



April 11, 2018

Dear New River Light and Power Customers;

A letter dated April 4th was sent to you sharing that NRLP will be adjusting our rates. At that time the North Carolina Utilities Commission (NCUC) had not approved the final base rate adjustment. Attached please find the formal notice from the NCUC that details all increases including NRLP's base increase, impact of the environmental remediation from our ultimate energy provider, Duke Energy (CCR), and a wholesale power cost adjustment.

Again, NRLP has not adjusted our basic electric charges since 1996, over 21 years ago. With our effort to be efficient, we have kept costs low over the years. Even after this increase, NRLP will still be ranked as one of the lowest cost utility providers in North Carolina.

What will this base rate increase mean to you? If you are an average residential electric consumer, beginning in April, your increase will be less than \$10.00 per month. These funds will allow us to continue to improve the great service that you have come to expect.

With your continued support, we pledge to build on these successes and continue to improve our customer service, reliability, and safety of your electric utility.

Sincerely,

A handwritten signature in black ink that reads 'Edmond C. Miller'. The signature is written in a cursive style with a large initial 'E'.

Edmond C. Miller
General Manager, New River Light and Power

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-34, SUB 46

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Appalachian State University,)
d/b/a New River Light and Power Company) NOTICE TO CUSTOMERS
for an Adjustment of Rates and Charges for)
Electric Service in North Carolina)

NOTICE IS GIVEN that the North Carolina Utilities Commission (Commission) entered an order in Docket No. E-34, Sub 46 on March 29, 2018, approving an overall increase of \$1,777,506 in the base rates and charges for New River Light and Power Company's (NRLP) electric resale service. This increase in base rates is the result of NRLP's first general rate case since 1996. The new base rates will take effect for electricity consumed during the billing cycle associated with service rendered on or after April 1, 2018.

In addition to increasing the base rates, the Commission has issued an order in Docket No. E-34, Sub 47 on March 29, 2018, approving a purchased power adjustment (PPA) factor and coal ash cost recovery (CACR) factor. The PPA factor is an increment of \$0.001006 per kWh and the CACR factor is an increment of \$0.003251 per kWh, both effective for service rendered on and after April 1, 2018. A separate notice regarding these rate changes has already been provided to customers, pursuant to the Commission's order in Sub 47 (Sub 47 Notice).

The new base rates, PPA factor, CACR factor, and total rates are set forth below:

Rate Schedule	Base Rates	PPA Factor	CACR Factor	Total Rate
<u>Schedule R (Residential)</u>				
Basic Facilities Charge per bill	\$12.58			\$12.58
Energy Charge per kWh	\$0.090044	\$0.001006	\$0.003251	\$0.094301
<u>Schedule G (Commercial)</u>				
Basic Facilities Charge per bill	\$17.42			\$17.42
Energy Charge per kWh	\$0.086683	\$0.001006	\$0.003251	\$0.090940
<u>Schedule GL (Large Commercial)</u>				
Basic Facilities Charge per bill	\$23.22			\$23.22
Demand Charge per kW	\$8.27			\$8.27

Rate Schedule	Base Rates	PPA Factor	CACR Factor	Total Rate
Energy Charge per kWh	\$0.054222	\$0.001006	\$0.003251	\$0.058479

Schedule GLH (Commercial Demand High Load Factor)

Basic Facilities Charge per bill	\$23.22			\$23.22
Demand Charge per kW	\$10.00			\$10.00
Energy Charge per kWh	\$0.051800	\$0.001006	\$0.003251	\$0.056057

Schedule A (Appalachian State University)

Distribution Facilities Charge per kW	\$10.63			\$10.63
Power Demand Charge per kW	\$8.75			\$8.75
Power Energy Charge per kWh	\$0.040950	\$0.001006	\$0.003251	\$0.045207

Schedule OL (Outdoor lighting) Flat Charge Per Lamp Per Bill

100 Watt Sodium Vapor	\$9.05	\$0.04	\$0.12	\$9.21
175 Watt Mercury Vapor	\$9.26	\$0.08	\$0.24	\$9.58
400 Watt Mercury Vapor	\$16.97	\$0.17	\$0.54	\$17.68
150 Watt Sodium Vapor	\$8.90	\$0.07	\$0.23	\$9.20
250 Watt Sodium Vapor	\$12.93	\$0.11	\$0.34	\$13.38
400 Watt Metal Halide	\$19.54	\$0.17	\$0.54	\$20.25
250 Watt Metal Halide	\$15.33	\$0.11	\$0.34	\$15.78
100 Watt SV TOB	\$2.91	\$0.04	\$0.12	\$3.07
150 Watt SV TOB	\$4.39	\$0.07	\$0.23	\$4.69
175 Watt MV TOB	\$5.12	\$0.08	\$0.24	\$5.44
250 Watt SV TOB	\$7.31	\$0.11	\$0.34	\$7.76
400 Watt MV TOB	\$11.68	\$0.17	\$0.54	\$12.39
400 Watt SV TOB	\$11.68	\$0.17	\$0.54	\$12.39
750 Watt SV TOB	\$21.92	\$0.31	\$1.01	\$23.24

Schedule LEDL (LED Lighting) Flat Charge Per Lamp Per Bill

Unmetered Service:

150 Watt Flood Light	\$10.59	\$0.06	\$0.18	\$10.83
266 Watt Flood Light	\$16.27	\$0.10	\$0.32	\$16.69
162 Watt Cobra Head	\$11.06	\$0.06	\$0.19	\$11.31
119 Watt Area Light	\$9.98	\$0.04	\$0.14	\$10.16
50 Watt Yard Light	\$4.07	\$0.02	\$0.06	\$4.15

Metered Service:

150 Watt Flood Light	\$7.13	\$0.06	\$0.18	\$7.37
266 Watt Flood Light	\$10.17	\$0.10	\$0.32	\$10.59
162 Watt Cobra Head	\$7.35	\$0.06	\$0.19	\$7.60

Rate Schedule	Base Rates	PPA Factor	CACR Factor	Total Rate
119 Watt Area Light	\$7.28	\$0.04	\$0.14	\$7.46
50 Watt Yard Light	\$2.94	\$0.02	\$0.06	\$3.02
New Pole Cost:				
30' Wood Pole	\$3.40			\$3.40
Decorative Fiberglass Pole	\$6.81			\$6.81
Town of Boone Owned Lighting:				
80 Watt LED	\$1.82	\$0.03	\$0.09	\$1.94
110 Watt LED	\$2.51	\$0.04	\$0.13	\$2.68
136 Watt LED	\$3.14	\$0.05	\$0.16	\$3.35
180 Watt LED	\$4.15	\$0.07	\$0.21	\$4.43

Schedule MS (Miscellaneous Service Charges)

Connect Charge	\$11.50	\$11.50
Connect Charge Commercial Temp	\$15.00	\$15.00
Reconnect Fee:		
Regular Hours	\$25.00	\$25.00
After Hours	\$60.00	\$60.00
Returned Payment	\$21.00	\$21.00

The new base rates and PPA and CACR factors result in the following:

1. A 10.22% overall increase in base rates related to the general rate case (Docket No. E-34, Sub 46), which, for a typical residential customer that uses 1,000 kWhs per month, represents a monthly increase of \$9.29;
2. A 1.22% overall increase related to the PPA (Docket No. E-34, Sub 47), which, for a typical residential customer that uses 1,000 kWh per month, represents a monthly increase of \$1.01;
3. A 3.94% overall increase related to the CACR (Docket No. E-34, Sub 47), which, for a typical residential customer that uses 1,000 kWh per month, represents a monthly increase of \$3.25; and
4. A total increase in rates of 15.38% (Dockets No. E-34, Subs 46 and 47), which, for a typical residential customer that uses 1,000 kWh per month, represents a monthly increase of \$13.55.

The new base rates for all classes have been approved on a permanent basis.

With regard to the PPA and CACR factors, as noted in the previously issued Sub 47 Notice, the Commission has approved those particular factors without public hearing, subject to refund of any amounts which should subsequently be found to be unjust or unreasonable after any public hearing in that matter that may subsequently be held by the Commission. Persons desiring to intervene in Sub 47 as formal parties of record should file a motion under Commission Rules R1-6, R1-7, and R1-19 not later than 45 days after the date of the Sub 47 Notice (May 13, 2018). Persons desiring to present testimony or evidence at a hearing should so advise the Commission. Persons desiring to send written statements to inform the Commission of their position in the matter should address their statements to the Chief Clerk, North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. However, such written statements cannot be considered competent evidence unless those persons appear at a public hearing and testify concerning the information contained in their written statements. If a significant number of requests for a public hearing are received within 45 days after the date of the Sub 47 Notice, the Commission may schedule a public hearing.

The Public Staff – North Carolina Utilities Commission is authorized by statute to represent the using and consuming public in proceedings before the Commission. Written statements to the Public Staff should include any information which the writer wishes to be considered by the Public Staff in its investigation of the PPA and CACR factors, and such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

ISSUED BY ORDER OF THE COMMISSION.

This the 10th day of April, 2018.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threatt, Deputy Clerk