



C. Dukes Scott
Executive Director

STATE OF SOUTH CAROLINA
OFFICE OF REGULATORY STAFF

1401 Main Street
Suite 850
Columbia, SC 29201

January 31, 2014

VIA ELECTONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

Re: **Docket No. 2011-20-E**

Dear Ms. Boyd:

We have received a copy of the January 28, 2014 filing by Duke Energy Carolinas (DEC) that the utility made in compliance with Section II, Paragraph 6, of the Settlement Agreement approved by the Commission in Order No. 2011-454. DEC reports in its filing that, despite its good-faith efforts to reach agreement to acquire part of the Santee-Cooper interest in the V.C. Summer plant, negotiations were unsuccessful and have been terminated. DEC also requests that it be relieved from any obligation to prepare and submit further reports on V.C. Summer negotiations.

The ORS submits this letter to confirm to the Commission that DEC, as well as Santee Cooper and SCE&G, did negotiate in good faith; that there is no reason to continue the negotiations; and that DEC should be relieved from any obligation to file additional reports on the negotiations.

The parties in this matter have kept the ORS informed on the status of the negotiations. We are aware of the issues that separated the parties and the serious and extensive efforts made by DEC and the other parties to find a way to resolve those issues. Primarily due to differences between North Carolina base load law and ours, a resolution was not possible. However, Santee-Cooper was able to reduce its interest in the plant by an agreement with SCE&G, instead of DEC.

For the foregoing reasons, the ORS supports DEC's request to be relieved of any further obligation to report on V.C. Summer negotiations.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Dukes Scott', with a long horizontal flourish extending to the right.

C. Dukes Scott
Executive Director

cc: Parties of Record