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April 6, 2015

**VIA ELECTRONIC FILING**

Jocelyn G. Boyd, Esquire  
Chief Clerk & Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: Application of Duke Energy Carolinas, LLC for Approval of Pay As You Go Pilot Program  
**Docket No. 2015-136-E**

Dear Ms. Boyd:

The South Carolina Office of Regulatory Staff ("ORS") has reviewed the Application in the above-referenced Docket and has no objection to Duke Energy Carolinas, LLC's ("DEC" or the "Company") request for approval of its Pay As You Go Pilot Program ("Pilot Program") or to its request for partial waivers of certain regulations of the Public Service Commission of South Carolina ("Commission"). The Pilot Program is designed to give residential customers more control and flexibility when paying for their electricity they have used. To qualify for the Pilot Program, customers must be on a non-time of use rate schedule, reside where the Company has installed a Smart Meter, and participate in no optional riders.

The Company plans to limit participation to a maximum of 1,000 customers in order to verify and ensure that all charges are calculated correctly and payment mechanisms and disconnection protocols operate as designed. To maximize the Pilot Program's marketing effectiveness, the Company will target its service territory where Smart Meters are already installed.

DEC request three (3) waivers in order to comply with:

- (1) Rule 103-330, Customer Information, paragraph (c) and (d). The Company plans to use messaging on account screens instead of providing the information via a bill insert.

(Continued...)

- (2) Rule 103-339, Customer Billing. A statement will be provided electronically at the end of a normal billing cycle.
- (3) Rule 103-352, Procedures for Termination of Service. The Company will only provide disconnect notification via telephone, text message or email, and only at five (5) days, three (3) days and one (1) day before the account balance is expected to be zero (0). Service could be disconnected between 10:00a.m. and normally not after 2:00p.m., Monday through Friday.

The Company is using lessons learned from its affiliate Duke Energy Progress, Inc. to help shape the proposed Pilot Program along with significant technology, interface and system differences. A report will be filed with the Commission within 15 months of the Pilot Program's effective date to advise the Commission of its progress. The Company is requesting the Pilot Program have an approved duration of one (1) year. If successful, the Company may seek to grow the Pilot Program or seek early termination in favor of a full scale offering that would be filed with the Commission.

Thank you for the opportunity to provide comments on this matter.

Sincerely,



John W. Flitter

JWF/swh

cc: Nanette S. Edwards, Deputy Executive Director, SC ORS  
Jeffrey M. Nelson, Chief Counsel and Director of Legal Services, SC ORS  
Frank R. Ellerbe, III, Esquire  
Heather S. Smith, Deputy General Counsel, DEC  
Dr. James Spearman, Executive Assistant, SC PSC