

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2015-136-E - ORDER NO. 2015-334

MAY 12, 2015

IN RE: Application of Duke Energy Carolinas, LLC) ORDER APPROVING
for Approval of Pay As You Go Pilot) PAY AS YOU GO PILOT
Program) PROGRAM FOR ONE
) YEAR

Pursuant to S.C. Code Ann. § 58-27-250(C), this matter comes before the Public Service Commission of South Carolina (“Commission”) on the request of Duke Energy Carolinas, LLC (“DEC” or the “Company”) to implement a Pay As You Go Pilot Program (the “Pilot Program”). The Company seeks to operate the Pilot Program for the duration of one year, and requests that it become effective two months after the date that it is approved. In addition, to implement the Pilot Program, DEC is requesting the waiver of S.C. Code Ann. Regs. 103-330, 103-339, and 103-352. DEC states that a report will be filed within fifteen (15) months of the Pilot Program’s effective date to advise the Commission of its progress.

Under this one-year proposal, as customers use electricity, their prepaid balance of at least \$40 would decrease based on the amount of electricity they use. This is intended to give more control and flexibility to the customer. According to the Company, DEC plans to initially seek up to 25 volunteer employees to participate in an initial trial, and then the Company plans to expand the Pilot Program to a maximum of 1,000

participants for the purpose of ensuring that it operates as designed. Certain eligibility requirements apply for program participation. Greater detail of the Pilot Program can be found in the Company's Application.

In its Application, the Company cites Rules 103-330, 103-339, and 103-352 for which waivers are requested, along with a rationale for why each waiver is appropriate. According to DEC, in order to comply with Rule 103-330 *Customer Information* paragraph (c) and (d) regarding notification of rates available and notice of rate changes, the Company plans to use messaging on the Pilot Program account screens to direct customers to this information on the Company's website instead of providing the information via a bill insert.

With respect to compliance with Rule 103-339 *Customer Billing*, DEC states a reconciliation statement will be provided at the end of the customer's normal billing cycle via the Pay As You Go website that will show the rate schedule, readings, usage and amounts, and any true-up adjustments.

Regarding Rule 103-352 *Procedures for Termination of Service*, DEC requests a partial waiver of timing, delivery method, and the information provided on any notice of disconnection. Specifically, rather than a mailed notice, the Company would only provide notification via telephone, text message, or email, and only at 5 days, 3 days, and 1 day before the account balance is expected to be zero and disconnection would occur. Further, alternative payment arrangements would not be offered for participating customers. The Company would disconnect service Monday through Friday from no earlier than 10:00 a.m. and normally not after 2:00 p.m. The customer's right to contact

the Office of Regulatory Staff and to receive the winter moratorium and the recommendation to contact social service agencies would be included with information displayed on the customer's account on the Pilot Program website rather than with a telephone, text, or email message. Participating customers would not be able to establish their accounts as a "special need" or "medical certificate" moratorium account unless they went off the Pilot Program. Customers wishing to designate a third party contact would do so by setting up the third party's telephone and/or email address to receive the required alerts.

Having reviewed the evidence and testimony, we find that the Pay As You Go Pilot Program is in the public interest. Further, we encourage DEC to give consideration to the jointly filed recommendations of the South Carolina Coastal Conservation League and Southern Alliance for Clean Energy as the Company evaluates the results of the Pilot Program.

IT IS THEREFORE ORDERED:

1. The request of Duke Energy Carolinas, LLC to implement its proposed Pay As You Go Pilot Program for one year is granted.
2. The Company's request for Waiver of Notice and for Waiver of Rules 103-330, 103-339, and 103-352 is granted.

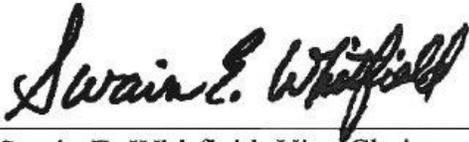
3. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Nikiya Hall, Chairman

ATTEST:



Swain E. Whitfield, Vice Chairman

(SEAL)