

To Duke Energy Customers in South Carolina

Pursuant to the provisions of South Carolina Code of Laws, Section 58-27-865, the Public Service Commission, after public notice, held a hearing on August 25, 2011, to review the fuel costs and fuel procurement practices of Duke Energy.

The Commission, in Docket No. 2011-3-E, approved an increase in the fuel expense component of the rates for the period October 2011 through September 2012 to 2.5902 cents per kilowatt-hour for residential customers, 2.5739 cents per kilowatt-hour for general service and lighting customers and 2.5509 cents per kilowatt-hour for industrial customers.

The increase is due to higher Duke Energy Carolinas projected fuel costs for the next twelve months and a change from an over recovery of fuel costs to an under recovery in the previous twelve months.

The adjustment to rates for the various classes, including revenue-related taxes and regulatory fee is as follows:

Residential	0.4854 cents/kWh
General Service and Lighting	0.4809 cents/kWh
Industrial	0.4652 cents/kWh

For a typical residential customer using 1000 kilowatt-hours per month, the bill will increase approximately \$4.88 cents.