RESOLUTION OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION TO ESTABLISH A REGULATORY ASSET TO RECOGNIZE DEP ENERGY AND DEMAND TRUE-UP

WHEREAS, Duke Energy Progress (DEP) has invoiced Fayetteville Public Works Commission (COMMISSION) an energy and demand true-up in the net amount of $7,216,414.03 for the service period of January through December 2022 (True-up), and

WHEREAS, COMMISSION, desires to establish a regulatory asset for the True-up and amortize over the recovery period, and

WHEREAS, COMMISSION intends to recover the True-up amount through revenue received by imposing a proposed Power Supply Adjustment (PSA) in accordance with PWC's Service Regulations and Charges.

NOW, THEREFORE, LET IT BE RESOLVED BY THE COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION THAT:

1. The COMMISSION hereby approves and adopts a policy to establish a regulatory asset to recognize True-up in the amount of $7,216,414.03. This account will be named the Regulatory Asset for DEP Energy and Demand True-up.

2. The COMMISSION will recover the True-up with revenues through a proposed PSA.

3. The Regulatory Asset for DEP Energy and Demand True-up will be amortized over the recovery period of twelve months aligning with the proposed PSA period.

ADOPTED this the 9th day of August 2023.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Ronna Rowe Garrett, Chairwoman

ATTEST:

Evelyn O. Shaw, Secretary