

OFFICIAL COPY**FILED****Edmondson, Lucy****AUG 30 2012**

From: Edmondson, Lucy
Sent: Wednesday, August 29, 2012 5:09 PM
To: 'zaysevier@bellsouth.net'
Cc: Floyd, Jack; Jeffries, Nicholas
Subject: Duke Energy's Residential CFL Program, Docket No. E-7, Sub 831

Clerk's Office
N.C. Utilities Commission

Dear Dr. Sevier:

I am writing on behalf of the Public Staff in response to your e-mail regarding Duke Energy Carolinas' compact fluorescent light bulb (CFL) program. You express concern about the safety issues surrounding CFLs, request the Commission to prohibit Duke from distributing CFLs, and discuss the advantages of LED bulbs.

Duke provides customers with CFLs only upon their request on a voluntary basis. Duke has provided the Public Staff with copies of the safety label on the CFLs it distributes, and the product packaging appears to be compliant with the Federal Trade Commission's requirements for safety labeling of CFLs. Duke's website contains a FAQ discussing safe handling and disposal of CFLs, bulb recycling options, and provides web links to CFL information from the EPA, Underwriters' Laboratories, GE Lighting, Home Depot, Lowe's, and Consumer Reports, among others. While your safety concerns are certainly legitimate, we believe that Duke provides consumers with sufficient information to determine whether CFLs are appropriate for use in their homes and to educate them regarding safe use and disposal of CFLs.

Further, neither the Public Staff nor Duke is aware of any safety issue that has arisen as a result of the CFL program. The Public Staff has searched its consumer complaint database and is unable to find any complaints regarding safety or any other issues involving CFLs distributed by Duke or any other utility in North Carolina. We also requested that Duke search its files for complaints regarding its CFL program. Duke indicated that it had received one complaint that questioned the safety of CFLs. Duke stated that as a result of this complaint, it reviewed and supplemented the information it provided on its website regarding CFL safety issues.

Last year, Duke filed an evaluation, measurement, and verification report by an independent third-party evaluator which stated, in part, that 97.9% of North Carolina customers surveyed indicated that they were at least somewhat satisfied with their CFLs, while 79.9% of North Carolina customers indicated that they were very satisfied. Thus, the feedback received by Duke and the Public Staff regarding the CFL program does not indicate that consumers are currently facing unsafe situations due to CFLs. As CFLs provided through the program reach the end of their useful lives, safety issues could arise. The Public Staff will monitor any complaints to the Commission regarding the safety of CFLs distributed through the program, but does not believe that any action is merited at this time.

The Public Staff shares your interest in LED lighting as an energy efficient method of lighting and is pleased that this year Duke added an LED lighting measure to its Non-Residential SmartSaver program. Duke has agreed to pursue all cost-effective energy efficiency programs, and the Public Staff believes it should consider incorporating LED technology for both residential and non-residential customers into its portfolio of energy efficiency programs. As you noted, the up-front cost of LEDs is high, which in the current economy appears to have stunted the rate of adoption by consumers despite LEDs' exceptional energy savings.

The Public Staff participates in a collaborative sponsored by Duke where parties discuss ideas for implementing new programs such as LEDs and maximizing energy savings from existing programs. In a meeting held yesterday, Duke stated that it is exploring adding other lighting technologies to its Residential SmartSaver Program in the near future and is in the process of assessing the cost effectiveness of the different bulb types. Assuming the additional lighting technologies are cost-effective, it would provide advance notice to the Commission of these additional measures later this year. The Public Staff will continue to discuss with Duke its plans for implementation of new cost-effective energy efficiency programs, including incentivizing the installation of LEDs.

Thank you for your e-mail.

Sincerely,
Lucy Edmondson

Lucy E. Edmondson

Staff Attorney

State of North Carolina

Public Staff- North Carolina Utilities Commission

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