NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-2, SUB 1018 DOCKET NO. E-2, SUB 1019 DOCKET NO. E-2, SUB 1020

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1018

In the Matter of Application by Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. Pursuant to G.S. 62-133.2 and Commission Rule R8-55 Relating to Fuel and Fuel-Related Costs Adjustment for Electric Utilities

DOCKET NO. E-2, SUB 1019

In the Matter of Application by Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider Pursuant to G.S. 62-133.9 and Commission Rule R8-69

DOCKET NO. E-2, SUB 1020

In the Matter of Application by Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. for Approval of Renewable Energy and Energy Efficiency Portfolio Standard Cost Recovery Rider Pursuant to G.S. 62-133.8 and Commission Rule R8-67

NOTICE TO CUSTOMERS OF CHANGE IN RATES

NOTICE IS GIVEN that, as required by legislation passed in 2007 by the North Carolina General Assembly, the North Carolina Utilities Commission has authorized Progress Energy Carolinas, Inc. (PEC), to adjust its rates to recover certain costs associated with its costs of purchasing renewable energy, its costs of fuel and its costs associated with programs implemented to encourage more efficient use of electricity by its customers. The Commission's Orders were issued on November 16, 2012 in Docket Nos. E-2, Sub 1018 and E-2, Sub 1020 and on November 27, 2012 in Docket No. E-2, Sub 1019.



Renewable Energy Portfolio Standard (REPS) Rate Change

The rate change associated with PEC's obligation to purchase electricity produced by renewable resources followed Commission review of PEC's renewable energy costs during the 16-month period ended July 31, 2012, and forecasted costs through November 30, 2013. The change in the monthly rate per customer for each class of customers authorized by the Commission is as follows: Residential – \$0.14 decrease; Commercial Class – \$0.56 increase; Industrial Class – \$11.20 decrease. For purposes of this rate, a "customer" is defined as all accounts (metered and unmetered) serving the same person or company of the same revenue classification located on the same or contiguous properties. Upon written notification from a customer to the utility, accounts meeting these criteria shall be coded to receive only one monthly REPS charge, regardless of the class of customer.

Fuel-Related Rate Change

The rate change associated with PEC's fuel costs followed Commission review of PEC's fuel and fuel-related expenses during the 12-month period ended March 31, 2012 and forecasted costs through November 30, 2013. The decrease for each rate class is as follows: Residential – 0.154 cents per kWh; Small General Service – 0.165 cents per kWh; Medium General Service – 0.116 cents per kWh; Large General Service – 0.096 cents per kWh; and Lighting – 0.328 cents per kWh.

Demand-Side Management and Energy Efficiency-Related Rate Change

The rate change associated with PEC's programs to encourage its customers to use electricity more efficiently followed Commission review of PEC's expenses during the 16-month period ended July 31, 2012 and forecasted costs through November 30, 2013. The increase in the monthly rate per customer is as follows: Residential – 0.059 cents per kWh; Small General Service – 0.145 cents per kWh; Medium General Service – 0.145 cents per kWh; Medium General Service – 0.145 cents per kWh; Commercial customers with annual consumption of 1,000,000 kWh or greater in the prior calendar year and all industrial customers with their own energy-efficiency or demand-control programs may elect not to participate in PEC's programs and may thereby avoid paying these charges. Because these rates are include in a customer's tariff charges, commercial and industrial customers electing not to participate in PEC's programs will receive an offsetting credit on their monthly bills.

Summary of Rate Impact

All of these billing adjustments are effective December 1, 2012. The total monthly impact of all three rate changes for a residential customer consuming 1,000 kWh per month is a decrease of \$1.09. The total monthly impact for commercial and industrial customers will vary based upon consumption and customers' participation in PEC's demand-side management and energy-efficiency programs.

ISSUED BY ORDER OF THE COMMISSION. This the 30th day of November, 2012.

NORTH CAROLINA UTILITIES COMMISSION Gail L. Mount, Deputy Clerk

