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**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

March 10, 2011

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MAR 10 2011

Clerk's Office
N.C. Utilities Commission

Ms. Renné C. Vance, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Re: Docket No. E-100, Sub 128

Dear Ms. Vance:

The Public Staff would like to clarify or correct two items in its comments filed in this docket on February 10, 2011 (Comments).

On page 12 of the Comments, in Section IV.B., the Public Staff stated in regard to an analysis of Progress Energy Carolinas, LLC's (PEC's) reserve margin adequacy, "Responses to questions from the Public Staff indicated that the results of the analysis were not available for review and that the analysis had not been performed in a number of years." As PEC indicated in its March 1, 2011 reply comments filed in this docket, during discovery it provided the Public Staff with a reserve margin analysis from 2003, and an update to that study conducted in 2007. Due to technical problems, the Public Staff was unaware that PEC had provided the 2003 reserve margin study and 2007 update until after February 10, 2011. The receipt and review of this information does not change the Public Staff's recommendation regarding the need for a comprehensive study to determine the appropriate reserve and capacity margin values to be used for the planning and operation of PEC's system.

On page 16 of the Comments, in the last paragraph, the Public Staff stated, "Rutherford did not include any mention of DSM/EE other than the CFL educational giveaway that it included in its 2009 IRP." This sentence should be clarified as follows,

Executive Director
733-2435

Communications
733-2810

Economic Research
733-2902

Legal
733-6110

Transportation
733-7766

Accounting
733-4279

Consumer Services
733-9277

Electric
733-2267

Natural Gas
733-4326

Water
733-5610

"Rutherford did not include any mention of **new DSM/EE programs** other than the CFL educational giveaway that it included in its 2009 IRP."

The Public Staff apologizes for any confusion it may have caused. By copy of this letter, I am forwarding a copy to all parties of record.

Sincerely,

A handwritten signature in black ink, appearing to read "Lucy E. Edmondson". The signature is fluid and cursive, with a large initial "L" and "E".

Lucy E. Edmondson

Staff Attorney

lucy.edmondson@psncuc.nc.gov

Enclosures

cc: Parties of Record