

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2016-354-E - ORDER NO. 2016-791

NOVEMBER 17, 2016

IN RE: Duke Energy Carolinas, LLC's Request for Approval of AMI Opt-Out Rider) ORDER APPROVING
Approval of AMI Opt-Out Rider) AMI OPT-OUT RIDER
) (RIDER MRM)

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Duke Energy Carolinas, LLC (“DEC” or “Company”) for approval of its proposed Rider MRM, Manually Read Meter Rider. Because approval of Rider MRM does not require a determination of the rate structure and rate of return of the Company and will not result in any rate increase, S.C. Code Ann. § 58-27-870(F) allows the Commission to approve the proposed changes without notice being given or a hearing being held.

DEC is deploying advanced metering infrastructure ("AMI"), which includes deployment of smart meters to its customers in South Carolina. Smart meters give customers more information on how they use energy and provide increased convenience for customers as service connections and disconnections can be performed remotely without the need for a technician to visit their home or business. DEC anticipates the ability to provide customers with increased choices for energy delivery, billing and program offerings such as the Pay As You Go pilot in South Carolina, along with enhanced services that are all enabled by smart meters.

Although the Company's smart metering hardware complies with all applicable safety and regulatory requirements, some customers nevertheless have concerns about smart meters and would prefer a manually read meter. In response to these limited customer concerns, DEC proposes to offer an option to the customer where energy usage would not be communicated via radio frequency and the meter would be manually read by a meter reader visiting the premises, provided that such a meter is available for use by the Company. Customers participating in Rider MRM would not be able to participate in any current or future offerings enabled by smart meters. The Company proposes to limit participation under this Rider to all residential customers and non-demand metered nonresidential customers on the Small General Service Schedule SGS.

There are costs to offer Rider MRM, and as proposed, subscribing customers would be required to pay those costs via a set-up fee associated with costs including but not limited to customer enrollment, information technology ("IT") enhancements, installation of a manually read meter, and assignment to a manual meter reading route. In addition, a subscribing customer would pay a monthly fee to offset the cost of manually reading the meter. Rider MRM outlines the costs to customers selecting this option. Up to this point, customers that objected to the installation of a smart meter have been temporarily bypassed during the deployment and continue to be served by meters that are read by computer from a vehicle, sometimes referred to as "drive-by" readings. As more smart meters are deployed, drive-by routes are being discontinued which necessitates the need for a long-term solution for those customers that object to the installation of a smart meter. Upon

implementation of Rider MRM, customers objecting to the installation of a smart meter will be provided with the option to receive a manually read meter.

Rider MRM would require significant IT changes to the customer billing system. DEC has informed the Commission that Rider MRM would be available to customers by November 15, 2017, following Commission approval. The Company needs approval of this option prior to making IT programming changes in order to make the November 15, 2017, time frame. In the interim, Commission approval of Rider MRM will allow the Company to implement those changes with certainty that this option can be provided to customers, and will allow the Company to respond to customers who have requested DEC provide an opt-out option in lieu of installing a smart meter.

The Office of Regulatory Staff has reviewed the proposed Rider MRM, and it has no objection to its implementation.

We have also reviewed the proposed Rider MRM and found it to be consistent with the public interest. We therefore approve Rider MRM. This Rider shall become effective no earlier than November 15, 2017, without prior approval from the Commission.

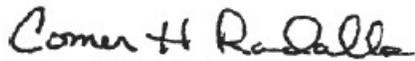
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Swain E. Whitfield, Chairman

ATTEST:



Comer H. Randall, Vice Chairman