



Paul R. Kinny
Deputy General Counsel

Duke Energy Corporation
550 South Tryon Street
Charlotte, NC 28202

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

o: 980-373-6609
f: 980.373.8534

Paul.Kinny@duke-energy.com

May 16, 2016

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Regarding: Duke Energy Progress, LLC;
Informational Filing with the 2016 Annual Update for the OATT Formula
Transmission Rate;
Docket No. ER09-1165-000

Dear Secretary Bose:

Duke Energy Progress, LLC (“DEP”)¹, hereby submits this informational filing with the Commission for DEP’s 2016 Annual Update for its formula transmission rate under its Open Access Transmission tariff (“OATT”).

Consistent with DEP’s OATT Attachment H.2 Formula Rate Implementation Protocols accepted by this Commission, **this informational filing should not be publicly noticed by the Commission in a notice of filing and the Commission does not need to accept or approve of this informational filing.**² This filing is submitted to the Commission strictly for informational purposes only.

DEP commits to inform the Commission when the 2016 Annual Update procedures have concluded with its customers and the Commission may terminate the docket in this proceeding.

1. BACKGROUND

DEP, a wholly-owned subsidiary of Duke Energy Corporation, is an investor-owned utility engaged in the generation, transmission, distribution and sale of electric power to retail and wholesale customers in the States of North Carolina and South Carolina. DEP provides open access transmission services pursuant to a Joint OATT with Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Florida, LLC (“DEF”).³

¹ DEP filed a Notice of Succession in Docket No. ER13-1357-000 notifying the Commission that it would be succeeding to all of the tariffs, rate schedules and service agreements of Carolina Power & Light Company effective April 29, 2013.

² See page 2 of this filing letter for a complete explanation as to why this informational filing should not be publicly noticed by the Commission in a notice of filing and the Commission does not need to accept or approve of this informational filing.

³ As a result of the merger of Duke Energy Corporation and Progress Energy, Inc. (“Progress Energy”), DEC, DEP, and DEF have a Joint OATT. The Joint OATT was submitted for filing in Docket No. ER12-1343-000.

On April 30, 2008 in Docket No. ER08-889-000, DEP submitted to the Commission an OATT formula transmission rate filing effective July 1, 2008.

The settlement agreement included an OATT Attachment H.2 Formula Rate Implementation Protocol (the “Protocols”), which describes the Annual Update procedures for DEP’s OATT formula transmission rate. According to these Protocols, on May 15th of each year (or if May 15th is not a business day, on the next business day after May 15th), DEP will calculate updated OATT formula transmission rates with the latest FERC Form No. 1 information and post the completed formula and updated rates on its OASIS and file the information at the Commission as an informational filing (the “Annual Update”).

Consistent with DEP’s Protocols, DEP’s informational filings for the Annual Update of the DEP OATT formula rate should not be noticed for filing and will not require action or an order by the Commission.⁴ In fact, Section 1(b)(ii) of the Protocols provides that if the Commission issues a notice of filing in response to the informational filing, the parties shall advise the Commission of the challenge process in the Protocols and seek an abeyance of the Commission proceeding to permit that challenge process to proceed.

The Protocols include detailed procedures for customer review, data requests and dispute resolution concerning DEP’s Annual Updates.

2. THE INSTANT INFORMATIONAL FILING

In this 2016 Annual Update, DEP calculates the DEP OATT formula rates for the period June 1, 2016 through May 31, 2017 based on DEP’s latest FERC Form No. 1 data that reflects 2015 actual costs.⁵ Attachment 1 of this filing includes DEP’s OATT formula rate template populated with the latest DEP FERC Form No. 1 data that reflects 2015 actual costs.

3. LIST OF PERSONS ON WHOM THIS FILING IS BEING SERVED

Pursuant to 18 C.F.R. § 385.2010(f)(i) of the Commission’s Regulations, a copy of this filing is being served by electronic means to the North Carolina Utilities Commission (“NCUC”), the Public Service Commission of South Carolina (“SCPSC”), the Florida Public Service Commission (“FPSC”) and DEF’s, DEP’s and DEC’s OATT transmission customers.⁶ Specifically, on the date of this filing, DEP will submit an e-mail that notifies the FPSC, the NCUC, the SCPSC, and DEF’s, DEP’s and DEC’s OATT transmission customers that its informational filing (in pdf format) and a fully functioning Excel file of the 2016 Annual Update

DEC is the designated filer of the Joint OATT. In Docket Nos. ER12-1345-002 and ER12-1346-002, Progress Energy filed certificates of concurrence for DEP and DEF to the Joint OATT.

⁴ See Section 1(b)(ii) of the Protocols.

⁵ See Section 1(a) of the Protocols.

⁶ Although this informational filing concerns the DEP OATT rate, DEP maintains a joint OATT with its affiliates DEF and DEC, and therefore it is required to serve this informational filing on DEF’s OATT customers, DEC’s OATT customers, and DEP’s OATT customers.

for the DEP OATT formula transmission rate is available on DEP's OASIS site at <http://www.oasis.oati.com/CPL/>

4. OATT CUSTOMER OUTREACH

A preview of DEP's 2016 Annual Update has already been shared with the OATT customers. Section 2 of the Protocols requires DEP to convene a meeting or conference call with interested parties during which DEP provides an overview of the draft Annual Update, including, on an informal, non-binding basis, as much information about the updated inputs to the formula rates as is available to DEP at the time. DEP held the customer meeting at 1:00 p.m. on May 6, 2016.

5. MISCELLANEOUS

There are no costs included in this informational filing that have been alleged or adjudged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs, nor has any expense or cost been demonstrated to be the product of discriminatory employment practices.

6. COMMUNICATIONS

The following persons should receive communications regarding this filing:

Paul R. Kinny
Deputy General Counsel
Duke Energy Corporation
550 S. Tyron Street, Mail Code DEC45A
Charlotte, North Carolina 28202
Telephone: 980-373-6609
Facsimile: 980-373-8534
E-Mail: Paul.Kinny@duke-energy.com

Please direct any questions to the undersigned.

Very truly yours,
/s/
Paul R. Kinny
Deputy General Counsel
Counsel for Duke Energy Progress, LLC