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July 29, 2016

VIA ELECTRONIC FILING

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

**RE: Duke Energy Carolinas, LLC's AMI Opt-Out Rider
Docket No. E-7, Sub 1115**

Dear Ms. Mount:

The Commission's November 5, 2015 *Order Approving Smart Grid Technology Plans, Declining to Schedule a Hearing, and Requesting Comments on Rule Revisions* in Docket No. E-100, Sub 141 required Duke Energy Carolinas, LLC ("DEC" or the "Company") to address the issue of advanced metering infrastructure ("AMI") opt-outs by December 1, 2015. In DEC's comments filed December 1, 2015 in that docket, the Company agreed to file an AMI opt-out tariff by the end of June 2016. Then on June 29, 2016, DEC requested a delay until on or before July 29, 2016 in order for the Public Staff to continue its pre-filing investigation. Accordingly, I enclose DEC's proposed Rider MRM, Manually Read Meter Rider, for filing in connection with this matter.

To date, DEC has deployed advanced meters (also referred to as smart meters) to approximately 25% of its customers across the Carolinas and has ongoing projects to continue the transition to the advanced technology. Smart meters not only give customers more information on how they use energy but also provide increased convenience for customers as service connections and disconnections can be performed remotely without the need for a technician to visit their home or business. DEC also anticipates the ability to provide customers in the future with increased choices for energy delivery, billing and program offerings, along with enhanced services that are all enabled by smart meters.

As evidenced by comments filed with the Commission and public witness testimony, DEC understands that some customers may have concerns with smart meters. Although the Company's metering hardware complies with all applicable safety and other applicable regulatory requirements, in response to these customer concerns, DEC

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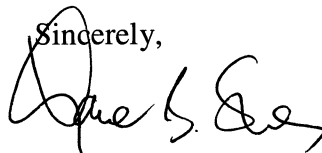
will offer an option whereby energy usage would not be communicated via radio frequency and the meter would be manually read by a meter reader visiting the premises. Customers participating in Rider MRM would not be able to participate in any current or future offerings enabled by smart meters. The availability of the Rider is also broad enough to cover situations where customers do not object to the radio frequency but otherwise request a meter to be read manually. The Company proposes to limit participation under this Rider to residential customers and nondemand metered nonresidential customers on the Small General Service Schedule SGS.

Customers requesting to participate in Rider MRM would be required to pay a set-up fee associated with the cost of installing and establishing meter reading routes, etc. using a non-communicating meter (or meter with all communications disabled). Additionally, the customer would pay a monthly fee associated with the manual cost of reading the meter. The attached rider outlines the costs to customers selecting this option.

Up to this point, customers objecting to smart meters have been temporarily bypassed. Those customers continue to be served by meters where readings are obtained by computer from a vehicle, sometimes referred to as drive-by readings. As more smart meters are deployed, drive-by routes are being altered and discontinued, necessitating a longer-term option. Upon approval of this tariff, customers objecting to a smart meter in the future will be provided the option of Rider MRM. Additionally, those customers temporarily bypassed will be contacted and given the option of having the smart meter installed or requesting service under this Rider.

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". The signature is fluid and cursive, with the first name being the most prominent.

Lawrence B. Somers

Enclosures

cc: Antoinette R. Wike

RIDER MRM (NC)
MANUALLY READ METER RIDER

AVAILABILITY

Applicable to residential and small general service customers who request a meter that either does not utilize communications to transmit data, or is otherwise required to be read manually, provided that such a meter is available for use by the Company. At the Company’s option, meters to be read manually may be either an advanced meter with the communication capability disabled or other non-communicating meter.

GENERAL PROVISIONS

For residential service, the customer must be served on a standard rate schedule.

For nonresidential service, the customer must be served on Schedule SGS without a demand meter, using less than 3000 kilowatt hours per month and with an estimated demand of less than 15 kW.

This Rider is not available to customers taking service under a net metering rider.

Customers choosing this option will not be eligible for any current or future services or offerings that require the use of a smart or other communicating meter.

The Company may refuse to provide service under this Rider under any of the following conditions.

- If the customer has a history of metering tampering or unauthorized use of electricity at the current or any prior location.
- If such service creates a safety hazard to consumers of their premises, the public or the electric utility’s personnel or facilities.
- If the customer does not provide the Company satisfactory access to its facilities for the purpose of obtaining meter readings or maintaining its equipment.

RATE

Initial Set-Up Fee	\$ 150.00
Rate per month	\$ 11.75

CONTRACT

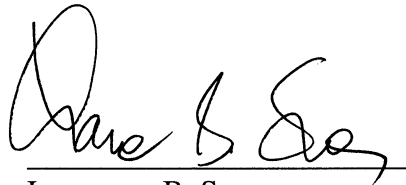
The original term of this contract is one year and thereafter until terminated by either party on thirty days’ written notice. The Company reserves the right to terminate the Customer’s contract under this Rider at any time upon notice to the Customer for violation of any of the terms or conditions of the applicable schedule or this Rider. If within the first year, the Customer wishes to discontinue service under this Rider, the customer will pay a \$50.00 service charge.

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's AMI Opt-Out Rider in Docket No. E-7, Sub 1115 has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties for record:

Antoinette R. Wike
Public Staff
North Carolina Utilities Commission
4326 Mail Service Center
Raleigh, NC 27699-4326
Antoinette.wike@psncuc.nc.gov

This the 29th day of July 2016.



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