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December 1, 2015

VIA ELECTRONIC FILING

Gail L. Mount, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Carolinas, LLC's Comments on Advanced Metering
Infrastructure Customer Opt-Out Requests
Docket No. E-100, Sub 141**

Dear Ms. Mount:

Pursuant to the Commission's November 5, 2015 *Order Approving Smart Grid Technology Plans, Declining to Schedule a Hearing, and Requesting Comments on Rule Revisions*, I am providing Duke Energy Carolinas, LLC's Comments on Advanced Metering Infrastructure Customer Opt-Out Requests in connection with the referenced matter.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lawrence B. Somers', written over a large, stylized 'L'.

Lawrence B. Somers

c: Parties of Record

OFFICIAL COPY

Dec 01 2015

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-100, SUB 141

In the Matter of

Smart Grid Technology Plans Pursuant to
Commission Rule R8-60.1(c))
)
)
)
)**COMMENTS OF DUKE ENERGY
CAROLINAS, LLC ON ADVANCED
METERING INFRASTRUCTURE
CUSTOMER OPT-OUT REQUESTS**

Pursuant to the North Carolina Utilities Commission's ("the Commission") November 5, 2015 *Order Approving Smart Grid Technology Plans, Declining to Schedule a Hearing, and Requesting Comments on Rule Revisions* ("November 5, 2015 Order"), Duke Energy Carolinas, LLC ("DEC" or the "Company") hereby submits its Comments regarding the issue of allowing customers to opt-out of advanced metering infrastructure ("AMI") installation now that AMI meter deployments in North Carolina have become significant.

DEC ADVANCED METERING INFRASTRUCTURE OPT-OUT**1. Current DEC AMI Installation Process**

DEC began deploying AMI in 2013, and has installed approximately 495,000 advanced meters to date. For each of the AMI projects, the Company used a successful deployment process with multiple customer touch points, resulting in having to bypass only 0.06% of customers within the projects' scope. The current deployment process is described below.

DEC provides advance notice to all customers of the meter change with a postcard sent a couple weeks prior to the AMI installation. As part of this advance notification, customers are provided with a toll-free phone number to call to discuss any

questions or concerns with a specialist. The specialist provides customers with facts about the AMI meters and attempts to answer their questions and resolve any concerns. Following the discussion, if the customer is not satisfied or still has unresolved concerns, the customer is notified that they will be placed on a bypass list, and the meter is not changed during the planned deployment. For customers who do not contact the Company following the postcard notification, a meter technician attempts to make contact with the customer on site the day of the meter change, prior to performing the change. Similarly, if the customer has concerns, the meter technician will make note of the customer's information, and the customer will be contacted by a specialist either via phone or at their service location to provide the customer with facts about the AMI meters and attempt to answer his or her questions and resolve any concerns. Following this discussion, if the customer is not satisfied or still has unresolved concerns, the customer is notified that they will be placed on a bypass list, and their meter is not changed at that time.

If there has been no prior objection from the customer before the meter change is performed, and the customer later notifies the Company that he or she does not want an AMI meter, a specialist will provide the customer with facts about the AMI meters and attempt to answer their questions and resolve any concerns. Following the discussion, if the customer is not satisfied, or still has unresolved concerns with their metering hardware, the customer is notified of the available options: (1) The customer can relocate the meter base away from the house to another point on their property at their expense. (2) Alternatively, DEC offers a land-line meter option under the Remote Meter Reading and Usage Data Service tariff which provides for a monthly charge. (3) Finally, if a customer still does not want an AMI metering solution and refuses the options provided,

the Company has recently (since mid-September 2015) offered an option where the customer can have the meter changed back to an advanced meter reading (“AMR” or drive-by) meter, if the customer agrees to pay a one-time service call charge of \$50 for the meter change.

DEC is currently able to bypass customers, or revert to the AMR option when customers object to an AMI meter, because AMI deployments to date are spread out over the service area. Therefore, many of the previous drive-by meter reading routes are still in place or have only been minimally modified.

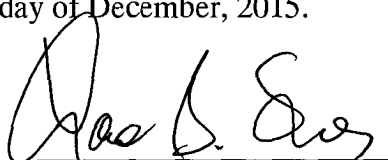
2. Proposed DEC AMI Opt-out

Pursuant to the Commission’s September 24, 2013 *Order Granting General Rate Increase*, in Docket No. E-7, Sub 1026, the Company held discussions with the Public Staff in April 2014 and again in September 2015 about allowing customers to opt-out of having an AMI meter installed. During these meetings, the Public Staff agreed with DEC that any customer choosing to exercise this option should be responsible for the reasonable incremental costs that the Company incurred as a result of the customers exercising the AMI opt-out.

Therefore, DEC plans to evaluate the incremental costs necessary to offer, implement and maintain an AMI opt-out program to provide customers with a non-communicating meter option in lieu of an AMI meter, or an AMR (drive-by) meter prior to the change to an AMI meter. The Company would expect to reserve the right to determine the type of meter and/or substitute the hardware at its discretion, on the condition that the meter does not transmit using radio frequency communications.

As the meter deployments continue in the DEC territory, and further saturation of AMI meters occurs, the Company will continue to modify and reduce the current AMR (drive-by) meter reading routes. As such, the Company will need to make a long-term AMI opt-out solution available. Based on the November 5, 2015 Order, parties may file reply comments to DEC's AMI opt-out plans by January 22, 2016. The Company would like to consider these reply comments in its analysis and, therefore, proposes to file an applicable AMI opt-out tariff with the Commission by the end of June 2016.

Respectfully submitted, this the 1st day of December, 2015.



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CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Comments on Advanced Metering Infrastructure Customer Opt-Out Requests in Docket No. E-100, Sub 141, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties of record:

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This is the 1st day of December, 2015.

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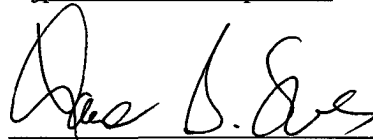
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