STATE OF SOUTH CAROLINA

(Caption of Case)
IN RE:
Proceeding for Approval of PURPA Avoided Cost Rates for Electric Companies.

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET NUMBER: 95 - 1192- E

(Please type or print)

Submitted by: Catherine E. Heigel
Address: Duke Energy Carolinas, LLC
526 S. Church Street, EC03T
Charlotte, North Carolina 28202

SC Bar Number: 9268
Telephone: 704-382-8123
Fax: 704-382-5690
Other:
Email: ceheigel@duke-energy.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☒ Request for item to be placed on Commission's Agenda expeditiously

☐ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
☒ Electric	☐ Affidavit	☐ Letter	☐ Request
☐ Electric/Gas	☐ Agreement	☐ Memorandum	☐ Request for Certification
☐ Electric/Telecommunications	☐ Answer	☐ Motion	☐ Request for Investigation
☐ Electric/Water	☐ Appellate Review	☐ Objection	☐ Resale Agreement
☐ Electric/Water/Telecom.	☐ Application	☐ Petition	☐ Resale Amendment
☐ Electric/Water/Sewer	☐ Brief	☐ Petition for Reconsideration	☐ Reservation Letter
☐ Gas	☐ Certificate	☐ Petition for Rulemaking	☐ Response
☐ Railroad	☐ Comments	☐ Petition for Rule to Show Cause	☐ Response to Discovery
☐ Sewer	☐ Complaint	☐ Petition to Intervene	☐ Return to Petition
☐ Telecommunications	☐ Consent Order	☐ Petition to Intervene Out of Time	☐ Stipulation
☐ Transportation	☐ Discovery	☐ Prefiled Testimony	☐ Subpoena
☐ Water	☐ Exhibit	☐ Promotion	☒ Tariff
☐ Water/Sewer	☐ Expedited Consideration	☐ Proposed Order	☐ Other:
☐ Administrative Matter	☐ Interconnection Agreement	☐ Protest	
☐ Other:	☐ Interconnection Amendment	☐ Publisher's Affidavit	
	☐ Late-Filed Exhibit	☐ Report	

Duke Energy®
Carolinas

DUKE ENERGY CAROLINAS, LLC
526 South Church St.
Charlotte, NC 28202

Mailing Address:
EC03T / PO Box 1006
Charlotte, NC 28201-1006

CATHERINE E. HEIGEL
Assistant General Counsel
704.382.8123 OFFICE
704.382.5690 FAX
ceheigel@duke-energy.com

July 27, 2007

Mr. Charles L. A. Terreni
Chief Clerk/Administrator
The Public Service Commission of South Carolina
P. O. Drawer 11649
Columbia, South Carolina 29211

RE: Revised Schedule PP (SC)
Docket No. 95-1192-E

Dear Mr. Terreni:

Duke Energy Carolinas, LLC ("Duke Energy Carolinas" or the "Company") encloses for filing with the Public Service Commission of South Carolina (the "Commission") an original and two (2) copies of its Schedule PP (SC), which has been updated to reflect the Company's current avoided cost projections. Customers entering into new purchased power contracts with the Company will have the option of a fixed or variable rate under the revised tariff. Duke Energy Carolinas appreciates approval of revised Schedule PP (SC) at the Commission's earliest convenience.

PLEASE NOTE THAT THESE DOCUMENTS ARE AN EXACT DUPLICATE, WITH THE EXCEPTION OF THE FORM OF THE SIGNATURE, OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Catherine E. Heigel

Catherine E. Heigel

Enclosure

cc: Dan Arnett, ORS
L. Hammonds, ORS

SCHEDULE PP (SC)
PURCHASED POWER

AVAILABILITY (South Carolina Only)

Available only to establishments located in the Company's South Carolina service territory which have generating facilities with a Nameplate Capacity not in excess of five (5) megawatts which are interconnected directly with the Company's system and which are qualifying facilities as defined by the Federal Energy Regulatory Commission pursuant to Section 210 of the Public Utility Regulatory Policies Act of 1978.

This Schedule is not applicable to a qualifying facility owned by a Customer, or affiliate or partner of a Customer, who sells power to the Company from another facility located within one-half mile.

Service necessary for the delivery of power from the Customer's generating facilities into the Company's system under this Schedule shall be furnished solely to the individual contracting Customer in a single enterprise, located entirely on a single, contiguous premise. Service hereunder shall be restricted to the Company's purchase of energy or energy and capacity from the Customer's generating facilities up to the Net Capacity which may be operated in parallel with the Company's system. Power delivered to the Company under this Schedule shall not offset or be substituted for power contracted for or which may be contracted for under any other schedule of the Company, except at the option of the Company under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to service under this Schedule are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits for such service and the Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from purchasing power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one metering point, at one delivery point, at one of the following approximate voltages, where available, upon mutual agreement:

Single-phase, 120 or 240 volts; or
3-phase, 3-wire, 240, 480, 4160, 12470, or 24940 volts; or
3-phase voltages other than the foregoing, but only at the Company's option, and provided that the size of the Customer's contract warrants a substation solely to serve that Customer, and further provided that the Customer furnish suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service under this Schedule shall be determined by the Company. Prospective customers shall ascertain the available voltage by written inquiry of the Company before purchasing equipment.

RATE:

Administrative Charge	$ 6.23 per month
Facilities Charge (if applicable – see Interconnection Facilities Charge Exception)	$ 8.03 per month

Interconnected to Distribution System:

		Variable Rate	5-Year Fixed Rate
I.	Capacity Credit		
	a. All On-Peak Energy per On-Peak Month per kWh:	2.18¢	2.34¢
	b. All On-Peak Energy per Off-Peak Month per kWh:	0.43¢	0.46¢
II.	Energy Credit		
	a. All On-Peak Energy per Month per kWh	5.44¢	5.36¢
	b. All Off-Peak Energy per Month per kWh	3.90¢	4.03¢

Interconnected to Transmission System:

		Variable Rate	5-Year Fixed Rate
I.	Capacity Credit		
	a. All On-Peak Energy per On-Peak Month per kWh:	2.09¢	2.25¢
	b. All On-Peak Energy per Off-Peak Month per kWh:	0.41¢	0.44¢
II.	Energy Credit		
	a. All On-Peak Energy per Month per kWh	5.21¢	5.14¢
	b. All Off-Peak Energy per Month per kWh	3.76¢	3.88¢

The Capacity Credits and Energy Credits of the Variable Rate are subject to change at any time during the term of contract as approved by the Public Service Commission of South Carolina.

DEFINITIONS

Nameplate Capacity: The term "Nameplate Capacity" shall mean the maximum continuous electrical output capability of the generator(s) at any time at a power factor of ninety percent (90%).

Net Capacity: The term "Net Capacity" shall mean the Nameplate Capacity of the Customer's generating facilities, less the portion of that capacity needed to serve the generating facilities' Auxiliary Load.

Auxiliary Load: The term "Auxiliary Load" shall mean power used to operate auxiliary equipment in the facility necessary for power generation (such as pumps, blowers, fuel preparation machinery, and exciters).

Month: The term "Month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing, such readings being taken once per month. The On-Peak Months shall be the billing Months of June through September and December through March. The Off-Peak Months shall be the billing Months of April, May, October and November.

DETERMINATION OF ON-PEAK AND OFF-PEAK ENERGY

On-Peak Energy shall be energy, in kilowatt hours, which is supplied to the Company during On-Peak Periods. Off-Peak Energy shall be energy, in kilowatt hours, which is supplied to the Company during Off-Peak Periods.

The On-Peak Period shall be those hours, Monday through Friday, beginning at 7 A.M. and ending at 11 P.M. The Off-Peak Period shall be all other weekday hours and all Saturday and Sunday hours.

INTERCONNECTION FACILITIES CHARGE

The Customer shall be responsible for providing suitable control and protective devices on his equipment to assure no disturbance to other customers of the Company or to the Company itself, and to protect the Customer's facilities from all loss or damage which could result from operation with the Company's system.

The Company will furnish, install, own, and maintain interconnection facilities necessary for service under this Schedule including: suitable control and protective devices installed on Company equipment to allow operation of the Customer's generating facilities; metering facilities equipped to prevent reverse registration for the measurement of service under this Schedule; and any other modifications to its system required to serve the Customer under this Schedule as determined by the Company.

All such facilities shall be subject to a monthly charge under the Extra Facilities provisions of the Company's Service Regulations. The Company reserves the right to install at any time facilities necessary for the appropriate measurement of service under this Schedule and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

EXCEPTION:

Customers with installed generating systems of 100 kW or less a may provide the control and protective devices provided they comply with the South Carolina Standard for Interconnecting Small Generation 100 kW or less with Electric Power Systems (EPS), hereinafter the "Interconnection Standard" as approved by the South Carolina Public Service Commission. The Customer must comply with the liability insurance requirements of the Interconnection Standard.

In order to ensure protection of the Company's system, the Company reserves the right, at its discretion, to inspect the Customer's generation system and equipment at any time upon reasonable notice to the Customer in an effort to ensure compliance with the Interconnection Standard. The Company reserves the right to disconnect electric service to the premises if the Company determines that the Customer's generation system and equipment is not in compliance with the Interconnection Standard and is being operated in parallel with the Company's system.

The Customer must submit an Application to Interconnect Small Generation 100kW or Less (SC) which must be accepted by the Company and pay an application fee in accordance with the Interconnection Standard.

The Customer must enter into a specific contract providing for interconnection to the Company's system whereby the Customer shall be responsible for providing suitable control and protective devices on its equipment to assure no disturbance to other customers of the Company or to the Company itself, and to protect the Customer's facilities, other Customer's facilities, and the Company's facilities from all loss or damage which could result from operation in parallel with the Company's system.

The Customer shall be responsible for any costs incurred by the Company pursuant to the Interconnection Standard. The Company reserves the right to require additional interconnection facilities, furnished, installed, owned and maintained by the Company, at the Customer's expense, if the Customer's system, despite compliance with the Interconnection Standard, causes safety, reliability or power quality problems. These additional facilities will be subject to a monthly facilities charge of 1.7% of the estimated investment in facilities provided by Duke and included in the Interconnection Charge as outlined above. When the installed generating system complies with the Interconnection Standard and no additional interconnection facilities are required the Facilities Charge shown in the Rate above will be applied to cover the cost of the Company's metering and installation.

DETERMINATION OF CAPACITY CREDIT

Capacity Credits are available only to qualifying facilities classified as "new capacity" in accordance with the Federal Energy Regulatory Commission's Order No. 69 in Docket No. RM79-55 and in accordance with the Public Service Commission of South Carolina's Order No. 81-214 in Docket No. 80-251-E.

Capacity Credits will be based on the energy, in kilowatt hours, which is supplied to the Company during the On-Peak Periods of the Month and will be applied to the Customer's bill in the appropriate Month.

POWER FACTOR CORRECTION

When the average Monthly power factor of the power supplied by the Customer to the Company is less than 90 percent or greater than 97 percent, the Company may correct the energy, in kilowatt-hours, as appropriate. The Company reserves the right to install facilities necessary for the measurement of power factor and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

PAYMENTS

Credit billings to the Customer will be credited to the Customer's account, or, at the option of the Customer and upon ten (10) days' prior written notice, shall be payable to the Customer within fifteen (15) days of the date of the bill.

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 ½%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each Customer shall enter into a contract for an initial minimum term of one (1) year on the Variable Rate and five (5) years on the 5-Year Fixed Rate. The contract shall continue thereafter until terminated by either party upon giving at least ninety (90) days' prior written notice, provided, however, the parties must give at least thirty (30) months' prior written notice of such termination if the contract provides for payment of capacity credits. Said contract shall specify the amount of capacity committed for delivery throughout the term of the contract.

The Company reserves the right to terminate the Customer's contract under this Schedule at any time upon written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Schedule or operates his generating facilities in a manner which is detrimental to the Company or any of its Customers, or fails to deliver energy to the Company for six (6) consecutive Months. In the event of early termination of a contract under this Schedule, the Customer will be required to pay the Company for costs due to such early termination.

SOUTH CAROLINA POWER EXCISE TAX

The Customer shall be responsible for any and all taxes including, but not limited to, the Electric Power Excise Tax for the electric power generated by the Customer's facilities, which may be imposed under S.C. Code Ann. §12-23-10 (1976), as amended, or any equivalent statute or regulations.