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May 6, 2016

The Honorable Jocelyn Boyd  
Chief Clerk and Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29211

Re: Request for Extension, Docket No. 2015-136-E

Dear Mrs. Boyd:

By Order No. 2016-325, dated April 27, 2016, issued in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") approved an extension of the Pay As You Go Pilot Program until July 12, 2017 and for a twelve-month extension for Duke Energy Carolinas, LLC ("DEC") to file its report. As information, enclosed are clean and black line copies of DEC's Pay As You Go Program (SC) tariff which has been filed electronically using the Commission's E-Tariff System. The Office of Regulatory Staff ("ORS") reviewed the tariff prior to filing.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Heather Shirley Smith".

Heather Shirley Smith

Enclosures

cc: Ms. Nanette Edwards, Esq., Office of Regulatory Staff  
Ms. Dawn Hipp, Office of Regulatory Staff  
Mr. Jeffery M. Nelson, Esq., Office of Regulatory Staff  
Ms. Shannon Bowyer Hudson, Esq., Office of Regulatory Staff  
Mr. Michael Seaman-Huynh, Office of Regulatory Staff

PAY AS YOU GO PROGRAM (SC)  
(Pilot)AVAILABILITY (South Carolina only)

Available on a voluntary basis, at the option of the Company, to new or existing residential customers in residences, served on a non-time of use rate schedule, who are not served on Schedule WC, Rider NM, Rider PM, the Equalized Payment Plan, and are not classified as "special needs" customers. Customers who also have service under a general service or lighting schedule, or contract for nonregulated services may participate in this Pilot, only under the condition that the residential service is established under a separate account from all other service. Participation is limited to no more than 1,000 customers where the Company has installed an advanced meter with interval recording registers. This rider is available until July 12, 2017.

PROGRAM PROVISIONS

Under this program, the Customer will normally pay for electric service before it is used allowing the customer to pay in accordance with the customer's desired payment frequency and amount.

To enroll in this program, the customer must make a minimum initial payment of \$40.00. If the applicant for this program is an existing customer with an outstanding balance of no more than \$300, (a) any cash deposit on record may be applied as the initial payment (b) payments will be applied with 40% of the payment going towards an unpaid balance until satisfied with 60% going toward future electric use.

Participants in this program will have access to kilowatt hour usage on a daily basis along with an estimate of the daily cost of electricity via an internet website. The Company will send text messages and/or email alerts which provide estimated dollar amounts remaining before the balance becomes zero. Failure to receive a properly sent alert shall not entitle the customer to additional time to pay to avoid interruption of service. Failure to maintain a positive account balance may result in disconnection of service on the day after the account balance reaches zero; however, service disconnections will occur Monday through Friday no earlier than 10:00 a.m. and typically no later than 2:00 p.m. If disconnection of service is delayed for any reason when the prepayment balance is zero, the customer will accrue a debit balance and the debit balance must be paid along with a payment toward future service in order to maintain or restore service. Service will be reconnected once sufficient payment is received and no reconnect fee will be charged during the pilot.

Participating customers must have a valid email address and internet access. Alerts will be sent to customers based on the estimated remaining balance with 5, 3 and 1 days remaining. The customer may also elect to receive additional alerts via the website.

The estimated amounts provided to customers on a daily basis will be calculated based on the charges in applicable rate schedule divided by the number of days in the billing period. At the end of the customers' normal billing schedule, a monthly bill will be calculated in the same manner as non-participating customers. As a result, an adjustment may be made to the account balance at the end of the regular billing cycle to ensure that amount billed for the month is consistent with the approved rate schedule and other charges. A month end adjustment will also be made in the case of an initial or final bill, certain rate changes, changes in municipal fees, taxes, etc. during a regular billing cycle.

If the customer discontinues service under this program but continues electric service at the same residence, the customer will be returned to normal monthly billing and a deposit or other security may be required.

If the customer voluntarily discontinues service at a location, any credit balance on the account will either be refunded to the customer or transferred to the customer's account at a new location.

If the customer's service is disconnected for failure to make a payment towards future service and does not make a payment within 5 business days to restore service, the account will be final billed and the customer will need to reapply for electric service.

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