
CMC CORPORATION	6
CMS FOOD SOLUTIONS INC	1
COASTAL CAR COMM COLL CLASS RM	4
COASTAL CAR COMM COLL RES BLD	1
COASTAL CAROLINA COMM COLLA	2
COASTAL CAROLINA COMM COLLEGE	5
COASTAL CAROLINA COMM COLLEGE	2
COASTAL FEDERAL CREDIT UNION	1
COBB VANTRESS INC	1

Non-Participant	Non-Participating Accounts
COKER FEED MILL INC	1
COLBOND INC	1
COLUMBUS COUNTY SCHOOLS	12
COLUMBUS CTY BD	1
COLUMBUS REG HEALTHCARE SYSTEM	3
COMMUNICATIONS INSTRUMENTS INC	2
COMPUTER DESIGN INC	1
CONESTOGA WOOD SPECIALTIES	2
CONOPCO INC	5
CONSOLIDATED METCO INC	1
CONTAINER SYSTEMS INC	7
CONTRACT STEEL SALES INC	1
CONVEYOR TECHNOLOGIES OF SANFO	5
CONWOOD COMPANY LP	5
COOPER INDUSTRIES INC	1
COOPER-STANDARD AUTOMOTIVE INC	2
CORNELIA NIXON DAVIS INC	4
CORNELIA NIXON DAVIS NURSING	1
CORNING INC	2
CORTEK	4
COSTCO	4
COTY US LLC	5
COUNCIL TOOL CO INC	4
COUNTRY CLUB OF LANDFALL	18
COUNTY OF WAYNE	1
COURTYARD BY MARRIOTT	3
CPI USA NORTH CAROLINA LLC	1
CRABTREE PARTNERS LLC	1
CRAVEN CO BD OF ED	17
CRAWFORD KNITTING INC	1
CROP PRODUCTION SERVICES INC	1
CROWN-RALEIGH I LLC	1
CROWN-RALEIGH II LLC	1
CSX TRANSPORTATION	2
DAK AMERICAS LLC	7
DALIAH PLASTICS CORP	4
DAY INTERNATIONAL INC	2
DCI INC	2
DENNISON, WYNDHAM V	1
DEVIL DOG MFG CO INC	3
DEWEY DEVELOPMENT INC	3
DIXIE PIPELINE COMPANY	4
DUKE REALTY CORP	14
DUKE REALTY CORPORATION	1

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Appendix A - Continued

Non-Participant	Non-Participating Accounts
DUNN CITY OF	2
DUPLIN GENERAL HOSP	1
DUPONT E I DE NEMRS	6
DUPONT E I DENEMOURS & CO INC	1
DUPONT TEJIN FILMS U.S.L.P.	1
DYNAPAR CORP	1
E I DUPONT-KINSTON SITE-SORONA	1
EARTH FARE	3
EATON CORPORATION	6
EDWARDS WOOD PRODUCTS INC	6
ELASTIC THERAPY INC	3
ELECTRO SWITCH CORPORATION	1
ELEMENTIS CHROMIUM INC	4
ELKAY SOUTHERN PLANT 2	1
ELKINS SAWMILL INC	3
EMBARQ MID-ATLANTIC MGMNT SVC	3
EMCO WHEAT INC	1
ENERGIZER BATTERY MANUFACTURIN	1
ENTERCO LLC	1
ERICO INC	6
EVERGREEN PACKAGING INC	4
EXPRESS FOOD GROUP LLC	1
F6 TRINITY LLC	1
FACTORY ICE HOUSE	3
FAIRVIEW HOMES	1
FALLING CREEK FOODS INC	1
FAYETTEVILLE TECH COMM COLL	2
FCC (NC) LLC	5
FENNER DRIVES	1
FEX STRAW MANUFACTURING	1
FIRST BAPTIST CH OF ASHE INC	1
FIRST CITIZENS BANK	1
FIRST CITIZENS BANK & TRUST CO	5
FIRSTHEALTH OF THE CAROLI INC	1
FIRSTHEALTH OF THE CAROLINAS	4
FLOCO FOODS INC	2
FOOD LION LLC	158
FOUNTAIN POWER BOATS INC	5
FOUR SEASONS MGMT SVCS INC	2
FOUR SEASONS MNGMT SVCS INC	6
FRANKLIN BAKING COMPANY LLC	7
FRANKLIN COUNTY SCHOOLS	5
FRESH BUY INC	1
FUJIFILM DIOSYNTH BIOTEC USA	2

Non-Participant	Non-Participating Accounts
FURNITURE FAIR INC	3
GALE FORCE SPORTS & ENTERTAIN	13
GENERAL ELECTRIC CO	3
GENERAL INDUSTRIES INC	5
GENERAL PARTS INC	1
GENERAL SHALE BRICK INC	8
GENERAL TIMBER INC	4
GEORGIA PACIFIC CORP	7
GEORGIA PACIFIC WOOD PROD LLC	1
GIBRALTAR PACKAGING GROUP INC	4
GIVENS ESTATES INC	13
GLAXOSMITHKLINE	6
GLEN RAVEN MILLS INC	1
GLENWOOD PLACE VENTURES LLC	1
GOLDSBORO CITY OF	2
GOLDSBORO HOUSING AUTHORITY	1
GOLDSBORO MILLING CO	14
GPI HOTEL OPERATING CO INC	20
GRANITE FALLS SWIM/ATHL CLUB	2
GREDE II LLC	3
GREDE MACHINING LLC	5
GREENE GIN & COTTON CO	1
GRIFOLS THERAPEUTICS INC	16
GUILFORD MILLS INC	1
H & H FURNITURE MFG INC	3
HALIFAX MEDIA HOLDINGS LLC	4
HANESBRANDS INC	2
HANSON AGGREGATES SE LLC	33
HANSON BRICK EAST LLC	1
HAPPY JACK INC	1
HARDEN ROAD ASSOCIATES	1
HARGER LIGHTNING & GROUNDING	1
HARNETT CO BD OF ED	26
HARRIS PRINTING CO INC	3
HARRIS TEETER INC	33
HASTY PLYWOOD CO	3
HAYWOOD COUNTY LOCAL GOV	1
HAYWOOD REGIONAL MEDICAL CNTR	6
HD CAPITAL CENTER LLC	1
HEALTHCARE PROPERTY GROUP LLC	1
HI-CONE DIV ITW INC	1
HIGHWOODS JOINT VENTURE	1
HIGHWOODS PROPERTIES	7
HIGHWOODS PROPERTIES INC	6

Appendix A - Continued

Non-Participant	Non-Participating Accounts
HIGHWOODS REALTY LP	15
HIGHWOODS REALTY LTD	1
HOME DEPOT USA INC	13
HONEYWELL INC	1
HORNWOOD INC	4
HOUSE OF RAEFORD FARMS INC	9
HULSING HOTELS INC	14
IAC TROY LLC	1
INGLES MARKETS INC	34
INN ON BILTMORE ESTATE INC	1
INTERCONTINENT FUND 3 REG LLC	2
INTERNATIONAL BROADCAST BUREAU	1
INTERNATIONAL PAPER CO	7
INTERNATIONAL TRAY PADS & PKG	1
INVISTA S A R L	6
J & D WOOD INC	3
J P TAYLOR COMPANY LLC	4
J&J SNACK FOODS HANDHELDS CORP	2
JACOB HOLM IND AMERICA INC	1
JOHN DEERE TURF CARE INC	2
JOHN Q HAMMONS HOTELS INC	1
JOHNSON, DIANE	1
JOHNSTON CO BOARD OF EDUCATION	4
JOHNSTON CO PUBLIC UTILITIES	1
JOHNSTON MEM HOSPITAL AUTH	1
JORDAN LUMBER & SUPPLY INC.	14
JOVC FOOD CORP INC	1
K MART CORP	13
KAYSER ROTH HOSIERY INC	4
KENNAMETAL INC	2
KENNEDY HOME EASTERN	1
KIMLEY HORN & ASSOC INC	1
KLAUSSNER FURN IND INC	26
KORDSA INC	3
KROGER COMPANY	10
LAKE JUNALUSKA ASSEMBLY INC	2
LANCER INC	4
LEE BRICK & TILE CO D/I/P	7
LEE COUNTY COURT HOUSE	1
LEE IRON & METAL CO	5
LENOVO INTERNATIONAL	2
LIBERTY HEALTHCARE SERVICES	1
LICHTIN/WADE LLC	3
LINCOLN HOMES HSING PROJ	1

Non-Participant	Non-Participating Accounts
LOCAL GOVERNMENT FED CREDIT UN	1
LOUISE WELLS CAMERON ART MUSEU	4
LOUISIANA PACIFIC CORP	1
LOWES COMPANIES INC	22
LOWES FOOD STORES INC	31
LOXCREEEN CO INC	1
M ADLER'S SON, INC	2
MAGNETTI MARELLI USA INC	4
MALLINCKRODT INC	13
MANHATTEN AMERICAN	1
MARTIN MARIETTA MATERIALS INC	65
MARTIN, PHILLIP L	1
MATTHEWS & MATTHEWS INC	1
MAYVIEW CONVALESCENT HOME	1
MCDOWELL LUMBER CO INC	11
MCGILL ENVIRONMENTAL SYS OF NC	1
MCMURRAY FABRICS INC	7
MEADWESTVACO CORPORATION	1
MEASUREMENTS GROUP INC	4
MEDICAL ACTION INDUSTRIES INC	1
MEDICAL SPEC INC	1
MEMORIAL MISSION HOSPITAL INC	1
MEREDITH COLLEGE	6
MERTEK SOLUTIONS INC	1
MESTEK INC	3
METAL & MATERIALS PROCSNG LLC	1
METAL-CAD & STEEL FRAMING	1
METCHEM, LLC	1
METHODIST UNIVERSITY	40
METROPOLITAN SEWAGE DISTRICT	5
MINE SAFETY APPL CO INC	1
MISSION HEALTH INC	15
MISSION ST JOSEPH HEALTH SYS	3
MISSION ST JOSEPH HOSPITAL	1
MITCHELL CO BD OF ED	3
MMIC-TL INC PARTNERS LLC	1
MOEN INC	3
MONCURE PLYWOOD LLC	6
MONTGOMERY MEMORIAL HOSP INC	1
MOORE COUNTY SCHOOLS	13
MOORE MACHINE COMPANY	5
MOUNTAIN PRODUCTS BRIDGEWE LLC	1
MOUNTAIRE FARMS INC	21
MT OLIVE PICKLE CO	12



**Appendix A – Continued**

Non-Participant	Non-Participating Accounts
MURPHY BROWN LLC	1
N C TELEVISION INC	1
NASH BRICK CO INC	2
NASH COMMUNITY COLLEGE	8
NASH COUNTY	1
NASH COUNTY MANAGERS OFFICE	1
NASH ROCKY MOUNT BD OF ED	16
NATIONAL SPINNING CO	4
NATIONAL WIPER ALLIANCE INC	2
NATURES EARTH PELLETS INC LLC	3
NC FARM BUREAU FEDERATION	1
NC STATE FAIRGROUNDS	1
NC STATE UNIVERSITY	95
NC WILDLIFE COMMISSION	1
NEW HANOVER CO BD OF ED	17
NEW HANOVER REGIONAL MED CTR	7
NEXANS INC	3
NG PURVIS FARMS INC	3
NOF INC	1
NOMACO INC	3
NOMACORC LLC	3
NORCRAFT COMPANIES LP	2
NORTH CAROLINA MFG CO INC	1
NOVARTIS VACCINES & DIAGNOSTIC	1
NOVOZYMES NORTH AMERICA INC	6
NYPRO ASHEVILLE INC	1
OLIVER RUBBER COMPANY	2
OMNI SYSTEMS INC	2
ONSLow CO BD OF EDUC	4
ORTHOWILMINGTON PA	1
OUTLET BROADCASTING INC	1
P G & C INC	2
PALM PARK INC	1
PARADIGM ANALYTICAL	1
PARK N SHOP FOOD MART INC	2
PARK PLACE 16 CINEMAS	1
PARKDALE AMERICA LLC	2
PCS PHOSPHATE CO INC	1
PENDER MEMORIAL HOSPITAL INC	6
PENTAIR WATER POOL AND SPA INC	9
PEPSI BOTTLING VENTURES LLC	3
PEPSI COLA BOTTLING CO	1
PEPSI COLA OF WILMINGTON	2
PERDUE FARMS INC	24

Non-Participant	Non-Participating Accounts
PERFORMANCE FIBERS INC	4
PERGO LLC	4
PERSON CO BD OF ED	2
PETROLEUM TANK CO	2
PFIZER INC	9
PFRS GLENWOOD PLAZA CORP	1
PH HS LLC	1
PHOENIX LTD PARTNERSHIP	1
PIEDMONT NATURAL GAS	2
PILKINGTON	1
PINEHURST LLC	92
PIONEER HI BRED INC	1
PLANTATION VILLAGE INC	11
PLASTEK IND INC (PA) NC	3
PLASTICARD PRODUCTS INC	1
POLYMER GROUP INC	3
PORT CITY COMMUNITY CHURCH	3
POWERBOSS INC	3
PRAXAIR INC	2
PRC NC LLC	2
PREMIERE FIBERS INC	4
PRESTAGE FARMS INC	36
PRESTIGE FABRICATORS INC	3
PRESTON TAYLOR FOOD INC	1
PRINTLOGIC LLC	2
PRO PALLET SOUTH INC	1
PSNC ENERGY	1
PUBLIC SCHOOLS OF ROBESON CO	1
QUALCOMM INC	1
QUALITY TEXTILE SERVICES INC	1
QUALPAK LLC	3
RAEFORD CITY OF	1
RAILROAD FRICTION PRODUCT CORP	3
RALEIGH CITY OF	9
RALEIGH FITNESS & WELLNESS	1
RALEIGH HOUSING AUTHORITY	2
RALEIGH PORTFOLIO NW LLC	1
RAMTEX INC	2
RAVEN ANTENNA SYSTEMS INC	1
RDU AIRPORT AUTHORITY	8
RDU CENTER PARTNERS LLC	1
RED HAT INC	1
REGENCY HEALTH SERVICES	1
REGENCY PARK CORPORATION INC	2

**Appendix A – Continued**

Non-Participant	Non-Participating Accounts
REGENCY PARK OFFICE DEV LLC	2
REGENCY PARKWAY CORP	1
RELIANCE ELECTRIC CO	1
RESINART EAST INC	1
REVLON CONSUMER PRODUCTS CORP	3
REX HEALTH CARE INC	13
REX MOB PARTNERS LLC	1
RICHMOND COUNTY	1
RICHMOND COUNTY BOARD OF COMM	2
RICHMOND COUNTY SCHOOLS	1
RICHMOND SPECIALTY YARNS LLC	2
RIDGECREST CONFERENCE CENTER	53
ROBESON COUNTY DSS	1
ROCKINGHAM CITY OF	1
RODECO CO	2
ROSTRA PRECISION CT INC	2
ROYAL TEXTILE MILLS INC	1
RUBY'S PROPERTIES II LLC	1
RUSH FITNESS CORP	2
S B SMITH & SON INC	2
S T WOOTEN CORPORATION	18
SAIDEN TECHNOLOGIES INC	1
SAINT GOBAIN CONTAINERS	4
SAMPSON REGIONAL MEDICAL CTR	3
SANDHILLS COMM COLLEGE	9
SANDHILLS REGIONAL MEDICAL CTR	2
SANFORD CITY OF	1
SANFORD LEE CO BD OF ED	3
SANFORD MILLING CO	2
SAPONA MFG CO INC	2
SAS INSTITUTE INC	26
SAVER GROUP INC	1
SCOTLAND CO BD OF ED	4
SCOTLAND CONTAINER INC	2
SCOTLAND MANUFACTURING	1
SEALED AIR CORP	4
SEARS ROEBUCK & CO	5
SENTRY FURNITURE LLC	1
SEPERATION TECHNOLOGIES LLC	2
SILER CITY TOWN OF	2
SILVER LINE PLASTICS CORP	11
SINCLAIR BROADCAST GROUP INC	1
SKYLAND BEER DIST	3
SMITH S B & SON INC	4

Non-Participant	Non-Participating Accounts
SMITHFIELD PACKING COMPANY	4
SNUG HARBOR MANAGEMENT LLC	1
SONA BLW PRECISION FORGE INC	3
SONOCO PRODUCTS CO	1
SOUTHCO INC OF NC	1
SOUTHEASTERN REGIONAL MED CTR	4
SOUTHERN BAG CORP	1
SOUTHERN FABRICATORS INC	4
SOUTHERN PINES TOWN OF	2
SOUTHERN PRODUCE DIST INC	8
SOUTHERN PRODUCTS & SILICA CO	6
SOUTHERN STATES CHEMICAL INC	3
SPANSET INC	1
SPUNTECH INDUSTRIES INC	1
SPX FLOW TECHNOLOGY SYSTEMS	1
ST ANDREWS PRESBYTERIAN COLL	1
STALEY FABRICATORS INC	2
STAN JOHNSON & ASSOCIATES LLC	2
STARPET INC	5
STATIC CONTROL COMP INC	14
STEEL & PIPE CORP	2
SUN LIFE ASSURANCE CO OF CANAD	1
SUNBRIDGE CARE & REHAB	1
SUNRISE OF RALEIGH INC	1
SUNRISE SENIOR LIVING	1
SUPERIOR MODULAR PRODUCT INC	1
SUPERIOR PLASTICS EXTRUSION	1
SUPERTEX, INC	4
SURGERY CENTER OF PINEHURST	1
SURTRONICS	2
SYNTHON PHARMACEUTICALS INC	1
SYRACUSE PLASTIC OF NC INC	1
TARGET STORES	15
TEKELEC INC	2
THE BILTMORE COMPANY	2
THE CHEESECAKE FACTORY	1
THE COUNTRY CLUB OF NC INC	1
THE FELDSPAR CORPORATION	8
THE FRESH MARKET INC	2
THE HARRELSON BUILDING INC	1
THE HOTEL GROUP INC	1
THE QUARTZ CORP USA	9
THEO DAVIS SONS INC	1
THERAFIRM COMPRESSION PRODUCTS	1

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Appendix A - Continued

Non-Participant	Non-Participating Accounts
THIRD & GRACE LLC	2
TIPPER TIE INC	3
TOP TOBACCO LP	2
TOWER ASSOCIATES INC	3
TOWN SQUARE WEST LLC	8
TRAM LUMBER LLC	3
TRAMWAY VENEERS INC	1
TRANS CAROLINA PRODUCTS LLC	1
TREEHOUSE FOODS INC	6
TRIANGLE AQUATIC CENTER	1
TRIANGLE BRICK CO	6
TRINITY MANUFACTURING INC	5
TROY LUMBER CO	13
TROY POLYMER INC	1
TSO FAYETTEVILLE LLC	2
TURN BULL LUMBER COMPANY	1
TYCO ELECTRONICS	1
TYSON FOODS INC	3
U N C W	7
U S REIF 4700 FALLS NC LLC	1
UCHIYAMA AMERICA INC	3
UMICORE AUTOCATALYST RECYCLING	1
UMICORE USA INC	1
UNC AT ASHEVILLE	1
UNC PUBLIC TV OF NC	1
UNILIN US MDF	3
UNIMIN CORPORATION	48
UNISON ENGINE COMPONENTS INC	4
UNITED STATES COLD STORAGE INC	3
UNIVERSAL LEAF NORTH AMERICA	1
UNIVERSITY OF NC AT PEMBROKE	1
UNIVERSITY RESEARCH UNIT	1
US ARMY FORT BRAGG	3
US DEPT OF AIR FORCE	1
US FLUE CURED TOBACCO GROWERS	1
US MARINE CORP	1
US MARINE CORPS	1
US POST OFFICE	2
US VETERANS ADMIN HOSPITAL	3
USS NC BATTLESHIP COMM	3
UWHARRIE LUMBER CO	3
VALLEY PROTEINS INC	11
VANCE CO COURTHOUSE	1

Non-Participant	Non-Participating Accounts
VENTURE CENTER LLC	4
VONDREHLE CORP	6
VULCAN CONST MATERIALS LP	26
W N WILDER INC	1
WADESBORO IGA FOODLINER INC	1
WAKE CO HOSP SYSTEM INC	3
WAKE COUNTY BOARD OF EDUCATION	213
WAKE COUNTY GENERAL SERVICES	16
WAKE STONE CORP	18
WAKEMED PROPERTY SERVICES	2
WAL MART PDC #6091	4
WALMART STORES INC	57
WARP TECHNOLOGIES INC	1
WARREN CO BD OF ED	5
WASTE MANAGEMENT INC	1
WAYNE CO PUBLIC SCHOOLS	2
WAYNE COMMUNITY COLLEGE	1
WAYNE COUNTY	5
WAYNE MEMORIAL HOSPITAL INC	12
WAYNESVILLE TOWN OF	1
WEIL, DAVID	1
WELLS FARGO BANK NA	3
WELSH PAPER COMPANY	2
WEST CRAVEN HIGH SCHOOL	4
WEST CRAVEN MIDDLE SCHOOL	2
WEST FRASER INC	5
WESTFIELD INDEPENDENCE MALL LP	7
WEYERHAEUSER CO	7
WILLIAM BARNET & SON INC	5
WILMINGTON HOTEL ASSOC CORP	2
WILMINGTON INTL AIRPORT	2
WILMINGTON MACHINERY INC	1
WILSONART INTERNATIONAL	3
WINDSTREAM HOSTED SOLUTION LLC	3
WLT MATTHEWS INC	1
WNCN TV 17	1
WRDC LLC	1
WRIGHT MACHINE SHOP	1
WRIGHT, BRYAN	3
YALE INDUSTRIAL PRODUCTS INC	1
YMCA OF WESTERN NORTH CAROLINA	2
YMCA OF WILMINGTON INC	3

## Appendix B: Program Participants Changing Opt-Out Status

Food Lion (Store 1406)  
Food Lion (Store 2116)  
Food Lion (Store 2556)  
Food Lion (Store 2628)  
Food Lion (Store 2629VC)  
Food Lion (Store 909)  
Harris Teeter Inc (Store 162)  
NATIONAL SPINNING CO  
NOF INC  
NOF INC

## Appendix C: Allocation Factors

Allocation Factors Applicable to Test and Prospective Periods:

Program / Measure - (April 2012)	North Carolina
<b>Demand-Side Management (DSM)</b>	
CIG DR	86.49%
EnergyWise™	86.49%
<b>Energy Efficiency Programs (EE)</b>	
DSDR Implementation	85.53%
Res Home Advantage	85.53%
Res Home Energy Improve.	85.53%
Residential Low Income-NES	85.53%
CIG Energy Efficiency	85.53%
Solar Hot Water Heating Pilot	85.53%
Lighting (Residential)	85.53%
Lighting (General Service)	85.53%
Res Appliance Recycling	85.53%
Residential EE Benchmarking	85.53%
Small Business Energy Saver	85.53%
Residential New Construction	85.53%

**Appendix C – Continued**

Allocation Factors Applicable to Test and Prospective Periods:

Program / Measure - (May 2012 through April 2013)	North Carolina
<b>Demand-Side Management (DSM)</b>	
CIG DR	86.63%
EnergyWise™	86.63%
<b>Energy Efficiency Programs (EE)</b>	
DSDR Implementation	85.92%
Res Home Advantage	85.92%
Res Home Energy Improve.	85.92%
Residential Low Income-NES	85.92%
CIG Energy Efficiency	85.92%
Solar Hot Water Heating Pilot	85.92%
Lighting (Residential)	85.92%
Lighting (General Service)	85.92%
Res Appliance Recycling	85.92%
Residential EE Benchmarking	85.92%
Small Business Energy Saver	85.92%
Residential New Construction	85.92%

**Appendix C – Continued**

Allocation Factors Applicable to the Prospective and Rate Periods:

Program / Measure - (May 2013 through November 2014)	North Carolina
<b>Demand-Side Management (DSM)</b>	
CIG DR	86.47%
EnergyWise™	86.47%
<b>Energy Efficiency Programs (EE)</b>	
DSDR Implementation	86.06%
Residential Home Advantage	86.06%
Residential Home Energy Improvement	86.06%
Residential Low Income-NES	86.06%
CIG Energy Efficiency	86.06%
Solar Hot Water Heating Pilot	86.06%
Lighting (Residential)	86.06%
Lighting (General Service)	86.06%
Residential Appliance Recycling	86.06%
Residential EE Benchmarking	86.06%
Small Business Energy Saver	86.06%
Residential New Construction	86.06%

## Appendix D: Savings By Measure

Incremental Test Period Activity (April 1, 2012 through March 31, 2013)

	No. of Premises	kWh Savings	kW Savings
<b>EnergyWise<sup>SM</sup></b>			
AC Direct Load Control	12,121	NA	11,938
HP Strip Heater Direct Load Control	474	NA	428
Water Heater Direct Load Control	774	NA	552
EnergyWise <sup>SM</sup> Total	13,369	NA	12,918
<b>CIG Demand Response</b>	8	NA	2,456
<b>Residential Home Advantage</b>			
ENERGY STAR	797	1,456,200	447
Heat Pump	397	108,011	52
Central AC	12	1,486	2
Geothermal Heat Pump	11	9,339	2
Residential Home Advantage Total	1,217	1,575,036	503
<b>Residential Home Energy Improvement</b>			
ASHP HVAC Replacement	4,489	2,571,049	1,691
Furnace/AC HVAC Replacement	1,587	388,239	585
Geothermal HVAC Replacement	95	80,368	37
Duct Testing/Repair	3,472	1,288,136	565
HVAC Level I Tune Up	260	1,861,111	1,742
Insulation/Air Sealing	2,025	487,815	339
Window Replacement	593	697,565	(82)
Room Air Conditioner	326	40,300	32
Heat Pump Water Heater	116	272,344	47
HVAC Level 2 Tune Up	8,276	2,291,743	1,953
Residential HEIP Total	21,239	9,978,668	6,910
<b>Residential Low Income - NES</b>	4,455	1,966,430	210
<b>Lighting Program (installed bulbs)</b>	2,146,255	157,352,981	27,361
<b>Residential Appliance Recycling</b>	8,777	5,597,634	637
<b>Residential Energy Efficiency Benchmarking</b>	8,431	2,428,128	436
<b>CIG Energy Efficiency</b>			
Prescriptive Lighting	786	57,113,597	10,910
Prescriptive HVAC	94	963,533	291
Prescriptive Motor	4	15,990	1
Prescriptive Refrigeration	37	793,759	51
Custom Measure	195	13,377,304	4,149
Technical Assistance	7	NA	NA
CIG Energy Efficiency Total	1,123	72,264,183	15,401
<b>Small Business Energy Saver</b>			
CFL Screw In	12	11,159	4
High Performance T5/T8	22	50,483	68
LED Exit Sign	8	2,222	0
LED Hardwire	3	855	0
LED Screw IN	1	342	0
T5/T8 Fixture	10	70,559	20
Small Business Energy Saver Total	56	135,620	93



## Appendix E: Total Resource Cost Evaluation Results

	TRC B/C Ratio
<b>Vintage Year 2012 (Calendar year 2012 - Actual)</b>	
CIG- Demand Response Program	8.7
EnergyWise <sup>SM</sup>	5.9
Residential Home Advantage	1.8
Residential Home Energy Improvement	1.2
Lighting Program (Residential)	5.5
Lighting Program (General Service)	12.2
Residential Appliance Recycling	3.4
Energy Efficiency for Business	3.0
Residential Benchmarking Program	1.1

	TRC B/C Ratio
<b>Vintage Year 2013 (Calendar year 2013 - Estimate)</b>	
CIG-Demand Response Program	10.3
EnergyWise <sup>SM</sup>	3.9
Residential Home Advantage	1.2
Residential Home Energy Improvement	0.9
Lighting Program (Residential)	3.4
Lighting Program (General Service)	8.1
Residential Appliance Recycling	2.2
Energy Efficiency for Business	2.2
Residential Benchmarking Program	1.2
Residential New Construction Program	0.9
Small Business Energy Saver	1.6

## **Appendix F: Workpapers**

Duke Energy Progress, Inc.  
Test Period DSM/EE Cost Recovery Summary (\$)

A. NC DSM Program Recovery

			General Service			Lighting			Total
			Residential	Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits	
1	Apr-12	Per Books	\$ 401,101.69	\$ 162,001.87	\$ (88,376.87)	\$ 73,625.00	\$ -	\$ -	\$ 474,726.69
2	May-12	Per Books	430,013.90	165,352.74	(87,452.63)	77,900.11	-	-	507,914.01
3	Jun-12	Per Books	494,857.22	169,162.63	(85,512.68)	83,649.95	-	-	578,507.17
4	Jul-12	Per Books	671,095.81	196,343.67	(101,707.63)	94,636.04	-	-	765,731.85
5	Aug-12	Per Books	638,445.85	195,786.97	(99,189.86)	96,597.11	-	-	735,042.96
6	Sep-12	Per Books	543,784.48	181,459.31	(91,020.96)	90,438.35	-	-	634,222.83
7	Oct-12	Per Books	382,464.61	171,293.20	(94,966.00)	76,327.20	-	-	458,791.81
8	Nov-12	Per Books	470,957.98	159,763.20	(85,098.83)	74,664.37	-	-	545,622.35
9	Dec-12	Per Books	580,183.77	152,591.79	(79,889.90)	72,701.89	-	-	652,885.66
10	Jan-13	Per Books	731,102.60	167,900.32	(86,738.80)	81,161.52	-	-	812,264.12
11	Feb-13	Per Books	692,013.55	156,989.63	(83,152.68)	73,836.95	-	-	765,850.50
12	Mar-13	Per Books	694,517.13	152,612.69	(76,192.10)	76,420.59	-	-	770,937.72
13	Period Totals	1 Lines 1 thru 12	\$ 6,730,538.59	\$ 2,031,258.02	\$ (1,059,298.94)	\$ 971,959.08	\$ -	\$ -	\$ 7,702,497.67
14	PrevProspective	1 Lines 1 thru 4	\$ 1,997,068.62	\$ 692,860.91	\$ (363,049.81)	\$ 329,811.10	\$ -	\$ -	\$ 2,326,879.72

B. NC DSDR Program Recovery

			General Service			Lighting			Total
			Residential	Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits	
15	Apr-12	Per Books	\$ 879,624.96	\$ 1,618,299.53	\$ (882,832.05)	\$ 735,467.48	\$ 34,379.27	\$ (1,038.00)	\$ 1,648,433.71
16	May-12	Per Books	943,030.13	1,651,763.46	(873,595.95)	778,167.51	34,629.38	(1,071.78)	1,754,755.24
17	Jun-12	Per Books	1,085,232.85	1,689,827.27	(854,190.55)	835,636.72	34,786.51	(1,071.78)	1,954,584.30
18	Jul-12	Per Books	1,471,730.72	1,961,353.42	(1,015,994.35)	945,359.07	34,629.31	(1,073.08)	2,450,646.02
19	Aug-12	Per Books	1,400,129.82	1,955,782.90	(990,843.40)	964,939.50	34,953.34	(1,101.79)	2,398,920.87
20	Sep-12	Per Books	1,192,530.50	1,812,664.15	(909,241.34)	903,422.81	34,554.51	(1,035.82)	2,129,472.00
21	Oct-12	Per Books	838,754.10	1,711,110.08	(948,649.80)	762,460.28	35,045.23	(1,120.89)	1,635,138.72
22	Nov-12	Per Books	1,032,821.81	1,595,932.01	(850,082.87)	745,849.14	34,998.99	(1,041.45)	1,812,628.49
23	Dec-12	Per Books	1,342,268.15	1,654,394.24	(856,554.05)	797,840.19	38,758.66	(1,145.98)	2,177,721.02
24	Jan-13	Per Books	1,788,636.16	2,006,001.04	(1,010,526.65)	995,474.39	44,598.03	(1,335.33)	2,827,373.25
25	Feb-13	Per Books	1,693,309.56	1,927,493.80	(1,020,995.29)	906,498.51	44,345.19	(1,335.33)	2,642,817.93
26	Mar-13	Per Books	1,699,434.87	1,873,830.91	(935,513.36)	938,317.55	44,078.15	(1,303.82)	2,680,526.75
27	Period Totals	1 Lines 15 thru 26	\$ 15,367,503.63	\$ 21,458,452.81	\$ (11,149,019.66)	\$ 10,309,433.15	\$ 449,756.57	\$ (13,675.05)	\$ 26,113,018.30
28	PrevProspective	1 Lines 15 thru 18	\$ 4,379,618.66	\$ 6,921,243.68	\$ (3,626,612.90)	\$ 3,294,630.78	\$ 138,424.47	\$ (4,254.64)	\$ 7,808,419.27

C. NC EE Program Recovery

			General Service			Lighting			Total
			Residential	Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits	
29	Apr-12	Per Books	\$ 1,424,377.73	\$ 1,408,006.35	\$ (768,088.13)	\$ 639,918.22	\$ -	\$ -	\$ 2,064,295.95
30	May-12	Per Books	1,527,049.69	1,437,108.14	(760,093.60)	677,014.54	-	-	2,204,064.23
31	Jun-12	Per Books	1,757,319.10	1,470,268.17	(743,231.16)	727,037.01	-	-	2,484,356.11
32	Jul-12	Per Books	2,383,165.74	1,706,453.56	(883,990.82)	822,462.74	-	-	3,205,628.48
33	Aug-12	Per Books	2,267,220.60	1,701,730.48	(862,107.63)	839,622.85	-	-	3,106,843.45
34	Sep-12	Per Books	1,931,069.08	1,577,137.08	(791,107.74)	786,029.34	-	-	2,717,098.42
35	Oct-12	Per Books	1,358,193.76	1,488,848.02	(825,435.27)	663,412.75	-	-	2,021,606.51
36	Nov-12	Per Books	1,672,448.45	1,388,583.16	(739,636.39)	648,946.77	-	-	2,321,395.22
37	Dec-12	Per Books	2,043,992.70	1,700,628.55	(862,717.74)	837,910.81	-	-	2,881,903.51
38	Jan-13	Per Books	2,552,967.00	2,405,423.91	(1,168,444.67)	1,236,979.24	-	-	3,789,946.24
39	Feb-13	Per Books	2,416,399.66	2,398,312.86	(1,270,432.42)	1,127,880.44	-	-	3,544,280.10
40	Mar-13	Per Books	2,425,140.33	2,331,679.44	(1,164,089.74)	1,167,589.70	-	-	3,592,730.03
41	Period Totals	1 Lines 29 thru 40	\$ 23,759,343.84	\$ 21,014,179.72	\$ (10,839,375.31)	\$ 10,174,804.41	\$ -	\$ -	\$ 33,934,148.25
42	PrevProspective	1 Lines 29 thru 32	\$ 7,091,912.26	\$ 6,021,836.22	\$ (3,155,403.71)	\$ 2,866,432.51	\$ -	\$ -	\$ 9,958,344.77

Duke Energy Progress, Inc.  
Test Period DSM/EE Cost Recovery Summary (\$)

D. NC Total DSM/DSDR/EE Recovery

			General Service			Lighting			Total	
			Residential	Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits		Net Billings
43	Apr-12	<i>1 Lines 1, 15 &amp; 29</i>	\$ 2,705,104.38	\$ 3,188,307.75	\$ (1,739,297.05)	\$ 1,449,010.70	\$ 34,379.27	\$ (1,038.00)	\$ 33,341.27	\$ 4,187,456.35
44	May-12	<i>1 Lines 2, 16 &amp; 30</i>	2,900,093.72	3,254,224.34	(1,721,142.18)	1,533,082.16	34,629.38	(1,071.78)	33,557.60	4,466,733.48
45	Jun-12	<i>1 Lines 3, 17 &amp; 31</i>	3,337,409.17	3,329,258.07	(1,682,934.39)	1,646,323.68	34,786.51	(1,071.78)	33,714.73	5,017,447.58
46	Jul-12	<i>1 Lines 4, 18 &amp; 32</i>	4,525,992.27	3,864,150.65	(2,001,692.80)	1,862,457.85	34,629.31	(1,073.08)	33,556.23	6,422,006.35
47	Aug-12	<i>1 Lines 5, 19 &amp; 33</i>	4,305,796.27	3,853,300.35	(1,952,140.89)	1,901,159.46	34,953.34	(1,101.79)	33,851.55	6,240,807.28
48	Sep-12	<i>1 Lines 6, 20 &amp; 34</i>	3,667,384.06	3,571,260.54	(1,791,370.04)	1,779,890.50	34,554.51	(1,035.82)	33,518.69	5,480,793.25
49	Oct-12	<i>1 Lines 7, 21 &amp; 35</i>	2,579,412.47	3,371,251.30	(1,869,051.07)	1,502,200.23	35,045.23	(1,120.89)	33,924.34	4,115,537.04
50	Nov-12	<i>1 Lines 8, 22 &amp; 36</i>	3,176,228.24	3,144,278.37	(1,674,818.09)	1,469,460.28	34,998.99	(1,041.45)	33,957.54	4,679,646.06
51	Dec-12	<i>1 Lines 9, 23 &amp; 37</i>	3,966,444.62	3,507,614.58	(1,799,161.69)	1,708,452.89	38,758.66	(1,145.98)	37,612.68	5,712,510.19
52	Jan-13	<i>1 Lines 10, 24 &amp; 38</i>	5,072,705.76	4,579,325.27	(2,265,710.12)	2,313,615.15	44,598.03	(1,335.33)	43,262.70	7,429,583.61
53	Feb-13	<i>1 Lines 11, 25 &amp; 39</i>	4,801,722.77	4,482,796.29	(2,374,580.39)	2,108,215.90	44,345.19	(1,335.33)	43,009.86	6,952,948.53
54	Mar-13	<i>1 Lines 12, 26 &amp; 40</i>	4,819,092.33	4,358,123.04	(2,175,795.20)	2,182,327.84	44,078.15	(1,303.82)	42,774.33	7,044,194.50
55	Period Totals	<i>1 Lines 43 thru 54</i>	\$ 45,857,386.06	\$ 44,503,890.55	\$ (23,047,693.91)	\$ 21,456,196.64	\$ 449,756.57	\$ (13,675.05)	\$ 436,081.52	\$ 67,749,664.22
56	PrevProspective	<i>1 Lines 43 thru 46</i>	\$ 13,468,599.54	\$ 13,635,940.81	\$ (7,145,066.42)	\$ 6,490,874.39	\$ 138,424.47	\$ (4,254.64)	\$ 134,169.83	\$ 20,093,643.76

### DSM/EE Sales Summary (Actual kWh)

	General Service			Lighting			Total			
	Residential	Total	Opt-Outs	Net	Total	Opt-Outs	Net	Total	Opt-Outs	Net
Apr-12	932,793,786	1,723,459,214	(940,224,731)	783,234,483	36,573,809	(1,104,251)	35,469,558	2,692,826,809	(941,328,982)	1,751,497,827
May-12	1,000,031,533	1,759,147,310	(930,347,128)	828,800,182	36,839,797	(1,140,188)	35,699,609	2,796,018,640	(931,487,316)	1,864,531,324
Jun-12	1,150,829,494	1,799,610,554	(909,710,961)	889,899,593	37,006,927	(1,111,836)	35,895,091	2,987,446,975	(910,822,797)	2,076,624,178
Jul-12	1,560,696,361	2,088,840,404	(1,081,996,109)	1,006,844,295	36,839,686	(1,141,576)	35,698,110	3,686,376,451	(1,083,137,685)	2,603,238,766
Aug-12	1,484,767,136	2,082,780,130	(1,055,211,297)	1,027,568,833	37,183,513	(1,172,112)	36,011,401	3,604,730,779	(1,056,383,409)	2,548,347,370
Sep-12	1,264,611,080	1,930,435,586	(968,308,132)	962,127,454	36,760,083	(1,101,938)	35,658,145	3,231,806,749	(969,410,070)	2,262,396,679
Oct-12	889,453,318	1,822,295,669	(1,010,300,681)	811,994,988	37,282,155	(1,192,437)	36,089,718	2,749,031,142	(1,011,493,118)	1,737,538,024
Nov-12	1,095,251,125	1,699,604,781	(905,305,658)	794,299,123	37,232,962	(1,107,926)	36,125,036	2,832,088,868	(906,413,584)	1,925,675,284
Dec-12	1,270,857,793	1,604,616,351	(841,483,057)	763,133,294	36,797,237	(1,096,347)	35,700,890	2,912,271,381	(842,579,404)	2,069,691,977
Jan-13	1,492,414,679	1,738,912,671	(902,045,788)	836,866,883	37,536,894	(1,123,336)	36,413,558	3,268,864,244	(903,169,124)	2,365,695,120
Feb-13	1,412,278,068	1,618,461,135	(857,244,274)	761,216,861	37,278,764	(1,137,856)	36,140,908	3,068,017,967	(858,382,130)	2,209,635,837
Mar-13	1,417,395,750	1,573,314,922	(785,485,575)	787,829,347	37,040,854	(1,095,643)	35,945,211	3,027,751,526	(786,581,218)	2,241,170,308
Totals	14,971,380,123	21,441,478,727	(11,187,663,391)	10,253,815,336	444,372,681	(13,525,446)	430,847,235	36,857,231,531	(11,201,188,837)	25,656,042,694
Jan-12	1,445,169,938	1,677,963,524	(885,854,958)	792,108,566	37,075,245	(1,069,198)	36,006,047	3,160,208,707	(886,924,156)	2,273,284,551
Feb-12	1,292,673,038	1,638,759,768	(873,933,171)	764,826,597	36,844,815	(1,082,079)	35,762,736	2,968,277,621	(875,015,250)	2,093,262,371
Mar-12	1,117,075,825	1,617,848,762	(866,597,763)	751,250,999	36,914,508	(1,134,858)	35,779,650	2,771,839,095	(867,732,621)	1,904,106,474
Totals	3,854,918,801	4,934,572,054	(2,626,385,892)	2,308,186,162	110,834,568	(3,286,135)	107,548,433	8,900,325,423	(2,629,672,027)	6,270,653,396
12ME12-13	14,504,210,427	21,445,362,053	(11,269,273,646)	10,176,088,407	443,350,737	(13,454,746)	429,895,991	36,392,923,217	(11,282,728,392)	25,110,194,825

### DSM/EE Sales Summary (Forecasted kWh)

	General Service			Lighting			Total			
	Residential	Total	Opt-Outs	Net	Total	Opt-Outs	Net	Total	Opt-Outs	Net
Dec-13	1,257,265,817	1,770,603,908	(841,483,057)	929,120,851	36,393,355	(1,096,347)	35,297,008	3,064,263,080	(842,579,404)	2,221,683,676
Jan-14	1,420,537,833	2,000,539,427	(902,045,788)	1,098,493,639	41,119,497	(1,123,336)	39,996,161	3,462,196,757	(903,169,124)	2,559,027,633
Feb-14	1,356,472,888	1,910,316,946	(857,244,274)	1,053,072,672	39,265,046	(1,137,856)	38,127,190	3,306,054,879	(858,382,130)	2,447,672,749
Mar-14	1,238,048,664	1,743,540,445	(785,485,575)	958,054,870	35,837,087	(1,095,643)	34,741,444	3,017,426,197	(786,581,218)	2,230,844,979
Apr-14	1,171,773,562	1,650,205,405	(940,224,731)	709,980,674	33,918,660	(1,104,251)	32,814,409	2,855,897,627	(941,328,982)	1,914,568,645
May-14	1,096,051,596	1,543,566,373	(930,347,128)	613,219,245	31,726,779	(1,140,188)	30,586,591	2,671,344,748	(931,487,316)	1,739,857,432
Jun-14	1,289,352,123	1,815,790,961	(909,710,961)	906,080,000	37,322,139	(1,111,836)	36,210,303	3,142,465,223	(910,822,797)	2,231,642,426
Jul-14	1,437,582,019	2,024,542,707	(1,081,996,109)	942,546,598	41,612,865	(1,141,576)	40,471,289	3,503,737,591	(1,083,137,685)	2,420,599,906
Aug-14	1,498,883,938	2,110,874,026	(1,055,211,297)	1,055,662,729	43,387,337	(1,172,112)	42,215,225	3,653,145,301	(1,056,383,409)	2,596,761,892
Sep-14	1,420,338,284	2,000,258,403	(968,308,132)	1,031,950,271	41,113,721	(1,101,938)	40,011,783	3,461,710,407	(969,410,070)	2,492,300,337
Oct-14	1,183,004,474	1,666,021,868	(1,010,300,681)	655,721,187	34,243,755	(1,192,437)	33,051,318	2,883,270,097	(1,011,493,118)	1,871,776,979
Nov-14	1,081,069,344	1,522,466,911	(905,305,658)	617,161,253	31,293,097	(1,107,926)	30,185,171	2,634,829,352	(906,413,584)	1,728,415,768
Totals	15,450,380,543	21,758,727,381	(11,187,663,391)	10,571,063,990	447,233,337	(13,525,446)	433,707,891	37,656,341,260	(11,201,188,837)	26,455,152,423

Duke Energy Progress, Inc.  
Test Period DSM/EE EMF Recovery Summary (\$)

A. NC DSM EMF Recovery

			General Service				Lighting			Total
			Residential	Billing Amounts		Net Billings	Billing Amounts	Opt-Out Credits	Net Billings	
				Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits	Net Billings	
1	Apr-12	Per Books	\$ 8,395.13	\$ (43,087.67)	\$ 23,506.96	\$ (19,580.71)	\$ -	\$ -	\$ -	\$ (11,185.58)
2	May-12	Per Books	9,000.27	(43,979.86)	23,258.68	(20,721.18)	-	-	-	(11,720.91)
3	Jun-12	Per Books	10,357.45	(44,990.50)	22,742.82	(22,247.68)	-	-	-	(11,890.23)
4	Jul-12	Per Books	14,044.61	(52,223.24)	27,049.90	(25,173.34)	-	-	-	(11,128.73)
5	Aug-12	Per Books	13,362.09	(52,067.80)	26,380.28	(25,687.52)	-	-	-	(12,325.43)
6	Sep-12	Per Books	11,381.71	(48,261.40)	24,207.70	(24,053.70)	-	-	-	(12,671.99)
7	Oct-12	Per Books	8,005.09	(45,556.97)	25,257.52	(20,299.45)	-	-	-	(12,294.36)
8	Nov-12	Per Books	9,857.26	(42,490.01)	22,632.61	(19,857.40)	-	-	-	(10,000.14)
9	Dec-12	Per Books	34,476.03	(37,185.67)	19,719.59	(17,466.08)	-	-	-	17,009.95
10	Jan-13	Per Books	74,497.67	(36,068.78)	19,306.98	(16,761.80)	-	-	-	57,735.87
11	Feb-13	Per Books	70,611.98	(32,371.07)	17,144.91	(15,226.16)	-	-	-	55,385.82
12	Mar-13	Per Books	70,866.60	(31,465.89)	15,709.71	(15,756.18)	-	-	-	55,110.42
13	Period Totals	I Lines 1 thru 12	\$ 334,855.89	\$ (509,748.86)	\$ 266,917.66	\$ (242,831.20)	\$ -	\$ -	\$ -	\$ 92,024.69
14	PrevProspective	I Lines 1 thru 4	\$ 41,797.46	\$ (184,281.27)	\$ 96,558.36	\$ (87,722.91)	\$ -	\$ -	\$ -	\$ (45,925.45)

B. NC DSDR EMF Recovery

			General Service				Lighting			Total
			Residential	Billing Amounts		Net Billings	Billing Amounts	Opt-Out Credits	Net Billings	
				Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits	Net Billings	
15	Apr-12	Per Books	\$ (111,935.31)	\$ (89,626.69)	\$ 48,899.08	\$ (40,727.61)	\$ (3,291.79)	\$ 99.38	\$ (3,192.41)	\$ (155,855.33)
16	May-12	Per Books	(120,003.84)	(91,480.00)	48,381.29	(43,098.71)	(3,315.59)	99.38	(3,216.21)	(166,318.76)
17	Jun-12	Per Books	(138,099.63)	(93,581.09)	47,305.23	(46,275.86)	(3,330.62)	100.07	(3,230.55)	(187,606.04)
18	Jul-12	Per Books	(187,283.62)	(108,631.87)	56,263.80	(52,368.07)	(3,315.57)	102.74	(3,212.83)	(242,864.52)
19	Aug-12	Per Books	(178,171.74)	(108,295.36)	54,870.99	(53,424.37)	(3,346.83)	105.49	(3,241.34)	(234,837.45)
20	Sep-12	Per Books	(151,753.52)	(100,385.46)	50,352.03	(50,033.43)	(3,308.41)	99.17	(3,209.24)	(204,996.19)
21	Oct-12	Per Books	(106,734.35)	(94,757.40)	52,535.66	(42,221.74)	(3,355.39)	107.32	(3,248.07)	(152,204.16)
22	Nov-12	Per Books	(131,430.14)	(88,378.84)	47,075.73	(41,303.11)	(3,350.97)	99.71	(3,251.26)	(175,984.51)
23	Dec-12	Per Books	(124,407.52)	(88,127.66)	45,865.10	(42,262.56)	(3,321.39)	98.67	(3,222.72)	(169,892.80)
24	Jan-13	Per Books	(104,619.04)	(102,269.59)	52,097.04	(50,172.55)	(3,378.49)	101.10	(3,277.39)	(158,068.98)
25	Feb-13	Per Books	(98,861.82)	(97,104.69)	51,434.61	(45,670.08)	(3,355.09)	102.41	(3,252.68)	(147,784.58)
26	Mar-13	Per Books	(99,221.32)	(94,397.04)	47,129.13	(47,267.91)	(3,333.68)	98.61	(3,235.07)	(149,724.30)
27	Period Totals	I Lines 15 thru 26	\$ (1,552,521.85)	\$ (1,157,035.69)	\$ 602,209.69	\$ (554,826.00)	\$ (40,003.82)	\$ 1,214.05	\$ (38,789.77)	\$ (2,146,137.62)
28	PrevProspective	I Lines 15 thru 18	\$ (557,322.40)	\$ (383,319.65)	\$ 200,849.40	\$ (182,470.25)	\$ (13,253.57)	\$ 401.57	\$ (12,852.00)	\$ (752,644.65)

C. NC EE EMF Recovery

			General Service				Lighting			Total
			Residential	Billing Amounts		Net Billings	Billing Amounts	Opt-Out Credits	Net Billings	
				Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits	Net Billings	
29	Apr-12	Per Books	\$ 159,507.98	\$ 149,928.45	\$ (81,783.65)	\$ 68,144.80	\$ -	\$ -	\$ -	\$ 227,652.78
30	May-12	Per Books	171,005.62	153,020.85	(80,940.20)	72,080.65	-	-	-	243,086.27
31	Jun-12	Per Books	196,792.21	156,563.24	(79,144.29)	77,418.95	-	-	-	274,211.16
32	Jul-12	Per Books	266,876.53	181,701.88	(94,133.66)	87,568.22	-	-	-	354,444.75
33	Aug-12	Per Books	253,892.43	181,222.80	(91,803.38)	89,419.42	-	-	-	343,311.85
34	Sep-12	Per Books	216,249.66	167,941.83	(84,242.81)	83,699.02	-	-	-	299,948.68
35	Oct-12	Per Books	152,096.30	158,546.68	(87,896.16)	70,650.52	-	-	-	222,746.82
36	Nov-12	Per Books	187,287.94	147,866.89	(78,761.94)	69,104.95	-	-	-	256,392.89
37	Dec-12	Per Books	205,516.81	416,756.15	(197,843.52)	218,912.63	-	-	-	424,429.44
38	Jan-13	Per Books	223,924.92	851,702.73	(385,375.51)	466,327.22	-	-	-	690,252.14
39	Feb-13	Per Books	211,842.76	906,162.83	(480,054.24)	426,108.59	-	-	-	637,951.35
40	Mar-13	Per Books	212,609.66	881,065.49	(439,872.01)	441,193.48	-	-	-	653,803.14
41	Period Totals	I Lines 29 thru 40	\$ 2,457,602.82	\$ 4,352,479.82	\$ (2,181,851.37)	\$ 2,170,628.45	\$ -	\$ -	\$ -	\$ 4,628,231.27
42	PrevProspective	I Lines 29 thru 32	\$ 794,182.34	\$ 641,214.42	\$ (336,001.80)	\$ 305,212.62	\$ -	\$ -	\$ -	\$ 1,099,394.96

Duke Energy Progress, Inc.  
Test Period DSM/EE EMF Recovery Summary (\$)

D. NC Total DSM/DSDR/EE EMF Recovery

			General Service			Lighting			Total	
			Residential	Billing Amounts	Opt-Out Credits	Net Billings	Billing Amounts	Opt-Out Credits		Net Billings
43	Apr-12	I Lines 1, 15 & 29	\$ 55,967.80	\$ 17,214.09	\$ (9,377.61)	\$ 7,836.48	\$ (3,291.79)	\$ 99.38	\$ (3,192.41)	\$ 60,611.87
44	May-12	I Lines 2, 16 & 30	60,002.05	17,560.99	(9,300.23)	8,260.76	(3,315.59)	99.38	(3,216.21)	65,046.60
45	Jun-12	I Lines 3, 17 & 31	69,050.03	17,991.65	(9,096.24)	8,895.41	(3,330.62)	100.07	(3,230.55)	74,714.89
46	Jul-12	I Lines 4, 18 & 32	93,637.52	20,846.77	(10,819.96)	10,026.81	(3,315.57)	102.74	(3,212.83)	100,451.50
47	Aug-12	I Lines 5, 19 & 33	89,082.78	20,859.64	(10,552.11)	10,307.53	(3,346.83)	105.49	(3,241.34)	96,148.97
48	Sep-12	I Lines 6, 20 & 34	75,877.85	19,294.97	(9,683.08)	9,611.89	(3,308.41)	99.17	(3,209.24)	82,280.50
49	Oct-12	I Lines 7, 21 & 35	53,367.04	18,232.31	(10,102.98)	8,129.33	(3,355.39)	107.32	(3,248.07)	58,248.30
50	Nov-12	I Lines 8, 22 & 36	65,715.06	16,998.04	(9,053.60)	7,944.44	(3,350.97)	99.71	(3,251.26)	70,408.24
51	Dec-12	I Lines 9, 23 & 37	115,585.32	291,442.82	(132,258.83)	159,183.99	(3,321.39)	98.67	(3,222.72)	271,546.59
52	Jan-13	I Lines 10, 24 & 38	193,803.55	713,364.36	(313,971.49)	399,392.87	(3,378.49)	101.10	(3,277.39)	589,919.03
53	Feb-13	I Lines 11, 25 & 39	183,592.92	776,687.07	(411,474.72)	365,212.35	(3,355.09)	102.41	(3,252.68)	545,552.59
54	Mar-13	I Lines 12, 26 & 40	184,254.94	755,202.56	(377,033.17)	378,169.39	(3,333.68)	98.61	(3,235.07)	559,189.26
55	Period Totals	I Lines 43 thru 54	\$ 1,239,936.86	\$ 2,685,695.27	\$ (1,312,724.02)	\$ 1,372,971.25	\$ (40,003.82)	\$ 1,214.05	\$ (38,789.77)	\$ 2,574,118.34
56	PrevProspective	I Lines 43 thru 46	\$ 278,657.40	\$ 73,613.50	\$ (38,594.04)	\$ 35,019.46	\$ (13,253.57)	\$ 401.57	\$ (12,852.00)	\$ 300,824.86

Duke Energy Progress, Inc.  
Calculation of Program Performance Incentives

2012 Vintage

	CIG DR	EnergyWise™	Residential Home Advantage	Residential Home Energy Improvement	Lighting Program Residential	Lighting Program Gen Svc	Residential Appliance Recycling	Small Business Direct Install	Residential New Construction	Residential Benchmarking <sup>1</sup>	CIG Energy Efficiency	
1 Present Value of Avoided Costs	\$ 2,927,535	\$ 33,169,074	\$ 4,607,317	\$ 11,011,247	\$ 36,931,363	\$ 8,397,983	\$ 2,991,169	\$ -	\$ -	\$ 815,426	\$ 52,234,191	
2 Present Value of Program Costs	1,221,151	4,603,123	1,029,138	6,024,847	5,770,280	586,440	1,307,877	196,544	216,763	771,059	7,963,396	
3 Net Program Benefits	\$ 1,706,374	\$ 28,565,951	\$ 3,578,178	\$ 4,986,400	\$ 31,161,084	\$ 7,811,543	\$ 1,683,292	\$ -	\$ -	\$ 44,367	\$ 44,248,795	
4 NC Allocation Factor	86.58%	86.58%	85.79%	85.79%	85.79%	85.79%	85.79%	85.79%	85.79%	85.79%	85.79%	
5 NC Allocated Utility Cost Test	Line 2 x 4	\$ 1,477,435	\$ 24,733,353	\$ 3,065,430	\$ 4,277,833	\$ 26,733,094	\$ 6,701,521	\$ 1,444,096	\$ -	\$ -	\$ 38,063	\$ 37,961,041
6 DSM Program Incentive at 8%	Line 6 x 6%	\$ 118,195	\$ 1,978,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7 EE Program Incentive at 13%	Line 6 x 13%	\$ -	\$ -	\$ 398,506	\$ 556,118	\$ 3,475,302	\$ 871,198	\$ 187,733	\$ -	\$ -	\$ 4,948	\$ 4,934,935
8 Program Performance Incentive (PPI)	Line 6 x 7	\$ 118,195	\$ 1,978,668	\$ 398,506	\$ 556,118	\$ 3,475,302	\$ 871,198	\$ 187,733	\$ -	\$ -	\$ 4,948	\$ 4,934,935
9 Income Tax Rate	Line 9 x 7	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	
10 Income Taxes	-Line 8 x 9	\$ (46,339)	\$ (775,747)	\$ (156,216)	\$ (218,029)	\$ (1,362,510)	\$ (341,558)	\$ (73,602)	\$ -	\$ -	\$ -	
11 Net-of-Tax PPI - Total NPV	Line 8 + 10	\$ 71,856	\$ 1,202,921	\$ 242,270	\$ 338,089	\$ 2,112,792	\$ 529,640	\$ 114,131	\$ -	\$ -	\$ 3,000,168	
12 Vintage Year 2012 - Year 1 PPI	Line 11 x 0.2025 / (1 - 0.2025) <sup>11</sup> - 1	\$ 11,101	\$ 185,837	\$ 37,428	\$ 52,231	\$ 326,401	\$ 81,823	\$ 17,632	\$ -	\$ -	\$ 4,948	\$ 463,490
13 Income Tax Gross-Up Factor	1 - Line 9	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	
14 Adjusted PPI Current Vintage	Line 12 / Line 13	\$ 18,260	\$ 305,681	\$ 61,564	\$ 85,914	\$ 536,893	\$ 134,590	\$ 29,002	\$ -	\$ -	\$ 4,948	\$ 762,389
15 Vintage 2009 PPI Values	Deduct E-2, Sub 977	\$ -	\$ 135,141	\$ 8,018	\$ 10,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
16 Vintage 2010 PPI Values	Deduct E-2, Sub 988	\$ 5,722	\$ 830,971	\$ 27,550	\$ 75,357	\$ 546,425	\$ 134,853	\$ 28,547	\$ -	\$ -	\$ 452,376	
17 Vintage 2011 PPI Values	Deduct E-2, Sub 1013	\$ 17,655	\$ 781,456	\$ 79,940	\$ 116,481	\$ 309,670	\$ 74,572	\$ 20,592	\$ -	\$ -	\$ 649,907	
18 I Prior Period PPI		\$ 83,377	\$ 1,747,568	\$ 115,509	\$ 202,244	\$ 856,095	\$ 209,425	\$ 49,139	\$ -	\$ -	\$ 1,272,192	
19 PPI Values for Test Period	Line 14 + 18	\$ 101,637	\$ 2,053,249	\$ 177,073	\$ 288,157	\$ 1,392,988	\$ 344,015	\$ 78,142	\$ -	\$ -	\$ 4,948	\$ 2,034,581

2013 Vintage

	CIG DR	EnergyWise™	Residential Home Advantage	Residential Home Energy Improvement	Lighting Program Residential	Lighting Program Gen Svc	Residential Appliance Recycling	Small Business Direct Install	Residential New Construction	Residential Benchmarking <sup>1</sup>	CIG Energy Efficiency	
1 Present Value of Avoided Costs	\$ 4,555,112	\$ 22,771,216	\$ 95,856	\$ 6,171,428	\$ 23,114,771	\$ 5,673,190	\$ 2,296,041	\$ 5,429,043	\$ 4,384,308	\$ 758,001	\$ 40,977,879	
2 Present Value of Program Costs	3,128,335	5,503,892	84,038	5,627,312	6,272,786	637,459	1,394,933	2,462,086	3,839,020	640,686	8,873,869	
3 Net Program Benefits	\$ 1,426,777	\$ 17,267,324	\$ 11,818	\$ 544,117	\$ 16,842,485	\$ 5,035,730	\$ 901,108	\$ 2,966,957	\$ 545,288	\$ 117,315	\$ 32,104,010	
4 NC Allocation Factor	86.52%	86.52%	86.01%	86.01%	86.01%	86.01%	86.01%	86.01%	86.01%	86.01%	86.01%	
5 NC Allocated Utility Cost Test	Line 3 x 4	\$ 1,234,495	\$ 14,940,264	\$ 10,165	\$ 468,013	\$ 14,486,783	\$ 4,331,400	\$ 775,073	\$ 2,551,979	\$ 469,020	\$ 100,907	\$ 27,613,729
6 DSM Program Incentive at 8%	Line 6 x 8%	\$ 98,760	\$ 1,195,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7 EE Program Incentive at 13%	Line 6 x 13%	\$ 98,760	\$ 1,195,221	\$ 1,321	\$ 60,842	\$ 1,883,282	\$ 563,082	\$ 100,760	\$ 331,737	\$ 60,973	\$ 13,118	\$ 3,589,785
8 Program Performance Incentive (PPI)	Line 6 x 7	\$ 98,760	\$ 1,195,221	\$ 1,321	\$ 60,842	\$ 1,883,282	\$ 563,082	\$ 100,760	\$ 331,737	\$ 60,973	\$ 13,118	\$ 3,589,785
9 Income Tax Rate	Line 9 x 7	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	39.21%	
10 Income Taxes	-Line 8 x 9	\$ (38,719)	\$ (468,593)	\$ (518)	\$ (23,853)	\$ (738,950)	\$ (220,759)	\$ (39,503)	\$ (130,067)	\$ (23,905)	\$ (5,143)	\$ (1,407,394)
11 Net-of-Tax PPI - Total NPV	Line 8 + 10	\$ 60,040	\$ 726,628	\$ 803	\$ 36,988	\$ 1,144,331	\$ 342,323	\$ 61,256	\$ 201,690	\$ 37,068	\$ 7,975	\$ 2,182,391
12 Vintage Year 2013 - Year 1 PPI	Line 11 x 0.2025 / (1 - 0.2025) <sup>11</sup> - 1	\$ 8,781	\$ 106,267	\$ 117	\$ 5,409	\$ 167,442	\$ 50,063	\$ 8,958	\$ 29,496	\$ 5,421	\$ 13,118	\$ 319,166
13 Income Tax Gross-Up Factor	1 - Line 9	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	60.79%	
14 Adjusted PPI	Line 12 / Line 13	\$ 14,443	\$ 174,797	\$ 193	\$ 8,898	\$ 275,423	\$ 82,349	\$ 14,736	\$ 48,518	\$ 8,917	\$ 13,118	\$ 524,992
15 Vintage 2009 PPI Values	Line 15 Prior 2012 Above	\$ -	\$ 135,141	\$ 8,018	\$ 10,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
16 Vintage 2010 PPI Values	Line 16 Prior 2012 Above	\$ 5,722	\$ 830,971	\$ 27,550	\$ 75,357	\$ 546,425	\$ 134,853	\$ 28,547	\$ -	\$ -	\$ 452,376	
17 Vintage 2011 PPI Values	Line 17 Prior 2012 Above	\$ 17,655	\$ 781,456	\$ 79,940	\$ 116,481	\$ 309,670	\$ 74,572	\$ 20,592	\$ -	\$ -	\$ 649,907	
18 Vintage 2012 PPI Values	Line 18 Prior 2012 Above	\$ 18,260	\$ 305,681	\$ 61,564	\$ 85,914	\$ 536,893	\$ 134,590	\$ 29,002	\$ -	\$ -	\$ 762,389	
19 I Prior Period PPI		\$ 101,837	\$ 2,053,249	\$ 177,073	\$ 288,157	\$ 1,392,988	\$ 344,015	\$ 78,142	\$ -	\$ -	\$ 2,034,581	
20 PPI Values for Rate Period	Line 14 + 19	\$ 116,080	\$ 2,228,045	\$ 177,267	\$ 297,055	\$ 1,658,411	\$ 426,363	\$ 92,877	\$ 48,518	\$ 8,917	\$ 13,118	\$ 2,559,574

<sup>1</sup> Residential Benchmarking Program PPI are recovered in a single annual period reflecting deemed benefit sustainability.



## Duke Energy Progress, Inc.

Calculation of Verified Program Performance Incentives

### 2010 Vintage

		Residential Home Advantage	Home Energy Improvement Program	EnergyWise	CIG Energy Efficiency
1	Present Value of Avoided Costs	\$ 2,688,892	\$ 12,155,603	\$ 92,883,408	\$ 32,648,013
2	Present Value of Program Costs	1,080,571	7,756,442	14,683,907	6,239,359
3	Net Program Benefits	\$ 1,608,321	\$ 4,399,161	\$ 78,199,501	\$ 26,408,654
4	NC Allocation Factor	85.29%	85.29%	85.98%	85.29%
5	NC Allocated Utility Cost Test	\$ 1,371,791	\$ 3,752,191	\$ 67,235,931	\$ 22,524,821
	<i>Lines 3 X 4</i>				
6	DSM Program Incentive at 8%			\$ 5,378,874	
	<i>Lines 5 X 8%</i>				
7	EE Program Incentive at 13%	\$ 178,333	\$ 487,785		\$ 2,928,227
	<i>Lines 5 X 13%</i>				
8	Program Performance Incentive (PPI)	\$ 178,333	\$ 487,785	\$ 5,378,874	\$ 2,928,227
	<i>Lines 6 + 7</i>				
9	Income Tax Rate	39.21%	39.21%	39.21%	39.21%
	<i>Docket E-2, Sub 1019</i>				
10	Income Taxes	\$ (69,915)	\$ (191,236)	\$ (2,108,788)	\$ (1,148,011)
	<i>-(Lines 8 X 9)</i>				
11	Net-of-Tax PPI - Total NPV	\$ 108,417	\$ 296,549	\$ 3,270,087	\$ 1,780,215
	<i>Lines 9 + 10</i>				
12	Rev Vintage Year 2010 - Year 1 PPI	\$ 16,749	\$ 45,813	\$ 505,189	\$ 275,022
	<i>Line 11 x 0.088054 x (1 + 0.088054)<sup>10</sup> (1 + 0.088054)<sup>10</sup> - 1</i>				
13	Income Tax Gross-Up Factor	60.80%	60.80%	60.80%	60.80%
	<i>1 - Line 9</i>				
14	Adjusted PPI	\$ 27,550	\$ 75,357	\$ 830,971	\$ 452,376
	<i>Line 12 / Line 13</i>				
15	PPI Values	\$ 27,550	\$ 75,357	\$ 830,971	\$ 452,376
	<i>Line 14</i>				
16	Original Vintage 2010 PPI	33,893	84,383	393,899	574,833
	<i>Docket E-2, Sub 1019</i>				
17	PPI Over / (Under) Collection	\$ 6,343	\$ 9,026	\$ (437,072)	\$ 122,457
	<i>Line 16 - Line 15</i>				
18	Years at Original PPI Level	2.0	2.0	2.0	2.0
	<i>April 2010 through March 2012</i>				
19	Cumulative PPI Over/(Under) Collection	\$ 12,685.47	\$ 18,052.22	\$ (874,144.69)	\$ 244,914.45
	<i>Lines 17 X 18</i>				
20	Carrying Costs at 8.8054%	\$ 2,234.01	\$ 3,179.14	\$ (153,943.87)	\$ 43,131.39
	<i>Line 18 X Line 19 X 8.8054%</i>				
21	PPI Over/(Under) Collection w/CCost	\$ 14,919.48	\$ 21,231.35	\$ (1,028,088.56)	\$ 288,045.85
	<i>Lines 19 + 20</i>				

## Duke Energy Progress, Inc.

Calculation of Verified Program Performance Incentives

### 2011 Vintage

		Residential Home Advantage	Appliance Recycling	Home Energy Improvement Program	Residential Benchmarking	CIG Energy Efficiency	EnergyWise	
1	Present Value of Avoided Costs	\$ 5,622,163	\$ 2,474,767	\$ 12,766,608	\$ 335,961	\$ 46,481,735	\$ 87,578,940	
2	Present Value of Program Costs	966,167	1,275,400	5,982,335	691,232	8,628,963	14,303,365	
3	Net Program Benefits	\$ 4,655,996	\$ 1,199,367	\$ 6,784,274	\$ -	\$ 37,852,773	\$ 73,275,575	
4	NC Allocation Factor	85.49%	85.49%	85.49%	85.49%	85.49%	86.29%	
5	NC Allocated Utility Cost Test	Lines 3 X 4	\$ 3,980,411	\$ 1,025,339	\$ 5,799,875	\$ -	\$ 32,360,335	\$ 63,229,494
6	DSM Program Incentive at 8%	Lines 5 X 8%					\$ 5,058,360	
7	EE Program Incentive at 13%	Lines 5 X 13%	\$ 517,453	\$ 133,294	\$ 753,984	\$ -	\$ 4,206,844	
8	Program Performance Incentive (PPI)	Lines 6 + 7	\$ 517,453	\$ 133,294	\$ 753,984	\$ -	\$ 4,206,844	\$ 5,058,360
9	Income Tax Rate	Docket E-2, Sub 1018	39.21%	39.21%	39.21%	39.21%	39.21%	
10	Income Taxes	-(Lines 8 X 9)	\$ (202,868)	\$ (52,258)	\$ (295,599)	\$ -	\$ (1,649,293)	\$ (1,983,130)
11	Net-of-Tax PPI - Total NPV	Lines 9 + 10	\$ 314,586	\$ 81,036	\$ 458,384	\$ -	\$ 2,557,551	\$ 3,075,230
12	Rev Vintage Year 2011 - Year 1 PPI	Line 11 x 0.088054 x (1 + 0.088054) <sup>10</sup> (1 + 0.088054) <sup>10</sup> - 1	\$ 48,600	\$ 12,519	\$ 70,815	\$ -	\$ 395,111	\$ 475,086
13	Income Tax Gross-Up Factor	1 - Line 9	60.80%	60.80%	60.80%	60.80%	60.80%	60.80%
14	Adjusted PPI	Line 12 / Line 13	\$ 79,940	\$ 20,592	\$ 116,481	\$ -	\$ 649,907	\$ 781,456
15	PPI Value	Line 14	\$ 79,940	\$ 20,592	\$ 116,481	\$ -	\$ 649,907	\$ 781,456
16	Original Vintage 2011 PPI	Docket E-2, Sub 1018	17,655	22,323	83,163	22,323	326,461	22,403
17	PPI Over / (Under) Collection	Line 16 - Line 15	\$ (62,285)	\$ 1,731	\$ (33,318)	\$ 22,323	\$ (323,446)	\$ (759,053)
18	Years at Original PPI Level	April 2011 through March 2012	1.0	1.0	1.0	1.0	1.0	1.0
19	Cumulative PPI Over/(Under) Collection	Lines 17 X 18	\$ (62,285.32)	\$ 1,730.67	\$ (33,318.42)	\$ 22,323.00	\$ (323,445.69)	\$ (759,052.64)
20	Carrying Costs at 8.8693% Collection Midpoint to Refund Midpoint (5/1/11 to 6/1/13)	Line 18 X Line 19 X 8.8693%	\$ (5,484.47)	\$ 152.39	\$ (2,933.82)	\$ 1,965.63	\$ (28,480.69)	\$ (66,837.62)
21	PPI Over/(Under) Collection w/CCost	Lines 19 + 20	\$ (67,769.79)	\$ 1,883.06	\$ (36,252.24)	\$ 24,288.63	\$ (351,926.37)	\$ (825,890.26)

Net Lost Revenues

Duke Energy Progress - North Carolina

Net Lost Revenue Summary

	Test Period		Prospective Period		Rate Period	
	MWH	Net Lost Rev	MWH	Net Lost Rev	MWH	Net Lost Rev
<b>Residential Programs</b>						
Home Advantage	4,741.12	\$ 275,604.40	1,186.38	\$ 69,323.38	74.87	\$ 4,395.17
Home Energy Improvement	7,421.05	431,391.09	2,437.30	142,418.20	4,656.22	273,330.71
Lighting	104,024.37	6,047,009.82	35,517.43	2,075,380.51	72,659.50	4,265,280.07
Neighborhood Energy Saver	412.29	23,966.53	1,145.58	66,939.27	2,264.34	132,921.82
Residential Appliance Recycling	5,453.07	316,990.81	2,365.83	138,241.94	5,525.16	324,339.51
Residential Benchmarking Program	(1,265.90)	(73,587.41)	-	-	-	-
Residential New Construction	3.19	185.22	145.30	8,490.43	3,759.36	220,683.18
<b>Residential Total</b>	<b>120,789.18</b>	<b>\$ 7,021,560.47</b>	<b>42,797.82</b>	<b>\$ 2,500,793.73</b>	<b>88,939.45</b>	<b>\$ 5,220,950.46</b>
<b>Commercial, Industrial and Governmental</b>						
Energy Efficiency For Business	103,990.87	\$ 4,853,906.76	22,705.50	\$ 1,065,713.18	67,955.65	\$ 3,205,056.45
Lighting	49,948.04	\$ 2,331,388.38	18,368.92	\$ 862,169.77	34,128.21	1,609,620.90
Small Business Energy Saver	12.14	566.47	441.90	20,741.21	8,238.33	388,552.23
<b>Commercial, Ind and Govt Total</b>	<b>153,951.05</b>	<b>7,185,861.62</b>	<b>41,516.32</b>	<b>1,948,624.15</b>	<b>110,322.19</b>	<b>5,203,229.58</b>
<b>Total Recoverable Net Lost Revenues and MWHs</b>	<b>274,740.23</b>	<b>\$ 14,207,422.09</b>	<b>84,314.14</b>	<b>\$ 4,449,417.88</b>	<b>199,261.64</b>	<b>\$ 10,424,180.04</b>

Duke Energy Progress - North Carolina  
Calculation of Net Lost Revenue Rates

		Residential	General Service
<b>Pre Rate Case Values</b>			
1	Revenues (\$000s)	\$ 1,531,828	\$ 988,894
2	Customer Charge Revenues (\$000s)	90,764	30,070
3	Revenues Net of Customer Charge	\$ 1,441,065	\$ 958,825
4	GRT In Rates	46,402	30,874
5	Revenues Net of Cust Chge & GRT	\$ 1,394,662	\$ 927,950
6	Uncollectible Rates	NA	
7	Uncollectible Portion of Rates	\$ -	\$ -
8	Net Revenues	\$ 1,394,662	\$ 927,950
9	Fuel Revenue (\$000s)	468,701	350,914
10	Adjusted Net Margin	\$ 925,961	\$ 577,036
11	Sales (MWhs)	15,518,535	11,968,323
12	Adjusted Base Revenue per MWh (\$)	\$ 59.67	\$ 48.21
<b>Post Rate Case Values</b>			
13	Revenues (\$000s)	\$ 1,483,120	\$ 1,008,911
14	Customer Charge Revenues (\$000s)	90,566	30,231
15	Revenues Net of Customer Charge	\$ 1,392,554	\$ 978,680
16	GRT In Rates	44,840	31,513
17	Revenues Net of Cust Chge & GRT	\$ 1,347,713	\$ 947,166
18	Uncollectible Rates	NA	
19	Uncollectible Portion of Rates	\$ -	\$ -
20	Net Revenues	\$ 1,347,713	\$ 947,166
21	Fuel Revenue (\$000s)	466,045	368,437
22	Adjusted Net Margin	\$ 881,668	\$ 578,729
23	Sales (MWhs)	14,706,486	11,954,092
24	Adjusted Base Revenue per MWh (\$)	\$ 59.95	\$ 48.41
<b>Net Lost Revenue Rate for Test Period</b>			
25	Adjusted Base Revenue per MWh (\$)	Line 12 \$ 59.67	\$ 48.21
26	2012 Rate Variable O&M Rate per MWh	From CSP Study \$ 1.59	\$ 1.59
27	Months in 2012 Calendar Period	Apr-Dec 9.0	9.0
28	Product of 2012 Months X VOM Rate	Lines 26 x 27 \$ 14.32	\$ 14.32
29	2013 Rate Variable O&M Rate per MWh	From CSP Study \$ 1.38	\$ 1.38
30	Months in 2013 Calendar Period	Jan-Mar 3.0	3.0
31	Product of 2013 Months X VOM Rate	Lines 29 x 30 \$ 4.13	\$ 4.13
32	Weighted Variable O&M Rate per MWh	Lines(28 + 31)/12 \$ 1.54	\$ 1.54
33	Net per MWh Rate for Test Period Calculations	Lines 25 - 32 \$ 58.13	\$ 46.68
<b>Net Lost Revenue Rate for Prospective Period</b>			
34	Adjusted Base Revenue per MWh (\$)	Line 12 \$ 59.67	\$ 48.21
35	2013 Rate Variable O&M Rate per MWh	Line 29 1.38	1.38
36	Net per MWh Rate for Prospective Period	Lines 34 - 35 \$ 58.29	\$ 46.84
37	% of Months in Period	Apr-May 50%	50%
38	Adjusted Base Revenue per MWh (\$)	Line 24 \$ 59.95	\$ 48.41
39	2013 Rate Variable O&M Rate per MWh	Line 29 1.38	1.38
40	Net per MWh Rate for Prospective Period	Lines 38 - 39 \$ 58.57	\$ 47.04
41	% of Months in Period	Jun-Jul 50%	50%
42	Weighted Net Lost Revenue Rate per MWh	Lines 36x37+40x41 \$ 58.43	\$ 46.94
<b>Net Lost Revenue Rate for Rate Period</b>			
43	Adjusted Base Revenue per MWh (\$)	Line 24 \$ 59.95	\$ 48.41
44	2013 Rate Variable O&M Rate per MWh	From CSP Study \$ 1.38	\$ 1.38
45	Months in 2013 Calendar Period	Dec-13 1.0	1.0
46	Product of 2013 Months X VOM Rate	Lines 44 x 45 \$ 1.38	\$ 1.38
47	2014 Rate Variable O&M Rate per MWh	From CSP Study \$ 1.24	\$ 1.24
48	Months in 2014 Calendar Period	Jan-Nov 2014 11.0	11.0
49	Product of 2014 Months X VOM Rate	Lines 47 x 48 \$ 13.61	\$ 13.61
50	Weighted Variable O&M Rate per MWh	Lines(46 + 49)/12 \$ 1.25	\$ 1.25
51	Net per MWh Rate for Rate Period Calculations	Lines 43 - 50 \$ 58.70	\$ 47.16

Estimated Interest

**DUKE ENERGY PROGRESS, INC.**  
Interest on DSM/EE Rate Overcollections

Revenue Months	Sources	Residential	General Service	Lighting	Total
1 Aug-12	Revenue Data	\$ 4,305,796	\$ 1,901,159	\$ 33,852	\$ 6,240,807
2 Sep-12	Revenue Data	3,667,384	1,779,891	33,519	5,480,793
3 Oct-12	Revenue Data	2,579,412	1,502,200	33,924	4,115,537
4 Nov-12	Revenue Data	3,176,228	1,469,460	33,958	4,679,646
5 Dec-12	Revenue Data	3,966,445	1,708,453	37,613	5,712,510
6 Jan-13	Revenue Data	5,072,706	2,313,615	43,263	7,429,584
7 Feb-13	Revenue Data	4,801,723	2,108,216	43,010	6,952,949
8 Mar-13	Revenue Data	4,819,092	2,182,328	42,774	7,044,195
9 Apr-13	Revenue Data	4,245,472	2,255,750	42,729	6,543,950
10 May-13	Revenue Data	3,053,027	2,274,387	44,956	5,372,370
11 Jun-13	Revenue Data	4,193,287	2,478,876	42,289	6,714,452
12 Jul-13	Revenue Data	5,326,125	2,716,572	43,113	8,085,810
14 DSM/EE Billings	$\Sigma$ Lines 1 thru 12	\$ 49,206,698	\$ 24,690,907	\$ 474,997	\$ 74,372,602
16 Uncollectible Rate	E-2, Sub 1019	0.4683%	0.0402%	0.0000%	
17 Uncollectibles	Line 14 x Line 16	\$ 230,453	\$ 9,915	\$ -	\$ 240,368
19 Net Revenue	Line 14 - Line 17	\$ 48,976,245	\$ 24,680,992	\$ 474,997	\$ 74,132,234
21 EMF Revenue Requirement					
22 EE	Exhibit 8 Col 8	36,562,433	25,132,883	451,690	62,147,006
23 DSM	Exhibit 9 Col 7	8,138,314	852,863	-	8,991,177
24 Adjustments	Exhibit 7- $\Sigma$ Lines 5 to 14	1,895,678	63,881	-	1,959,559
25 EMF Revenue Requirement	Line 22 + Line 23	46,596,425	25,985,746	451,690	71,138,183
27 Over (Under) Collection	Line 19 - Line 24	\$ 2,379,819	\$ (1,304,754)	\$ 23,308	\$ 2,994,051
29 Interest Months	Mid-Point Method <sup>1</sup>	16	16	16	
30 Annual Interest Rate		10%	10%	10%	
32 Calculated Interest	Line 29xLine 28/12xLine 26	\$ 317,309.25	\$ (173,967.25)	\$ 3,107.70	\$ 146,449.70
34 Interest Impact on EMF	If Line 31 > 0, Line 31, Else 0	\$ 317,309.25	\$ -	\$ 3,107.70	\$ 320,416.95
36 DSM Revenue Percentage		14.5%	4.0%	0.0%	
37 DSDR Revenue Percentage		34.4%	45.3%	100.0%	
38 EE Revenue Percentage		51.1%	50.7%	0.0%	
40 DSM Allocated Interest	Line 34 x Line 36	\$ 46,153.38	\$ -	\$ -	\$ 46,153.38
41 DSDR Allocated Interest	Line 34 x Line 37	109,099.93	-	3,107.70	112,207.63
42 EE Allocated Interest	Line 34 x Line 38	162,055.94	-	-	162,055.94
43 Totals	$\Sigma$ Lines 40 to 42	\$ 317,309.25	\$ -	\$ 3,107.70	\$ 320,416.95

<sup>1</sup> Interest calculated from midpoint of collection period (August 1, 2012 through July 31, 2013) through midpoint of refund period (December 1, 2013 through November 30, 2014).