PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2007-440-E

APPLICATION OF DUKE ENERGY CAROLINAS, LLC FOR APPROVAL OF DECISION TO INCUR NUCLEAR GENERATION PRE-CONSTRUCTION COSTS

Duke Energy Carolinas, LLC (Duke Energy Carolinas or the Company) has filed an Application with the Public Service Commission of South Carolina (the "Commission") for approval of Duke Energy Carolinas' decision to continue to incur pre-construction costs of up to $230 million through December 31, 2009, for the Company's proposed William States Lee, III Nuclear Station in Cherokee County, South Carolina (Lee Nuclear Station). The Application was filed pursuant to S.C. Code Ann. Section 58-33-225. The Application reveals that Duke Energy Carolinas is seeking Commission approval of the decision to incur all pre-construction costs through December 31, 2009, to ensure that the Lee Nuclear Station remains an option to serve customer needs in the 2018 timeframe.

According to the Application, all cost estimates reflect total pre-construction costs to be allocated among South Carolina retail customers, North Carolina retail customers, and wholesale customers (of which the South Carolina portion is approximately 28% or $64,400,000).

Duke Energy Carolinas' Application cites reasons for the continued development of the Lee Nuclear Station. For example, in each of the past five years, approximately 50,000 new customer accounts have been added and served by Duke Energy Carolinas. Further, the Lee Nuclear Station is the largest single capital project in the history of Duke Energy Carolinas. The Application states that approval of the Company's request will provide additional assurance that the Lee Nuclear Station will continue to be an option to serve the Company's customers in the 2018 timeframe. Additional details regarding the Company's anticipated preconstruction costs and schedule are outlined in its Application.

A copy of the Company's Application may be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, 101 Executive Center Drive, Columbia, South Carolina 29210. Additionally, the Application is available on the Commission's website at www.psc.sc.gov and is available from Frank R. Ellerbe, III, Esquire, Robinson McFadden and Moore, PC, 1901 Main Street, Suite 1200, Post Office Box 944, Columbia, South Carolina 29202.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, Saluda Building, 101 Executive Center Drive, Columbia, South Carolina on **Wednesday, March 5, 2008 at 10:30 a.m.**

Any person, who wishes to participate in this matter as a party of record with the right of cross-examination, should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **January 22, 2008,** and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. Please refer to ***Docket No. 2007-440-E.***

Any party who wishes to testify and present evidence at the hearing concerning these matters should notify, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, at Post Office Box 11263, Columbia, South Carolina 29211 and Frank R. Ellerbe, III, Esquire and Bonnie D. Shealy, Esquire, Robinson McFadden and Moore, PC, 1901 Main Street, Suite 1200, Post Office Box 944, Columbia, South Carolina 29202 on or before **January 22, 2008,** and indicate the amount of time required for the presentation. Please refer to ***Docket No. 2007-440-E.***

Any person, who wishes to be notified of the hearing, but does not wish to present testimony or participate as a party of record, may do so by notifying the Docketing Department, in writing, at the address below on or before **January 22, 2008**. *Please refer to* ***Docket No. 2007-440-E.***

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, South Carolina, 29211

12/18/07
cba