# Annual Review of Base Rates for Fuel Costs of Duke Energy Carolinas, LLC

*Docket No. 2022-3-E*

**Duke Energy Carolinas, LLC (DEC) filed its direct testimony with the Public Service Commission of South Carolina (PSC) on July 29, 2022, to change the amount it can charge customers for fuel used to generate power. DEC states that market changes and commodity price increases are the key drivers contributing to DEC's request to adjust consumer rates.**

**If approved by the PSC, the changes requested by DEC would result in an increase of approximately $15.75 per month (~13.2%) for a typical residential consumer using 1,000 kilowatt-hours per month. The impacts for the average Residential, General Service / Commercial, and Industrial customers will vary by customer, as outlined in the table below.**

**The case is scheduled to be considered by the PSC in September 2022.**

## Consumer Impact Summary

### Number of Affected Consumers: ~600,000

Each year, the PSC holds a hearing to determine if there should be any adjustment in the amount that DEC charges consumers for fuel used to generate power. This charge is included in base rates and is based on the cost of fuel the company paid in the previous year and the projected fuel costs over the upcoming year.

During this hearing, the PSC also determines whether there should be an increase or decrease in the Distributed Energy Resource Program (DERP) charge. The DERP charge recovers incremental program costs to promote the installation of renewable energy resources (solar) in South Carolina.

| | Existing | If approved | Percent Increase |
|---|---|---|---|
| Residential [1] | $119.32 | $135.07 | ~13.2% |
| Commercial [2] | $13,250 | $15,627 | ~17.9% |
| Industrial [3] | $332,837 | $414,081 | ~24.4% |

[1] Based on using 1,000 kilowatt-hours (kWh) / month

[2] Based on a 500 kW demand, using 150,000 kWh / month

[3] Based on a 10,000 kW demand, using 5,110,000 kWh / month

### About the Office of Regulatory Staff

The ORS represents consumers of investor-owned utilities in South Carolina before the PSC. The PSC is the state agency that sets utilities' rates. The ORS must look at the impact to the consumer and utilities' continued investment in reliable and high-quality services.