Progress Energy

February 26, 2008

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

RE: Docket Nos. 2005-385-E and 2005-386-E

Dear Mr. Terreni:

On August 30, 2007, the Public Service Commission of South Carolina ("the Commission") issued Order No. 2007-618 in the above two dockets, which pertain to Net Metering and Smart Metering provisions of the Energy Policy Act of 2005 ("EPact"). In its Order, the Commission ordered "the utilities to continue to make smart meters available to all customers, and also order[ed] the utilities to propose, within 180 days from the date of this Order [i.e. February 26, 2008], a communications plan to inform all customers of the availability and capability of smart meters, how they may use those capabilities to better manage their power requirements, and any additional costs and available payment arrangements for those costs." Pursuant to that Order, Progress Energy Carolinas, Inc. ("PEC") hereby submits its communications plan.

PEC began offering smart metering to its South Carolina residential and commercial customers in 1981 in conjunction with thermal storage (TS) and time-of-use (TOU) rate schedules. Today PEC offers a menu of rate schedules utilizing smart meters to suit a variety of customer applications. More than 5,300 of PEC's South Carolina customers take advantage of these rate schedules and thus already have smart meters installed:

- Residential Service Time-Of-Use (R-TOUD)
- Residential Service All-Energy Time-Of-Use (R-TOUE)
- Small General Service Time-Of-Use (SGS-TOU)
- Small General Service (Thermal Energy Storage) (SGS-TES)
- Large General Service Time-Of-Use (LGS-TOU)
- Large General Service Real Time Pricing (Experimental) LGS-RTP

Progress Energy Service Company, LLC
P.O. Box 1551
Raleigh, NC 27602

Information on these rates is made available to customers by means of annual rate summaries mailed to all customers, information on PEC's website, and by PEC's employees in response to telephone inquiries. These rates go hand-in-hand with PEC's demand side management ("DSM") and energy efficiency programs, which are also promoted via bill inserts, information on PEC's website, and periodic customer newsletters. Several of these programs provide customers the same type of detailed energy consumption data as smart meters, and the opportunity to take an active part in managing their energy consumption patterns:

- "Home Energy Display" –a display device providing a digital read-out of real-time electric consumption, provided on a pilot-program basis to a small segment of residential customers in 2007. This program is presently undergoing evaluation by PEC.

- Access to LGS-RTP load data—presently customers on the Large General Service Real Time Pricing (Experimental) LGS-RTP rate schedule may access hourly load data on a dedicated computer terminal using software provided by PEC; this will soon be replaced by the internet-based "Customer Care" program. The new program will provide these customers with convenient and secure access to hourly load statistics, historical load profiles, and other data associated with their energy use.

PEC also has in place a Meter-Related Optional Programs ("MROP") tariff which includes:

- "Energy Profiler Online," a program that allows non-residential customers to access smart metering data via the internet for an additional charge
- Customer remote access to Company meters, a program that allows non-residential customers to retrieve smart meter data from an interval-type remotely-read meter on a "read-only" basis at times and frequencies specified by the Company
- A process by which non-residential customers may request the Company to install a non-standard meter, for an additional charge
- Smart meters capable of providing meter pulses for input to customers' load control devices.

PEC will continue to advise its customers of these rates and metering options, along with demand side management and energy efficiency programs through annual notices, bill inserts, advertising, information on PEC's website, and by responding to customer inquiries.

Sincerely,

Len S. Anthony
GAC

Len S. Anthony
Deputy General Counsel – Regulatory Affairs

LSA:gac

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**BEFORE**

**THE PUBLIC SERVICE COMMISSION OF**

**SOUTH CAROLINA**

**DOCKET NO. 2005-385-E**
**DOCKET NO. 2005-386-E**

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| Petition of the Office of Regulatory Staff to Establish Dockets to Consider Implementing the Requirements of Section 1251 (Net Metering and Smart Metering) of the Energy Policy Act of 2005 and | ) ) ) ) ) | **PROGRESS ENERGY CAROLINAS, INC.'S COMMUNICATION PLAN** |

I, Marsha H. Manning, hereby certify that 1 have placed copies of PEC's Communication Plan in the U. S. Mail on this date, to the parties of record at the addresses shown below, with sufficient postage attached:

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This the 26th day of February, 2008.

Marsha H. Manning

Marsha H. Manning
Senior Legal Secretary to Len S. Anthony