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May 7, 2009

Ms. Renné C. Vance, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

FILED

MAY 07 2009

Clerk's Office
NC Utilities Commission

RE: Docket No. E-7, Sub 831

OFFICIAL COPY

Dear Ms. Vance:

Enclosed for filing are the original and thirty (30) copies of Duke Energy Carolinas, LLC's Revised Tariffs and Riders in the above referenced docket.

Sincerely,

Robert W. Kaylor

Robert W. Kaylor

Enclosures

cc: Parties of Record

Clerk
AG
ncomm
Watson
Hoover
Wite
Hilburn
Jones
Sessoms
Ericson
Gruber
afseco
3Pselects
5Pselect

FILED

MAY 07 2009

Duke Energy Carolinas, LLC

Clerk's Office
N.C. Utilities Commission

Electricity No. 4
North Carolina Twenty-Fourth Revised Leaf No. 11
Superseding North Carolina Twenty-Third Revised Leaf No. 11

SCHEDULE RS (NC) RESIDENTIAL SERVICE

AVAILABILITY (North Carolina Only)

Available only to residential customers in residences, condominiums, mobile homes, or individually-metered apartments which provide independent and permanent facilities complete for living, sleeping, eating, cooking, and sanitation.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG, under special terms and conditions expressed in writing in the contract with the customer.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

I.	Basic Facilities Charge per month	\$ 7.87
II.	Energy Charges*	
	<u>For the billing months of July - October</u>	
	For the first 350 kWh used per month, per kWh**	7.7430¢
	For all over 350 kWh used per month, per kWh	8.0034¢
	<u>For the billing months of November - June</u>	
	For the first 350 kWh used per month, per kWh**	7.7430¢
	For all over 350 kWh used per month, per kWh	7.9275¢

* For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

** For customers receiving Supplemental Security Income (SSI) under the program administered by the Social Security Administration and who are blind, disabled, or 65 years of age or over, the rate for the first 350 kWh used per month shall be 7.1596 cents per kWh. This is an experimental rate authorized by the North Carolina Utilities Commission on August 31, 1978. The present maximum discount to customers being served under this experiment is \$2.05 per month.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustment is included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

North Carolina Twenty-Fourth Revised Leaf No. 11
Effective for service rendered on and after June 1, 2009
NCUC Docket No. E-7, Sub 831
Order dated

SCHEDULE RE (NC)
RESIDENTIAL SERVICE
ELECTRIC WATER HEATING AND SPACE CONDITIONING

AVAILABILITY (North Carolina Only)

Available only to residential customers in residences, condominiums, mobile homes, or individually-metered apartments which provide independent and permanent facilities complete for living, sleeping, eating, cooking, and sanitation. In addition, all energy required for all water heating, cooking, clothes drying, and environmental space conditioning must be supplied electrically, and all electric energy used in such dwelling must be recorded through a single meter.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG, under special terms and conditions expressed in writing in the contract with the customer.

To qualify for service under this Schedule, the environmental space conditioning system and a separate electric water heater must permanently be installed in accordance with sound engineering practices and the manufacturer's recommendations, and both shall meet the requirements below.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

I.	Basic Facilities Charge per month	\$7.87
II.	Energy Charges*	
	<u>For the billing months of July – October</u>	
	For the first 350 kWh used per month, per kWh**	7.7430¢
	For all over 350 kWh used per month, per kWh	7.7755¢
	<u>For the billing months of November – June</u>	
	For the first 350 kWh used per month, per kWh**	7.7430¢
	For all over 350 kWh used per month, per kWh	6.9985¢

* For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

** For customers receiving Supplemental Security Income (SSI) under the program administered by the Social Security Administration and who are blind, disabled, or 65 years of age or over, the rate for the first 350 kWh used per month shall be 7.1596 cents per kWh. This is an experimental rate authorized by the North Carolina Utilities Commission on August 31, 1978. The present maximum discount to customers being served under this experiment is \$2.05 per month.

REQUIREMENTS

An electric water heater meeting the specifications set forth below must be installed and used to supply the entire water heating requirements, except that which may be supplied by non-fossil sources such as solar.

1. Water heaters shall be of the automatic insulated storage type, of not less than 30-gallon capacity and may be equipped with only a lower element or with a lower element and an upper element.

Schedule RE (NC) continued

REQUIREMENTS (continued)

2. Water heaters having only a lower element may have wattages up to but not exceeding the wattages shown below for various tank capacities.

<u>Tank Capacity in Gallons</u>	<u>Maximum Single Element Wattage</u>
30 - 49	4500
50 - 119	5500
120 and larger	Special approval

3. The total wattage of the elements in a water heater with a lower element and an upper element may not exceed the specific wattages above unless the water heater has interlocking thermostats to prevent simultaneous operation of the two elements such that the maximum wattage is not exceeded during operation.

Electric space conditioning meeting the specifications set forth below must be installed and used to supply the entire space conditioning requirements, except that which may be supplied by supplemental non-fossil sources such as solar.

1. Room-type systems shall be controlled by individual room thermostats.
2. Heat pumps shall be controlled by two-stage heating thermostats, the first stage controlling compressor operation and the second stage controlling all auxiliary resistance heaters. Auxiliary heaters shall be limited to 48 amps (11.5 KW at 240 volts) each and shall be switched so that the energizing of each successive heater is controlled by a separate adjustable outdoor thermostat. A manual switch for by-pass of the first stage and the interlock of the second stage of the heating thermostat will be permitted.
3. Excess heating capacity (15% more than total calculated heat losses) may be disconnected at the option of the Company.
4. Total heat loss shall not exceed 30 BTUH (at 60 degrees F. temperature differential) per square foot of net heated area. Duke Power's procedure for calculating heat loss or the current edition of ASHRAE (American Society of Heating, Refrigerating, and Air Conditioning Engineers) Guide shall be the source for heat loss calculations. Duct or pipe losses shall be included in the computation of total heat losses.

Billing of service under this schedule will begin after the Customer has notified the Company that qualifications have been met. The Company at all reasonable times shall have the right to periodically inspect the premises of the Customer for compliance with the requirements, subsequent to the initial inspection.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustment is included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

SCHEDULE ES (NC)
RESIDENTIAL SERVICE, ENERGY STARAVAILABILITY (North Carolina Only)

Available only to residential customers in residences, condominiums, mobile homes, or individually-metered apartments which provide independent and permanent facilities complete for living, sleeping, eating, cooking, and sanitation, and which are certified to meet the standards of the Energy Star program of the United States Department of Energy and Environmental Protection Agency.

To qualify for service under this Schedule compliance with the Energy Star standards must be verified by a third party independent Home Energy Rating System (HERS) rater working for an approved HERS provider.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG, under special terms and conditions expressed in writing in the contract with the customer.

Electric space heating and/or electric domestic water heating are not required, but if present, must meet the standards outlined below to qualify for the All-Electric rate, and must be permanently be installed in accordance with sound engineering practices and the manufacturer's recommendations. In addition, to qualify for service under this schedule all electric energy used in the dwelling must be recorded through a single meter.

Energy Star Home Certification criteria may vary based on the geographical location of the residence. The criteria for each county served by Company and a list of independent HERS raters are available from the Company or on the Energy Star web site at www.energystar.gov.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

	<u>Standard</u>	<u>All-Electric</u>
I. Basic Facilities Charge per month	\$7.87	\$7.87
II. Energy Charges*		
<u>For the billing months of July – October</u>		
For the first 350 kWh used per month, per kWh	7.7430¢	7.7430¢
For all over 350 kWh used per month, per kWh	7.6895¢	7.5597¢
<u>For the billing months of November – June</u>		
For the first 350 kWh used per month, per kWh	7.7430¢	7.7430¢
For all over 350 kWh used per month, per kWh	7.6463¢	6.8352¢

- * For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

Schedule ES (NC) continued

REQUIREMENTS

The Standard rate above is applicable to residences where the Energy Star standards are met, irrespective of the source of energy used for water heating or environmental space conditioning.

The All-Electric rate above is applicable to residences where the Energy Star standards are met and all energy required for all water heating cooking, clothes drying and environmental space conditioning is supplied electrically, except that which may be supplied by non-fossil sources such as solar.

1. Water heaters shall be of the automatic insulated storage type, of not less than 30-gallon capacity and may be equipped with only a lower element or with a lower element and an upper element.
2. Water heaters having only a lower element may have wattages up to but not exceeding the wattages shown below for various tank capacities.

<u>Tank Capacity in Gallons</u>	<u>Maximum Single Element Wattage</u>
30 - 49	4500
50 - 119	5500
120 and larger	Special approval

3. The total wattage of the elements in a water heater with a lower element and an upper element may not exceed the specific wattages above unless the water heater has interlocking thermostats to prevent simultaneous operation of the two elements such that the maximum wattage is not exceeded during operation.

Billing of service under this schedule will begin after the Customer has provided the Company with certification that the residence meets the Energy Star standards. In addition, if the residence meets the All-Electric Rate requirements, billing of service under the All-Electric rate will begin after the Customer has provided satisfactory documentation that the residence meets the All-Electric rate requirements. The Company at all reasonable times shall have the right to periodically inspect the premises of the Customer for compliance with the requirements, subsequent to the initial inspection.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustment is included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

**SCHEDULE WC (NC)
RESIDENTIAL WATER HEATING SERVICE
CONTROLLED / SUBMETERED**

AVAILABILITY (North Carolina Only)

Available only for domestic water heating purposes to individually metered residential customers receiving concurrent service on Schedule RS, RE or ES. Service under this Schedule is not available if the residence has service under Rider SCG.

This Schedule is available on a voluntary basis, at the Company's option, in areas where the Company operates load control devices. Residential controlled submetered water heating service is available where the following requirements are met:

1. All water heating requirements for the residence must be supplied electrically, except those provided by non-fossil sources of energy such as solar.
2. All electric energy required for a water heating system (i.e., wired and plumbed together) must be controlled and served through the submeter.
3. Water heaters shall be of the automatic insulated storage type, of not less than 30 - gallon capacity, and may be equipped with only a lower element or with a lower element and an upper element.
4. Water heaters having only a lower element may have wattages up to but not exceeding the wattages shown below for various tank capacities.

<u>Tank Capacity in Gallons</u>	<u>Maximum Single Element Wattage</u>
30 - 49	4500
50 - 119	5500
120 and larger	Special approval

5. The total wattage of the elements in a water heater with a lower element and an upper element may not exceed the specific wattages above unless the water heater has interlocking thermostats to prevent simultaneous operation of the two elements such that the maximum wattage is not exceeded during operation.
6. More than one water heater in a residence may be served under this Schedule provided each individually meets the above requirements, and provided their total wattage is interlocked to prevent simultaneous operation of more than 5500 watts. A higher simultaneous operating wattage may be allowed with special approval of the Company for water heating systems with storage tank capacity of 120 gallons or more.
7. Water heating for the purpose of space heating is not permitted under this Schedule.
8. The Company shall have the right to require that the owner of the controlled equipment give satisfactory written approval for the Company's installation and operation of load control devices on that equipment before entering an agreement with the Customer and making such installation.

TYPE OF SERVICE

This service is solely for the purpose of water heating and will be provided from the Company's 60 Hertz, single-phase residential service. This service will be controlled by the Company using a load control device, and submetered in the Customer's water heater circuit. The Company shall have the right to interrupt service to the Customer's water heater under this Schedule. All water heating controlled under this Schedule shall be served through a single submeter. The submetered service will be available at least six hours out of twenty-four hours.

RATE:

Basic Facilities Charge per month	\$1.35
Energy Charge*	
All kWh per month	3.7206 cents per kWh

*For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

Schedule WC (NC) continued

INSTALLATION FEE

Service under this Schedule requires a water heater circuit wired through a Company meter enclosure, exclusive of any other load, and suitable for the installation of a load control device. The Customer shall pay a fee as follows:

Prewired for controlled submetered water heating service	No charge
Additional wiring for controlled submetered water heating service	\$35.00

The Company will not be required to install additional wiring for the charges listed above if the Company determines the wiring cannot be done in a manner which is economically feasible.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice. If within the first year the Customer wishes to discontinue this submetered service but continue service at the same location, the Customer will pay a \$25.00 service charge. However, at the Company's option, if the Customer contracts for another type of water heating control which can utilize the existing equipment, there will be no service charge.

SCHEDULE RT (NC)
RESIDENTIAL SERVICE, TIME-OF-USEAVAILABILITY (North Carolina Only)

Available on a voluntary basis to individually-metered residential customers in residences, condominiums, mobile homes, or apartments which provide independent and permanent facilities for living, sleeping, eating, cooking, and sanitation.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG or Rider NM, under special terms and conditions expressed in writing in the contract with the customer.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

I.	Basic Facilities Charge per month	\$12.53	
II.	On-Peak Demand Charge per month	<div>Summer Months <u>June 1 – September 30</u> \$6.14 per kW</div>	<div>Winter Months <u>October 1 – May 31</u> \$3.06 per KW</div>
III.	Energy Charge *	<u>All Months</u>	
	a. On-Peak energy per month	5.5575 cents per kWh	
	b. Off-Peak energy per month	4.6150 cents per kWh	

* For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties there is an additional charge of 0.1592¢/kWh added to energy charges above.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u> 1:00 p.m. – 7:00 p.m. Monday – Friday	Winter Months <u>October 1 – May 31</u> 7:00 a.m. – 12:00 noon Monday – Friday
On-Peak Period Hours		
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours. All hours for the following holidays shall be considered as Off-Peak: New Year's Day, Memorial Day, Good Friday, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day and Christmas Day.	

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

Schedule RT (NC) continued

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

Summer months' rates apply to service from June 1 through September 30. Winter months' rates apply to service from October 1 through May 31.

DETERMINATION OF BILLING DEMAND

The On-Peak Demand for billing purposes each month shall be the maximum integrated thirty-minute demand measured for the On-Peak period during the month for which the bill is rendered.

MINIMUM BILL

The minimum bill shall be the Basic Facilities Charge.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

SCHEDULE SGS (NC)
SMALL GENERAL SERVICEAVAILABILITY (North Carolina Only)

Available to the individual customer with a kilowatt demand of 75 kW or less. If the customer's measured demand exceeds 75 kW during any month, the customer will be served under Schedule LGS.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available to the individual customer who qualifies neither for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG, under special terms and conditions expressed in writing in the contract with the customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$15.75
II.	Demand Charge	
	For the first 30 KW of Billing Demand per month	No Charge
	For all over 30 KW of Billing Demand per month	\$ 3.19 per kW
II.	Energy Charge*	
	<u>For the First 125 kWh per kW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month	9.6696 cents per kWh
	For the next 6,000 kWh per month	5.9445 cents per kWh
	For all over 9,000 kWh per month	5.7410 cents per kWh
	<u>For the Next 275 kWh per kW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month	5.6699 cents per kWh
	For the next 6,000 kWh per month	5.0289 cents per kWh
	For all over 9,000 kWh per month	4.8254 cents per kWh
	<u>For all Over 400 kWh per kW Billing Demand per Month:</u>	
	For all kWh per month	4.7236 cents per kWh

* For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

Schedule SGS (NC) continued

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
2. Fifty percent (50%) of the maximum integrated thirty-minute demand during the billing months of June-September within the previous 12 months including the month for which the bill is rendered.
3. Fifty percent (50%) of the Contract Demand
4. 30 kilowatts (kW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 KW or more. The Company may, at its option, install a demand meter for any customer served under this schedule.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

Monthly

\$1.64 per kW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

Annual

\$32.92 per kW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate Above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances. If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE OPT-G (NC)
OPTIONAL POWER SERVICE, TIME-OF-USE
GENERAL SERVICEAVAILABILITY (North Carolina Only)

Available to the individual customer.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available to the individual customer who qualifies for a residential schedule or industrial schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG or Rider NM, under special terms and conditions expressed in writing in the contract with the customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$36.51	
II.	Demand Charge	Summer Months	Winter Months
	A. On-Peak Demand Charge	June 1 – September 30	October 1 – May 31
	For the first 2000 kW of Billing Demand per month	\$11.9761 per kW	\$7.0491 per kW
	For the next 3000 kW of Billing Demand per month	\$10.9704 per kW	\$6.0342 per kW
	For all over 5000 kW of Billing Demand per month	\$ 9.9555 per kW	\$5.0100 per kW
	B. Economy Demand Charge	\$.9503 per kW	\$.9503 per kW
III.	Energy Charge*	All Months	
	A. All On-Peak Energy per month	5.1131 cents per kWh	
	B. All Off-Peak Energy per month	3.1437 cents per kWh	
*	For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above		

Schedule OPT-G (NC) continued

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u> 1:00 p.m. – 9:00 p.m. Monday – Friday	Winter Months <u>October 1 – May 31</u> 6:00 a.m. – 1:00 p.m. Monday – Friday
On-Peak Period Hours		
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours. All hours for the following holidays shall be considered as Off-Peak: New Year's Day, Memorial Day, Good Friday, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day.	

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billings. Readings are taken once a month at intervals of approximately thirty (30) days.

Summer months rates apply to service from June 1 through September 30. Winter months apply to service from October 1 through May 31.

CONTRACT DEMAND

The Company will require contracts to specify the maximum demand to be delivered to the Customer which shall be the Contract Demand.

Where the Customer can restrict on-peak demand to levels considerably below that of the Contract Demand, the Company may also contract for a limited On-Peak Contract Demand in addition to the Contract Demand.

DETERMINATION OF BILLING DEMAND

- A. The On-Peak Billing Demand each month shall be the largest of the following:
 1. The maximum integrated thirty-minute demand during the applicable summer or winter on-peak period during the month for which the bill is rendered.
 2. Fifty percent (50%) of the Contract Demand (or 50% of the On-Peak Contract Demand if such is specified in the contract)
 3. 15 kilowatts (KW)
- B. Economy Demand
To determine the Economy Demand, the larger of
 1. The maximum integrated thirty-minute demand during the month for which the bill is rendered; or
 2. 50% of the Contract Demandshall be compared to the On-Peak Billing Demand as determined in A. above. If the demand determined by the larger of B. 1 and B. 2 above exceeds the On-Peak Billing Demand, the difference shall be the Economy Demand.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.64 per month per KW of Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

Schedule OPT-G (NC) continued

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

**SCHEDULE BC (NC)
BUILDING CONSTRUCTION SERVICE****AVAILABILITY (North Carolina Only)**

Available only as temporary service to builders for use in the construction of buildings or other establishments which will receive, upon completion, permanent electric service from the Company's lines.

This Schedule is not available for permanent service to any building or other establishment, or for service to construction projects of types other than those described above. This Schedule is not available to rock crushers, asphalt plants, carnivals, fairs, or other non-permanent connections. Such service will be provided under the applicable general service schedule.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter at one delivery point, at 120/240 volts, single phase.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$15.75
II.	Energy Charge*	
	For the first 50 kWh used per month, per kWh	7.4613¢
	For all over 50 kWh used per month, per kWh	5.8613¢

* For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

OTHER CHARGES

There will be no charge for connection and disconnection of the temporary service if the builder accepts delivery at a point where the Company deems such delivery feasible; otherwise, there will be a charge as follows: Overhead service conductors, transformers and line extensions necessary to serve such requirements will be erected and dismantled at actual cost subject to credit for facilities which may remain in permanent service. The actual cost shall include payroll, transportation, and miscellaneous expense for both erection and dismantling of the temporary facilities, plus the cost of material used, less the salvage value of the material removed.

If the builder or his subcontractors require additional temporary services at the same construction site, a charge, computed as in the foregoing, shall be made for each such service. The Company may require a deposit equal to the estimated cost of connection and disconnection plus the estimated billing on the foregoing rate for the period involved, said deposit to be returned if the contract period is fulfilled.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

Schedule BC (NC) continued

CONTRACT PERIOD

The term of this contract shall be the estimated length of time, declared by the builder on making application for service, required for completion of construction at the location where service is requested. The builder shall notify the Company when construction is completed. If at any time during the term of this contract, inspection discloses construction completed, or energy being used for purposes other than that set forth in this Schedule, the contract shall be deemed terminated, and billing for service thereafter, until disconnection is requested, shall be on the applicable general service schedule. If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE LGS (NC)
LARGE GENERAL SERVICEAVAILABILITY (North Carolina Only)

Available to the individual customer with a kilowatt demand of more than 75 kW. If the customer's measured demand is 75 kW or less for twelve consecutive months, the customer will be served under Schedule SGS.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available to the individual customer who qualifies neither for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG, under special terms and conditions expressed in writing in the contract with the customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$15.75
II.	Demand Charge	
	For the first 30 KW of Billing Demand per month	No Charge
	For all over 30 KW of Billing Demand per month	\$3.19 per kW
II.	Energy Charge*	
	<u>For the First 125 kWh per kW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month	9.6696 cents per kWh
	For the next 87,000 kWh per month	5.9445 cents per kWh
	For all over 90,000 kWh per month	5.7410 cents per kWh
	<u>For the Next 275 kWh per kW Billing Demand per Month:</u>	
	For the first 6,000 kWh per month	5.6699 cents per kWh
	For the next 134,000 kWh per month	5.0289 cents per kWh
	For all over 140,000 kWh per month	4.8254 cents per kWh
	<u>For all Over 400 kWh per kW Billing Demand per Month:</u>	
	For all kWh per month	4.7236 cents per kWh

* For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

Schedule LGS (NC) continued

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
2. Fifty percent (50%) of the maximum integrated thirty-minute demand during the billing months of June-September within the previous 12 months including the month for which the bill is rendered.
3. Fifty percent (50%) of the Contract Demand
4. 30 kilowatts (kW)

The Company will install a permanent demand meter for all customers under this Schedule.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

Monthly

\$1.64 per kW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

Annual

\$32.92 per kW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate Above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances. If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE OL (NC)
OUTDOOR LIGHTING SERVICEAVAILABILITY (North Carolina Only)

Available to the individual customer for lighting of outdoor areas at locations on the Company's distribution system. Service under this Schedule may be withheld or discontinued at the option of the Company.

RATE:(A) Bracket-Mounted Luminaires

All-night outdoor lighting service using Company standard equipment mounted on standard poles:

<u>Lamp Rating</u>			<u>Per Month Per Luminaire* and ***</u>		
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (1)</u> *Plus 1.2298 cents/kWh	<u>New Pole</u> *Plus 1.2298 cents/kWh	<u>New Pole Served Underground</u> *Plus 1.2298 cents/kWh
High Pressure Sodium Vapor					
4,000	21	Post Top (2)	NA	NA	\$13.00
9,500	47	Suburban (3)	\$ 7.54	\$13.24	\$17.29
9,500	47	Urban	\$ 8.59	\$14.29	\$18.34
13,000	56	Suburban (4) (in suitable mercury fixture)	\$ 8.18	NA	NA
16,000	70	Urban	\$ 9.00	\$14.70	\$18.75
27,500	104	Urban	\$10.35	\$16.05	\$20.10
50,000	156	Urban	\$12.20	\$17.90	\$21.95
Metal Halide					
9,000	43	Urban	\$ 9.99	\$15.71	\$19.78
40,000	155	Urban	\$14.95	\$20.65	\$24.70
110,000	395	Area	\$48.55	\$56.05	\$60.10
Mercury Vapor ** (Closed to new installations)					
4,000	41	Post Top (2)	\$ 6.19 (5)	NA	\$13.00 (6)
7,500	75	Suburban (3)	\$ 6.34	\$12.04	\$16.09
7,500	75	Urban (6)	\$ 7.28	\$12.98	\$17.03
20,000	152	Urban (6)	\$ 9.33	\$15.03	\$19.08

- (1) The "Existing Pole" rate is applicable to installations, including pole, installed prior to November 12, 1991. After this date, the "Existing Pole" rate is available only for luminaires attached to poles which are not installed solely to support the luminaire.
- (2) Luminaire is not available for the lighting of streets, roadways, and other vehicle thoroughfares.
- (3) Closed to new installations on or after July 1, 2005
- (4) Closed to new installations on or after September 15, 1985
- (5) Closed to new installations on or after November 12, 1991
- (6) Closed to new contracts on or after October 1, 2007 for luminaires installed before January 1, 2008

** For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be reasonably available from suppliers. If a ballast replacement is required, the Company will either convert the luminaire to another luminaire of similar size and lumen output where the luminaire can utilize reasonably available compatible ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

*** For customers in Cherokee, Clay, Graham, Jackson, Macon and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

(B) Other Luminaires

Decorative and non-standard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.7% of the estimated difference in cost installed between the luminaire and structure requested and the equivalent luminaire and wood pole in (A) above.

Schedule OL (NC) (Continued)

RATE: (continued)

(C) Underground Charges

- (1) Additional monthly charge for the underground conductor system:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
Over 150 feet	\$.07 for each increment of 10 feet, less, over 150 feet	\$.07 for each increment of 10 feet, less, over 150 feet

- (2) When the installation requires the cutting and replacing of pavement of more than one drive or one walkway per luminaire, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the charges above.
- (3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.
- (4) An underground conductor system, up to 150 feet per pole, can be installed to an existing pole under the "Existing Pole" rate in (A) above, for an additional monthly charge of \$4.05 per pole. For installations over 150 feet per pole, the charges under (C) (1) above will apply in addition to the \$4.05 charge.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

EXPLANATORY NOTES

- (1) Lamps will burn from approximately one half-hour after sunset until approximately one half-hour before sunrise. The Company will readily replace burned-out lamps and otherwise maintain the luminaires during regular daytime working hours following notification by the Customer.
- (2) Luminaires will be installed only on Company-owned poles, and all facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (3) Equipment (such as disconnecting switches) not supplied by the Company as standard is not available under this Schedule, and shall not be installed by the Customer.
- (4) This Schedule is not available for seasonal or other part-time operation of outdoor luminaires.
- (5) Color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$1.04 per lamp per month. For luminaires installed prior to October 1, 2007 there will be no additional charge for color-improved lamps installed as replacements for clear mercury vapor luminaires, nor for color improved lamps installed in new luminaires on or after October 1, 2007.
- (6) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source.
- (7) All luminaires except the 110,000 lumen metal halide fixture will be installed on standard 30-foot, class 6 size wood poles. The 110,000 lumen metal halide fixture will be installed on standard 40-foot, class 5 wood poles. On Customer request, and for an additional charge, all luminaires, except the 110,000 lumen metal halide fixture can be installed on wood poles larger than the standard 30-foot, class 6 size, if the location permits the use of bucket-type equipment for mounting and servicing: 35-foot, class 5 pole for 31 cents per month, or 40-foot, class 5 pole for 42 cents per month. Other size poles, or structures other than standard wood poles, can be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the requested pole or structure, and the standard wood pole, but not less than \$5.59 per month per pole or structure. Brackets longer than 30 inches, but not longer than 20 feet, can be installed where use of bucket-type equipment is permitted for an extra charge of 73 cents per month per bracket.
- (8) Where two or more luminaires were installed for service before November 12, 1991 on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.78.
- (9) Luminaire locations shall be designated by the Customer and where only an extension of secondary facilities is required from the nearest distribution source, the rate per luminaire in (A) above shall apply. When the number of required poles exceeds the number of luminaires requested, a monthly charge not less than \$1.78 per standard wood pole shall be made for luminaires installed for service before November 12, 1991. A monthly charge of \$5.70 per standard wood pole shall be made for luminaires installed for service after November 12, 1991. When any installation requires an extension of primary facilities solely to serve the luminaires, an additional monthly charge equal to 1.7% of the estimated cost of the primary extension shall be made. Should any installation require guying of secondary facilities, a charge of 63 cents per month per guy shall be made.
- (10) "Suburban" luminaires are defined as standard NEMA-style fixtures with refractors and vertical-burning lamps. "Urban" luminaires are defined as "cobra-style" fixtures with enclosed refractive or flat lenses and horizontal-burning lamps.

Schedule OL (NC) (Continued)

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of one (1) year to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) One year for all luminaires installed at a residence and designated by the Company as standard, post top and bracket-mounted on standard poles.
- (b) Three years for all luminaires not installed at a residence and designated by the Company as standard, post top and bracket-mounted on standard poles.
- (c) Ten years for all luminaires designated by the Company as decorative or nonstandard, and for all standard luminaires mounted on supports other than standard wood poles or other non-standard supports, and for primary extensions solely serving the luminaires.

SCHEDULE FL (NC)
FLOODLIGHTING SERVICEAVAILABILITY (North Carolina Only)

Available to the individual customer at locations on the Company's distribution system which, in the Company's opinion, permit the use of bucket-type equipment for installation and servicing of facilities. Service under this Schedule may be withheld or discontinued at the option of the Company.

RATE:(A) Bracket-Mounted Luminaires

All-night outdoor lighting service using Company standard equipment mounted on standard poles:

<u>Lamp Rating</u>			<u>Per Month Per Luminaire*and **</u>		
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (1)</u>	<u>New Pole</u>	<u>New Pole Served</u>
			<u>*Plus 1.2298</u>	<u>*Plus 1.2298</u>	<u>*Plus 1.2298</u>
			<u>cents/kWh</u>	<u>cents/kWh</u>	<u>cents/kWh and</u>
		High Pressure Sodium Vapor			
16,000	70	Floodlight	\$11.01	\$16.71	\$20.76
27,500	104	Floodlight	\$12.66	\$20.16	\$24.21
50,000	156	Floodlight	\$13.68	\$21.18	\$25.23
		Metal Halide			
40,000	155	Floodlight	\$15.45	\$22.95	\$27.00
110,000	435	Floodlight full night (2)	\$35.08	\$40.33	\$41.98
110,000	217	Floodlight half night (2)	\$23.68	\$28.93	\$30.58

(1) The "Existing Pole" rate is applicable to installations, including pole, installed prior to November 12, 1991. After this date, the "Existing Pole" rate is available only for luminaires attached to poles which are not installed solely to support the luminaire.

(2) The 110,000 lumen floodlight is not available to new locations unless installed prior to January 1, 2008 in the former Duke Energy Carolinas Nantahala Area in Cherokee, Clay, Graham, Macon, Jackson and, Swain, counties.

** For customers in Cherokee, Clay, Graham, Jackson, Macon and Swain counties, there is an additional charge of .1592¢/kWh added to energy charges above.

(B) Underground Charges

(1) Additional monthly charge for the underground conductor system:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
Over 150 feet	\$.07 for each increment of 10 feet, less, over 150 feet	\$.07 for each increment of 10 feet, less, over 150 feet

(2) When the installation requires the cutting and replacing of pavement of more than one drive or one walkway per luminaire, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the charges above.

(3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.

(4) An underground conductor system, up to 150 feet per pole, can be installed to an existing pole under the "Existing Pole" rate in (A) above, for an additional monthly charge of \$4.05 per pole. For installations over 150 feet per pole, the charges under (B) (1) above will apply in addition to the \$4.05 charge.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate

EXPLANATORY NOTES

- (1) Lamps will burn from approximately one half-hour after sunset until approximately one half-hour before sunrise. The Company will readily replace burned-out lamps and otherwise maintain the luminaires during regular daytime working hours following notification by the Customer.
- (2) Luminaires will be installed only on Company-owned poles, and all facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (3) Equipment (such as disconnecting switches) not supplied by the Company as standard is not available under this Schedule, and shall not be installed by the Customer.
- (4) This Schedule is not available for seasonal or other part-time operation of outdoor luminaires.
- (5) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source.
- (6) Where two or more luminaires were installed for service before November 12, 1991 on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.78.
- (7) Wood poles longer than 40 feet or structures other than standard wood poles may be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the requested pole or structure and a standard wood pole, but not less than \$5.59 per month per pole or structure.
- (8) Luminaire locations shall be designated by the Customer, and where only an extension of secondary facilities is required from the nearest distribution source, the rate per luminaire in (A) above shall apply. When the number of required poles exceeds the number of luminaires requested, a monthly charge not less than \$1.78 per standard wood pole shall be made for luminaires installed for service before November 12, 1991. A monthly charge of \$5.70 per standard pole shall be made for luminaires installed for service after November 12, 1991. When any installation requires an extension of primary facilities solely to serve the luminaires, an additional monthly charge equal to 1.7% of the estimated cost of the primary extension shall be made. Should any installation require guying of secondary facilities, a charge of 63 cents per month per guy shall be made.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of three (3) years to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated by the Company as standard and bracket-mounted on standard poles.
- (b) Ten years for all luminaires designated by the Company as decorative or nonstandard, and for all standard luminaires mounted on supports other than standard wood poles or other non-standard supports, and for primary extensions solely serving the luminaires.

**SCHEDULE PL (NC)
STREET AND PUBLIC LIGHTING SERVICE**

AVAILABILITY (North Carolina Only)

Available for the purpose of lighting streets, highways, parks and other public places for Municipal, County State, and Federal Governments, at locations inside or outside municipal limits on the Company's distribution system. This Schedule is not available for service to non-governmental entities.

RATE:

(A) Bracket-Mounted Luminaires

All-night street lighting service using overhead conductors and Company standard equipment mounted on standard wood poles:

<u>Lamp Rating</u>			<u>Per Month Per Luminaire *and ***</u>	
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Inside Municipal Limits *Plus 1.2298 cents/kWh</u>	<u>Outside Municipal Limits *Plus 1.2298 cents/kWh</u>
High Pressure Sodium Vapor				
9,500	47	Suburban (1)	\$ 6.66	\$ 7.06
9,500	47	Urban	\$ 7.72	\$ 8.12
13,000	56	Suburban (2) (in suitable mercury fixture)	\$ 7.30	\$ 7.70
16,000	70	Urban	\$ 8.13	\$ 8.53
27,500	104	Urban	\$ 9.48	\$ 9.88
38,000	136	Urban (3) (in suitable mercury fixture)	\$ 9.98	\$10.38
50,000	156	Urban	\$11.35	\$11.75
140,000	391	Urban (installed on 55-foot wood pole)	\$22.25	\$22.65
Metal Halide				
40,000	155	Urban	\$14.10	\$14.50
Mercury Vapor ** (Closed to new installations)				
4,000	41	Suburban (1)	\$ 4.22	NA
7,500	75	Suburban (1)	\$ 5.47	\$ 5.87
7,500	75	Urban (4)	\$ 6.43	\$ 6.83
20,000	152	Urban (4)	\$ 8.47	\$ 8.87
55,000	393	Urban (4)	\$16.45	\$16.85

(1) Closed to new installations on or after July 1, 2005

(2) Closed to new installations on or after February 3, 1987.

(3) Closed to new installations on or after November 12, 1991.

(4) Closed to new contracts on or after October 1, 2007 for luminaires installed before January 1, 2008

** For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be reasonably available from suppliers. If a ballast replacement is required, the Company will either convert the luminaire to another luminaire of similar size and lumen output where the luminaire can utilize reasonably available compatible ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

*** For customers in Cherokee, Clay, Graham, Jackson, Macon and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

(B) Other Luminaires

Decorative and non-standard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.7% of the estimated installed cost difference between the luminaire and structure requested, and, the equivalent luminaire and standard pole.

Schedule PL (NC) continued

RATE: (continued)

(C) Underground Charges

- (1) Additional monthly charge for the underground conductor system:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
0 – 100 feet	\$.50	\$.35
101 – 200 feet	\$.90	\$.75
Over 200 feet	\$.90 plus \$.07 for each increment of 10 feet, or less, over 200 feet	\$.75 plus \$.07 for each increment of 10 feet, or less, over 200 feet

- (2) When the installation requires the cutting and replacing of pavement of more than one drive or one walkway per luminaire, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the charges above.
- (3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

EXPLANATORY NOTES

- (1) The installation of bracket-mounted luminaires in (A) above includes the Company's 40-foot, standard wood poles.
 - (a) Wood poles longer than 40 feet, or structures other than standard wood poles, may be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the luminaires and structures requested, and equivalent luminaires and standard poles, and such extra charge shall not be less than \$5.59 per month, per pole or other structure.
 - (b) The Company's standard metal street lighting pole may be installed for an extra monthly charge of \$5.59 per month, per pole.
 - (c) The Company's standard metal mast-arm pole may be installed for an extra monthly charge of \$5.59 plus 1.7% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole, per month, per pole. The standard metal mast-arm pole may be installed without a luminaire for a monthly charge of \$7.36 plus 1.7% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole.
 - (d) Standard wood poles and guys may be provided at the same charges as in (3) below when provided solely to support traffic signals.
- (2) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source. There will be no extra charge for underground conductors to luminaires installed in areas where the Company at its own option has determined that underground distribution facilities should be installed.
- (3) For areas outside municipal limits: Location of the luminaire or luminaires in areas outside of municipal limits shall be designated by the Customer but the location must be within the distance which can be reached by a secondary extension from the Company's nearest distribution facilities. Should the number of poles in the secondary extension required to serve the luminaire(s) exceed the number of poles on which bracket-mounted luminaires are installed, a monthly charge of \$1.78 per pole shall be made for such excess number of poles. Should the installation include downguys or spanguys, a charge of \$.63 per month per guy shall be made. When the installation requested requires a primary extension solely to serve the luminaires, an additional monthly charge of 1.7% of the estimated cost of the primary extension will be made.
- (4) All facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (5) Color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$.73 per lamp per month. For luminaires installed prior to October 1, 2007 there will be no additional charge for color-improved lamps installed as replacements for clear mercury vapor luminaires, nor for color improved lamps installed in new luminaires on or after October 1, 2007.
- (6) When two or more luminaires are installed on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.78.
- (7) "Suburban" luminaires are defined as standard NEMA-style fixtures with refractors and vertical-burning lamps. "Urban" luminaires are defined as "cobra-style" fixtures with enclosed refractive or flat lenses and horizontal-burning lamps.

Schedule PL (NC) continued

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of three (3) years to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated as standard by the Company and bracket-mounted on standard poles.
- (b) Ten years for all luminaires designated as decorative or non-standard by the Company, and for all standard luminaires mounted on supports other than standard wood poles, and for primary extensions solely serving the luminaires.

**SCHEDULE TS (NC)
TRAFFIC SIGNAL SERVICE****AVAILABILITY (North Carolina Only)**

Available to municipalities in which the Company owns and operates the electric distribution system, and to County, State, and Federal Authorities, in areas served by the Company, for the energy requirements of traffic and safety signal systems.

Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at 120/240 volts, single-phase.

RATE:

I.	Basic Facilities Charge per month	\$3.32
II.	Energy Charge*	
	For the first 50 kWh used per month	14.3053 ¢/kWh
	For all over 50 kWh used per month,	6.8176 ¢/kWh

* For customers in Cherokee, Clay, Graham, Jackson, Macon and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year and thereafter until terminated by either party on thirty days' written notice.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE I (NC)
INDUSTRIAL SERVICEAVAILABILITY (North Carolina Only)

Available only to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG, under special terms and conditions expressed in writing in the contract with the customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$15.75
II.	Demand Charge	
	For the first 30 kW of Billing Demand per month	No Charge
	For all over 30 kW of Billing Demand per month	\$2.94 per kW
III.	Energy Charge*	
	<u>For the First 125 kWh per KW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month	8.7546 cents per kWh
	For the next 87,000 kWh per month	5.3286 cents per kWh
	For all over 90,000 kWh per month	5.1414 cents per kWh
	<u>For the Next 275 kWh per KW Billing Demand per Month:</u>	
	For the first 140,000 kWh per month	4.4864 cents per kWh
	For all over 140,000 kWh per month	4.3638 cents per kWh
	<u>For all Over 400 kWh per KW Billing Demand per Month:</u>	
	For all kWh per month	4.2056 cents per kWh

*For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
2. Fifty percent (50%) of the maximum integrated thirty-minute demand during the billing months of June-September within the previous 12 months including the month for which the bill is rendered.
3. Fifty percent (50%) of the Contract Demand
4. 30 kilowatts (KW)

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

Monthly

\$1.64 per kW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

Annual

\$32.92 per KW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate Above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE OPT-1 (NC)
OPTIONAL POWER SERVICE, TIME-OF-USE
INDUSTRIAL SERVICE

AVAILABILITY (North Carolina Only)

Available only to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available to the individual customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider SCG or Rider NM, under special terms and conditions expressed in writing in the contract with the customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge	\$36.51	
II.	Demand Charge	Summer Months June 1 – September 30	Winter Months October 1 – May 31
	A. On-Peak Demand Charge		
	For the first 2000 kW of Billing Demand per month	\$10.9490 per kW	\$6.4446 per kW
	For the next 3000 kW of Billing Demand per month	\$10.0296 per kW	\$5.5167 per kW
	For all over 5000 kW of Billing Demand per month	\$ 9.1017 per kW	\$4.5804 per kW
	B. Economy Demand Charge	\$.8688 per kW	\$.8688 per kW
III.	Energy Charge*	All Months	
	A. All On-Peak Energy per month	4.5396 cents per kWh	
	B. All Off-Peak Energy per month	2.7379 cents per kWh	

* For customer in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties there is an additional charge of 0.1592¢/kWh

Schedule OPT-I (NC) continued

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u> 1:00 p.m. – 9:00 p.m. Monday – Friday	Winter Months <u>October 1 – May 31</u> 6:00 a.m. – 1:00 p.m. Monday – Friday
On-Peak Period Hours		
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours. All hours for the following holidays shall be considered as Off-Peak: New Year's Day, Memorial Day, Good Friday, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day.	

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billings. Readings are taken once a month at intervals of approximately thirty (30) days.

Summer months rates apply to service from June 1 through September 30. Winter months apply to service from October 1 through May 31.

CONTRACT DEMAND

The Company will require contracts to specify the maximum demand to be delivered to the Customer which shall be the Contract Demand.

Where the Customer can restrict on-peak demand to levels considerably below that of the Contract Demand, the Company may also contract for a limited On-Peak Contract Demand in addition to the Contract Demand.

DETERMINATION OF BILLING DEMAND

- A. The On-Peak Billing Demand each month shall be the largest of the following:
1. The maximum integrated thirty-minute demand during the applicable summer or winter on-peak period during the month for which the bill is rendered.
 2. Fifty percent (50%) of the Contract Demand (or 50% of the On-Peak Contract Demand if such is specified in the contract)
 3. 15 kilowatts (KW)
- B. Economy Demand
To determine the Economy Demand, the larger of
1. The maximum integrated thirty-minute demand during the month for which the bill is rendered; or
 2. 50% of the Contract Demand
- shall be compared to the On-Peak Billing Demand as determined in A. above. If the demand determined by the larger of B. 1 and B. 2 above exceeds the On-Peak Billing Demand, the difference shall be the Economy Demand.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.64 per month per KW of Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

Schedule OPT-I (NC) continued

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE HP (NC)
HOURLY PRICING FOR INCREMENTAL LOADAVAILABILITY (North Carolina Only)

Available to non-residential establishments with a minimum Contract Demand of 1000 KW who qualify for service under the Company's rate schedules LGS, I, OPT-G, OPT-I, or PG, at the Company's option on a voluntary basis. The maximum number of customers on the system to be served under this schedule is one hundred fifty (150).

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available for a customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

The Company may cancel this schedule at any time it deems necessary.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

BILL DETERMINATION

The monthly bill under this schedule shall be the sum of the Baseline Charge, Rationing Charge, Incremental Demand Charge, Standby Charge (if applicable), Energy Charge, and Power Factor Charge (if applicable).

Where: Baseline Charge = \$ amount calculated from CBL

Rationing Charge = Sum of [(New Load kWh per hour - Reduced Load kWh per hour) X Hourly Rationing Charge]]

Incremental Demand Charge = Incremental Demand KW X \$.26 per KW

Standby Charge = (see Provision for Customers Operating in Parallel with the Company)

Energy Charge = (a) + (b)

Power Factor Charge = (see Power Factor Adjustment)

Where:

(a) = Sum of [(New Load kWh per hour - Reduced Load kWh per hour) X Hourly Energy Charge]]

(b) = Net New Load kWh X .5 ¢ per kWh Incentive Margin, but not less than zero.

DEFINITIONS

Customer Baseline Load (CBL): The CBL (kWh per hour) is one full year (365 days) of the individual Customer's hourly loads representing the Customer's energy use and load pattern on the applicable qualifying rate schedule. The CBL, as agreed to by the Customer and the Company, is used to define the level of kWh in each hour, above which all kWh will be billed at the hourly energy prices described under Schedule HP.

Baseline Contract Demand: The maximum monthly billing demand of the CBL.

New Load: New Load (kWh per hour) is the amount by which actual kWh in any hour exceeds the CBL kWh for the same hour.

SCHEDULE HP (NC) (continued)

DEFINITIONS (continued)

Reduced Load: Reduced Load (kWh per hour) is the amount by which actual kWh in any hour is less than the CBL kWh for the same hour.

Net New Load: Net New Load (kWh per month) is the sum of New Load kWh per hour during the month less the sum of Reduced Load kWh per hour during the month.

Incremental Demand: The Incremental Demand for local distribution facilities (KW per month) is the amount by which the maximum integrated 30-minute demand (maximum 15-minute integrated demand for customers previously served under Schedule IP) during the month for which the bill is rendered exceeds billing demand plus standby demand used in determining the baseline charge for the same period.

Month: The term "month" as used in the Schedule means the period intervening between readings of electronic pulse data for the purpose of monthly billings. Such data will be collected each month at intervals of approximately thirty (30) days.

Contract Demand: The Company will require contracts to specify a Contract Demand which will be the maximum demand to be delivered under normal conditions.

RATE:

Baseline Charge: The Baseline Charge (\$/month) is determined each month by calculating a bill on the current revision of the Customer's qualifying rate schedule using Customer Baseline Load for the month to arrive at the appropriate monthly demand and energy amounts. Provisions of the qualifying rate schedule, including Determination of Billing Demand, Approved Fuel Charge Adjustments, Extra Facilities Charge, Interconnection Facilities Charge, etc. will apply to the bill calculation used to determine the Baseline Charge.

Rationing Charge: The Rationing Charge (\$/kWh) consists of a generation component and/or a transmission component and/or a distribution component and will be determined on an hourly basis during the month. The generation component applies to any hour of the month when low reserve margins for available generation are expected to require the operation of combustion turbines. The transmission and/or distribution component applies to any hour during the billing month when the system demand is expected to exceed 90 percent of the forecasted summer peak demand. The transmission component applies to customers served from the transmission system. Both the transmission and distribution components apply to customers served from the distribution system. If none of the above conditions occur during the month, the Rationing Charge will be zero. The Rationing Charge will be communicated as described in Energy Price Determination.

Incremental Demand Charge: \$.26 per KW per month

Energy Charge: The Energy Charge (\$/kWh) is the hourly charge equal to expected marginal production cost including line losses, and other directly-related costs. The Energy Charge will be communicated as described in Energy Price Determination.

Incentive Margin: .5¢ per kWh which is applied to Net New Load, but shall not be less than zero.

MINIMUM BILL

The Minimum Bill will be calculated on an annual basis and will be the Baseline Charge, Rationing Charge, Incremental Demand Charge, Standby Charge and Energy Charge summed over the year. The total for the year of CBL Demand Charges plus Standby Charges plus Incremental Demand Charges plus the Incentive Margin applied to Net New Load, shall not be less than the total of \$19.68 per KW per year of Baseline Contract Demand plus \$3.12 per year multiplied by the difference between Contract Demand and Baseline Contract Demand.

DETERMINATION OF PRICING PERIODS

Each hour of the day is a distinct pricing period. The initial pricing period of the day is a one-hour period beginning at 12:00:01 a.m. and ending at 1:00:00 a.m. The last pricing hour of the day begins at 11:00:01 p.m. and ends at 12:00 midnight.

ENERGY PRICE DETERMINATION

Each business day by 4:00 p.m., the hourly Energy Charges, and Rationing Charges, if applicable, for the 24 hours of the following day will be communicated to the Customer. Prices for weekends and Company holidays will be communicated to the Customer by 4:00 p.m. on the last business day before the weekend or holiday. The customer is responsible for notifying the company if he fails to receive the price information.

SCHEDULE HP (NC) (continued)

PROVISION FOR CUSTOMERS OPERATING IN PARALLEL WITH THE COMPANY

If a customer has power generating facilities operated in parallel with the Company and the Baseline Charge is not calculated under Schedule PG, the Standby Charge, Determination of Standby Charges and Interconnection Facilities Charge provisions of Schedule PG shall be applicable to service under this schedule. The Incremental Demand Charge does not apply to any incremental demand that is less than Standby Demand. In addition, customers operating a generator in parallel with the Company's system, must comply with the provisions outlined in the North Carolina Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Generator Interconnections (hereinafter "Interconnection Procedures") as approved by the North Carolina Utilities Commission.

PROVISION FOR CUSTOMERS SERVED UNDER RIDER IS

For customers served under Rider IS, the Interruptible Contract Demand shall be the same as that contracted for during the baseline period. Further, the calculation of the Effective Interruptible Demand (EID) each month will exclude all energy consumed above the CBL. The Rationing Charge will not apply to reduced load above Firm Contract Demand during the hours of interruption periods.

POWER FACTOR ADJUSTMENT

The Company will adjust, for power factor, the kWh for any customer operating in parallel, and may adjust the kWh for any other customer served under this schedule. The power factor adjustment may result in a Power Factor Charge, if applicable, as follows:

Power Factor Charge = Sum of Hourly Load Correction Amounts for all hours in the billing period, but not less than zero,

Where:

Hourly Load Correction Amount = Hourly Load Correction kWh X Hourly Price

Hourly Load Correction kWh = [total hourly kWh X (.85 ÷ hourly power factor)] – total hourly kWh

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under the Schedule, including determination of the Baseline Charge.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

EXTRA FACILITIES CHARGE

A monthly "Extra Facilities Charge" equal to 1.7% of the installed cost of extra facilities necessary for service under Schedule HP, but not less than \$25, shall be billed to the Customer in addition to the bill under Schedule HP described under Bill Determination and any applicable Extra Facilities Charge included in the Baseline Charge.

MODIFICATIONS OF THE CBL

The CBL will normally represent a full year under the same rate design or structure, and may be reestablished every four years. Modifications to the CBL may be allowed at the option of the Company under certain situations. These situations may include, but are not limited to, the following:

- Adjustments of load patterns associated with annual plant shutdowns, or to smooth random variations in the load pattern, provided the modifications result in revenue neutrality
- One-time permanent modifications to the physical establishment capacity completed prior to initiating service on this schedule
- Adjustments to reflect any Company-sponsored load management program

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each Customer shall enter into a contract to purchase electricity under this schedule for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE PG (NC)
PARALLEL GENERATIONAVAILABILITY (North Carolina Only)

Available only to non-residential establishments which have generating facilities not in excess of eighty (80) megawatts which are interconnected with the Company's system.

Service under this Schedule shall be used solely by the individual contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

The Customer's interconnected power generating facilities may be operated in parallel with the Company's system. Power delivered under this schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Power Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The Company will provide service to the Customer's net load (total load less Customer generation), and will purchase excess energy from the Customer when the Customer's generation output exceeds the Customer's load, at the rates shown below. Meters for the measurement of excess energy purchased by the Company under this Schedule shall be equipped with compensation to reflect delivery of such energy to the high voltage side of the transformer installation. This Schedule is not available for purchase by the Company of the entire output of the Customer's generator in excess of auxiliary load.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one metering point, at one delivery point, at one of the following approximate voltages where available, upon mutual agreement:

3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or

3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or

3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or

3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

CHARGES	Interconnected To	
	<u>Transmission System</u>	<u>Distribution System</u>
I. Customer Charge per month:	\$58.40	\$58.40
II. On-Peak Demand Charge per On-Peak month:	\$14.26 per kW	\$16.94 per kW
III. Energy Charge*		
The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".		
	<u>Transmission System</u>	<u>Distribution System</u>
<u>General Service</u>		
a. All On-Peak Energy per month	4.1219 cents per kWh	4.2213 cents per kWh
b. All Off-Peak Energy per month	3.9231 cents per kWh	4.0004 cents per kWh
<u>Industrial Service</u>		
a. All On-Peak Energy per month	3.9460 cents per kWh	4.0454 cents per kWh
b. All Off-Peak Energy per month	3.7472 cents per kWh	3.8245 cents per kWh

* For customers in Cherokee, Clay, Graham, Jackson, Macon, and Swain counties, there is an additional charge of 0.1592¢/kWh added to energy charges above.

Schedule PG (NC) continued

RATE (continued)

IV. Standby Charge per month	<u>Transmission System</u> \$1.03 per KW	<u>Distribution System</u> \$1.03 per KW
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CREDITS

Energy Credit	<u>Transmission System</u>	<u>Distribution System</u>
a. All On-Peak Energy per month	5.12 cents per kWh	5.34 cents per kWh
b. All Off-Peak Energy per month	3.73 cents per kWh	3.87 cents per kWh

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule except the Credits above. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DEFINITION OF ON-PEAK AND OFF-PEAK PERIODS

On-Peak Period Hours	7:00 a.m. - 11:00 p.m. Monday - Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period of time between meter readings for the purpose of monthly billings. Readings are taken once a month at intervals of approximately thirty (30) days.

On-Peak Months	Billing Months of December, January, February, March, June, July, August, September
Off-Peak Months	Billing Months of April, May, October, November

CONTRACT DEMAND

The Company will require contracts to specify a Contract Demand. The Contract Demand shall be the maximum demand to be delivered under normal conditions to the Customer during the on-peak periods of the On-peak Billing months of December through March and June through September.

DETERMINATION OF DEMAND CHARGES

The On-Peak Demand for billing purposes shall be the largest of the following:

1. The maximum integrated thirty-minute demand during the on-peak period during the On-Peak month for which the bill is rendered.
2. Seventy-five percent (75%) of the Contract Demand
3. 30 kilowatts (kW)

Demand charges are applicable for the billing months of December through March and June through September. Demand charges do not apply in the billing months of October, November, April, or May.

DETERMINATION OF STANDBY CHARGE

The Company will require each customer who supplies any portion of his electrical requirements by his generating facilities to contract for standby, auxiliary, or breakdown service. For billing purposes the Standby KW will be based on the nameplate capacity in kilowatts of the Customer's generating facility.

However, at the option of the Customer, additional metering facilities will be installed and for billing purposes, the Standby KW will be based on the Customer's maximum integrated thirty-minute demand which has been supplied by the Customer's generating facilities during the previous twelve months, including the month for which the bill is rendered. If additional metering facilities are installed, they will be subject to a monthly Extra Facilities Charge.

SAFETY, INTERCONNECTION AND INSPECTION REQUIREMENTS

This Schedule is only applicable for installed generation systems and equipment that comply with the provisions outlined in the North Carolina Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Generator Interconnections (hereinafter "Interconnection Procedures") as approved by the North Carolina Utilities Commission.

The Customer must submit an Interconnection Request which must be accepted by the Company, pay an application fee, comply with the liability insurance requirements of the Interconnection Procedures, and enter into a specific contract providing for interconnection to the Company's system.

In order to ensure protection of the Company's system, the Company reserves the right, at its discretion, to inspect the Customer's generation system and equipment at any time upon reasonable notice to the Customer in an effort to ensure compliance with the Interconnection Procedures. The Company reserves the right to disconnect electric service to the premises if the Company determines that the Customer's generation system and equipment is not in compliance with the Interconnection Procedures and is being operated in parallel with the Company's system.

INTERCONNECTION FACILITIES CHARGE

The Customer shall be responsible for providing suitable control and protective devices on his equipment to assure no disturbance to other customers of the Company or to the Company itself, and to protect the Customer's facilities from all loss or damage which could result from operation with the Company's system.

The Company will furnish, install, own, and maintain interconnection facilities as necessary for service under this Schedule including:

- suitable control and protective devices installed on the Company's equipment to allow operation of the Customer's generating facilities; (see exception below)
- metering facilities equipped to prevent reverse registration for the measurement of service under this Schedule; and
- any other modification to its system required to serve the Customer under this Schedule as required by the Company.

All such interconnection facilities in excess of those required in the absence of the Customer's generating facilities to provide capacity at the level of the Contract Demand shall be subject to a monthly charge under the Extra Facilities provision of the Company's Service Regulations. The Company reserves the right to install, at any time, facilities necessary for the appropriate measurement of service under this Schedule and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

POWER FACTOR CORRECTION

When the average monthly power factor of the power required by the Customer from the Company is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

When the average monthly power factor of the power supplied by the Customer to the Company is less than 90 percent or greater than 97 percent, the Company may correct the maximum integrated on-peak demand in kilowatts or the energy in kilowatt-hours, as appropriate. The Company reserves the right to install facilities necessary for the measurement of power factor and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

MINIMUM BILL

The minimum monthly bill shall be calculated on the Rate above including the Customer Charge, On-Peak Demand Charge, Energy Charge, Standby Charge, etc., but the Demand Charge component billed during the On-Peak months shall be based on not less than 75% of the Contract Demand. If the Customer's demand measured during normal operating conditions exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered.

Schedule PG (NC) continued

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

Credit billings to the Customer will be credited to the Customer's account, or, at the option of the Customer and upon ten (10) days' prior written notice, shall be payable to the Customer within fifteen (15) days of the date of the bill.

CONTRACT PERIOD

Each customer shall enter into a contract for a minimum original term of five (5) years and thereafter until terminated by giving at least thirty (30) months' previous notice of such termination in writing, but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

The Company reserves the right to terminate the Customer's contract under this Schedule at any time upon written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Schedule or operates his generating facilities in a manner which is detrimental to the Company or any of its customers. In the event of early termination of a contract under this Schedule, the Customer will be required to pay the Company for the costs due to such early cancellation.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

North Carolina Thirty-Third Revised Leaf No. 55
Effective for service rendered on and after June 1, 2009
NCUC Docket No. E-7. Sub 831
Order dated

Energy Credits revised
Effective May 18, 2007
NCUC Docket No. E-100, Sub 106
Order Dated May 8, 2007

SCHEDULE MP (NC)
MULTIPLE PREMISES SERVICE
(Pilot)AVAILABILITY

This schedule is closed and not available to customers or locations not served on this Schedule prior to January 1, 2008 and shall remain in effect for customers under continually effective agreements for this Schedule made prior to January 1, 2008.

Available, at the Company's option, to up to twenty business entities on the Duke system for service to two or more non-contiguous premises, located entirely within the state of North Carolina, provided that the total of the contract demands for all premises served under this schedule is at least 5000 KW, and provided that each delivery point has a minimum contract demand of 30 KW. A business entity is defined as a single corporation, partnership, or individual owner. This schedule is not available for individual franchise units of a business, nor for subsidiaries operating as a separate corporation or partnership. The Company will make the final determination as to what constitutes a business entity and applicable premises to be served under this schedule.

Service under this schedule is not available when multiple delivery points exist on contiguous premises unless such multiple delivery points are combined under the Extra Facilities provision of the Company's Service Regulations. For the purposes of this rate, premise is defined as the land and buildings or other facilities on it that require the use of electricity. The customer will not be required to include a delivery point with other services provided to the premises, if the service has a contract demand of less than 30 KW. Service to such delivery points will be served under another applicable schedule.

This Schedule is not available to establishments that would otherwise qualify for a residential service schedule. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights of way, privileges, franchises, permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed, or is prevented from furnishing the power by its failure to secure and retain such rights of way, rights, privileges, franchises, and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$36.51	
II.	Demand Charge		
		Summer Months	Winter Months
		June 1 – September 30	October 1 – May 31
A.	On-Peak Demand Charge		
	Transmission Level Billing Demand	\$ 11.3740 per KW	\$6.3732 per KW
	Distribution Level Billing Demand	\$ 12.3140 per KW	\$7.3132 per KW
B.	Excess Demand Charge	All Months	
	Each KW of the Excess Demand	\$.9682 per KW	

Schedule MP (NC) continued

RATE: (continued)

III. Energy Charge	<u>All Months</u>
Transmission	
A. On-Peak energy per month	3.2014 cents per kWh
B. Off-Peak energy per month	3.1942 cents per kWh
Distribution	
A. On-Peak energy per month	5.2014 cents per kWh
B. Off-Peak energy per month	3.1942 cents per kWh

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	<u>Summer Months</u>	<u>Winter Months</u>
	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
On-Peak Hours	1:00 p.m. – 9:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday – Friday
Off-Peak Hours	All other weekday hours and all Saturday and Sunday hours. All hours for the following holidays shall be considered off-peak: New Year's Day, Memorial Day, Good Friday, Independence Day, Labor Day, Thanksgiving Day, Day After Thanksgiving, and Christmas Day.	

DETERMINATION OF BILLING DEMAND

- A. The On-Peak Billing Demand each month shall be the largest of the following:
1. The 30-minute integrated demand which is coincident with maximum 30-minute integrated demand for all customer premises served under this schedule.
 2. Fifty percent (50%) of the Premises Contract Demand
 3. 30 KW

Transmission Level Billing Demand applies to a delivery point served from the Company's 44 KV system or above, provided that the delivery voltage is a minimum of 4 KV for initial permanent service to a premise after January 1, 1997. Distribution Level Billing Demand applies to all other premises served under this schedule.

When the 30-minute integrated demand which is coincident with maximum 30-minute integrated demand for all customer premises served under this schedule cannot be determined due to either commencement of service at a premise after the beginning of the billing period, or cessation of service at a premises prior to the end of the normal billing period, then the highest 30-minute integrated demand for the premise during the on-peak period served for that month will be used in (A.1) above.

- B. Excess Demand

To determine the Excess Demand, the maximum integrated thirty-minute demand for the month for which the bill is rendered shall be compared to the On-Peak Billing Demand as determined in (A.) above. The difference shall be the Excess Demand for billing purposes.

BILLING PROCEDURES

The Company will calculate a separate charge for each premises served under this schedule. Each premises will be billed a Basic Facilities Charge, Demand Charge, Energy Charge, and if applicable, Extra Facilities Charges, and Remote Metering Charges. Any applicable sales tax or other fee assessed by or remitted to a state or local governmental authority will be added to the charge for each premises. The total of the bills calculated for each premises will be provided to the Customer.

CONTRACT DEMAND

The Company will require contracts for each premises to specify a Premises Contract Demand. The Premises Contract Demand shall be the maximum demand to be delivered to each premises under normal conditions. The sum of the Premises Contract Demands for each premises served under this schedule shall be known as the Total Multiple Premises Contract Demand and shall not be less than 5000 KW.

Schedule MP (NC) continued

METERING AND OTHER EQUIPMENT

Service supplied under this schedule will be metered through a metering system capable of measuring electrical demand and energy at all hours each day. For billing purposes, demand and energy will be determined from electronic pulse data, in lieu of readings taken from a standard meter.

If an individual premises to be served has a contract demand of 5000 KW or greater, no additional metering charges are applicable; however, if the contract demand is less than 5000 KW, remote metering charges in accordance with the Company's Remote Meter Reading and Usage Data Service will apply.

The Company shall have the right to install special metering and load research devices on the Customer's equipment, and the right to use the Customer's telephone line for communication with the Company's and the Customer's equipment.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days. Summer hours and rates are applicable for service from June 1 through September 30. Winter hours and rates are applicable for service from October 1 through May 31.

MINIMUM BILL

The minimum bill shall be the bill for each premises calculated on the rate above.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one percent (1%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances. Each customer served under this pilot shall enter a contract to be served under this schedule for a minimum of one (1) year. The Company reserves the right to terminate service supplied under this schedule for any violation of the terms and conditions of this schedule.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE SG (NC)
SMALL GENERAL SERVICE

APPLICABILITY (North Carolina Nantahala Area only)

This schedule is closed and not available to new customers or locations not served on this schedule prior to January 1, 2008, in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for customers under continually effective agreements made prior to January 1, 2008.

This Schedule is applicable to the entire requirements on the customer's premises for electric service of one standard character delivered at one point from Company's existing facilities of suitable capacity and character. Service will be metered through a single watt-hour meter at the delivered voltage.

CHARACTER OF SERVICE

Alternating current, approximately 60 cycles, single-phase, three-phase or combined single- and three-phase at one standard voltage described in Company's Rules and Regulations.

RATE:

The Rate for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".

MONTHLY RATE

Basic Customer Charge	\$ 6.40 for single-phase service		
	\$ 12.80 for three-phase service		
		<u>General Service</u>	<u>Industrial Service</u>
Energy Charge*	For the first 500 kWh plus 100 kWh for each kW over 10 kW of demand	9.6241¢/kWh	9.6265¢/kWh
	For the next 1,900 kWh	7.1741¢/kWh	7.1765¢/kWh
	For all additional kWh	6.1641¢/kWh	6.1665¢/kWh

* there is an additional charge of 0.1592¢/kWh added to energy charges above.

MINIMUM MONTHLY BILL

The minimum monthly bill will be the Basic Customer Charge plus \$3.45 per kW of demand over 10 kW, but not less than \$14.90.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

DEMAND

Demand is the average kilowatts during the 15-minute period of greatest use during the month as determined by Company's meter. Demand will be determined when monthly consumption exceeds 3,000 kWh or demand established by test exceeds 10 kW.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company will correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM

Service hereunder shall be for an initial term of one year or such longer term as may be required by the Company.

SCHEDULE LG (NC)
LARGE GENERAL SERVICEAPPLICABILITY (North Carolina Nantahala Area only)

This schedule is closed and not available to new customers or locations not served on this schedule as prior to January 1, 2008, in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for customers under continually effective agreements made prior to January 1, 2008.

This Schedule is applicable to the entire requirements on customer's premises for electric service of one standard character delivered at one point from Company's existing facilities of suitable capacity and character. Service will be metered through a single watt-hour meter at the delivered voltage.

CHARACTER OF SERVICE

Alternating current, approximately 60 cycles, single-phase, three-phase or combined single- and three-phase at one standard voltage described in Company's Rules and Regulations.

RATE:

The Rate for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishments is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".

MONTHLY RATEDemand Charge

\$ 105.50 for the first 20 kW of demand or less

\$ 3.60 per kW for additional kW of demand

Energy Charge*

For the first 20,000 kWh

For the next 180,000 kWh

For additional kWh

General Service

5.9941¢/kWh

5.4941¢/kWh

5.0841¢/kWh

Industrial Service

5.9965¢/kWh

5.4965¢/kWh

5.0865¢/kWh

* there is an additional charge of 0.1592¢/kWh added to energy charges above.

Minimum Charge

The Demand Charge.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DEMAND

Demand is the average kilowatts during the 15-minute period of greatest use during the month as determined by Company's meter but not less than 60% of the greatest demand similarly determined during the preceding 11 months nor in any event less than 20 kW or such higher minimum demand as may be stipulated by contract.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company will correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

Schedule LG (NC) continued

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM

Service hereunder shall be for an initial term of one year or such longer term as may be required by the Company.

SCHEDULE IT (NC)
INDUSTRIAL SERVICE, TIME OF USEAVAILABILITY (North Carolina Nantahala Area only)

This schedule is closed and not available to new customers or locations not served on this schedule as prior to January 1, 2008, in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for customers under continually effective agreements made prior to January 1, 2008.

This Schedule is available only to an establishment classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the U.S. Government; and where at least 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

This Schedule is applicable to the entire requirements on customer's premises for electric service of one standard character delivered at one point from Company's existing facilities of suitable capacity and character. Service will be metered through a single watt-hour meter at the delivered voltage.

CHARACTER OF SERVICE

Alternating current, approximately 60 cycles, single-phase, three-phase or combined single- and three-phase at one standard voltage described in Company's Rules and Regulations.

MONTHLY RATE

<u>Customer Charge</u>	\$148.00
<u>Demand Charge</u>	\$ 13.92 per kW for each kW of demand on peak
	\$ 3.60 per kW for off-peak demand in excess of on-peak demand

<u>Energy Charge*</u>	3.5865 cents/per kWh for the first 20,000 kWh
	3.0865 cents/per kWh for the next 180,000 kWh
	2.6765 cents/per kWh for additional kWh

* there is an additional charge of 0.1592¢/kWh added to energy charges above.

Minimum Charge

The Customer Charge

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate unless customer has opted out of the Rider in accordance with the provisions of North Carolina General Statute 62-133.9 and North Carolina Utilities Commission's Rule R8-69. In the case of opt out, the energy charges under this rate schedule will be reduced by the cents per kilowatt hour factor shown on the currently effective Energy Efficiency Adjustment Rider.

DETERMINATION OF MONTHLY DEMAND

On-Peak: The monthly on-peak demand shall be the maximum integrated sixty-minute demand during the hour of Duke Energy Carolinas' system peak

Off-Peak: The off-peak demand shall be the maximum integrated fifteen-minute demand recorded during any hour other than the hour of Duke Energy Carolinas' system peak.

Such demand shall be the larger of

1. The maximum fifteen minute demand during the month the bill is rendered; or
2. Sixty percent (60%) of the maximum off-peak demand similarly determined during the preceding eleven (11) months, or
3. Minimum demand stipulated by contract, or
4. Five hundred (500) kW.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company will correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

Schedule IT (NC) continued

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM

Service hereunder shall be for an initial term of one year or such longer term as may be required by the Company.

**SCHEDULE S (NC)
UNMETERED SIGNS**

AVAILABILITY (North Carolina Nantahala Area only)

This schedule is closed and not available to new customers or locations not served on this schedule prior to January 1, 2008, in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for customers under continually effective agreements made prior to January 1, 2008.

This Schedule is available for unmetered service to a sign where the customer provides the lights. This Schedule is for "entrance type" signage on the property owned or controlled by the commercial and/or industrial customer in whose name the bill is rendered. Duke Energy Carolinas must be providing general area lighting and secondary wire must be available at the sign location such that no additional transformation is required. The Company and customer must agree in writing to the estimated monthly kWh usage.

MONTHLY RATE

Basic Customer Charge per month \$5.65 per sign

Energy Charge* 4.6441 cents per contracted kWh used

* there is an additional charge of 0.1592¢/kWh added to energy charges above.

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. The Company has the right to suspend service for non-payment of bills in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM

Service hereunder shall be for a period of not less than one year, except when, in the opinion of the Company, contracts of shorter duration are justified by particular circumstances.

SCHEDULE YL (NC)
YARD LIGHTING SERVICEAPPLICABILITY (North Carolina Nantahala Area only)

This schedule is closed and not available to new customers or locations not served on this schedule prior to January 1, 2008 in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for luminaires served under continually effective agreements made prior to January 1, 2008.

This Schedule is applicable to unmetered service supplied for the lighting of private areas by luminaires of the type designated below. Yard lighting service is not available for seasonal or other part time operation of luminaires.

CHARACTER OF SERVICE

Company will install, own, maintain, and furnish electric service for the operation of a luminaire from dusk to dawn.

MONTHLY RATE PER UNITNON-DECORATIVE

<u>Lumens</u>	<u>kWh per month</u>	<u>Luminaire Style</u>	<u>Per Month Per Unit*and **</u> <u>*Plus 1.2298 cents/kwh and</u> <u>** Plus 0.1592 cents/kwh</u>
7,900	83	175 Watt mercury vapor, installed prior to January 1, 2008(1)	\$ 7.46
27,500	114	attached to existing Company secondary pole 250 Watt high pressure sodium vapor attached to existing Company secondary pole	\$13.11
		<u>Poles</u> Special yard lighting pole (30 ft. wood) used only for the support of yard lighting and one span of secondary	<u>Per Month Per Unit</u> \$2.00

DECORATIVE - (requires underground service)

<u>Lumens</u>	<u>kWh per month</u>	<u>Luminaire Style</u>	<u>Per Month Per Unit*and **</u> <u>*Plus 1.2298 cents/kwh</u> <u>** Plus 0.1592 cents/kwh</u>
9,500	51	100 Watt high pressure sodium, (standard traditional luminaire)	\$7.03
16,000	69	150 Watt high pressure sodium, (standard traditional luminaire)	\$8.00
8,500	83	175 Watt mercury vapor, installed prior to January 1, 2008(1)	\$8.40
4,000	24	(standard traditional luminaire 50 Watt high pressure sodium, on 8 foot mounting height, direct buried, smooth fiberglass pole	\$13.21
4,400	50	100 Watt mercury vapor, on 8 foot mounting height, direct buried, smooth fiberglass pole installed prior to January 1, 2008(1)	\$13.95
		<u>Poles</u> Special yard lighting pole (12 ft. mounting height, direct buried, smooth fiberglass) for above luminaires	<u>Per month Per Unit</u> \$7.51

- (1) For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be reasonably available from suppliers. If a ballast replacement is required, the Company will either convert the luminaire to another luminaire of similar size and lumen output where the luminaire can utilize reasonably available compatible ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

(Schedule YL (NC) continued)

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM

Service hereunder shall be for an initial term of from three (3) to ten (10) years as specified below and shall be extended from year to year thereafter until terminated by the customer or Company. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated by the Company as standard, post top and bracket-mounted on standard poles.
- (b) Ten years for all luminaires designated by the Company as decorative, or non-standard, and for all standard luminaires mounted on supports other than standard wood poles, and for primary extensions solely serving the luminaires.

EXTRA FACILITIES

Applicable only to luminaires installed after March 1, 1983. Any facilities other than those listed in the Monthly Rate Section of this Schedule will be supplied for an extra monthly charge equal to 1.7% of the estimated difference in cost installed between the luminaire and structure requested and the equivalent luminaire in the Monthly Rate above.

**SCHEDULE SL (NC)
STREET LIGHTING****AVAILABILITY (North Carolina Nantahala Area only)**

This schedule is closed and not available to new customers or locations not served on this schedule prior to January 1, 2008 in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for luminaires served under continually effective agreements made prior to January 1, 2008.

This Schedule is applicable for service supplied for the lighting of thoroughfares or other public areas by luminaires of the type designated below. This Schedule is not available for service to non-governmental entities.

CHARACTER OF SERVICE

The service supplied by Company will include the installation of a street lighting system according to Company's standards and requirements. All equipment will be owned, maintained, and operated by Company. This service includes the electricity required to illuminate the street lighting lamps from dusk to dawn.

RATE**NON-DECORATIVE**

<u>Lumens</u>	<u>kWh per month</u>	<u>Luminaire Style</u>	<u>Per month Per Unit*and **</u> <u>*Plus 1.2298 cents/kwh</u> <u>**Plus 0.1592 cents/kwh</u>
7,900	83	175 Watt mercury vapor, installed prior to January 1, 2008 (1) attached to existing Company secondary pole	\$ 6.81
21,000	150	400 Watt mercury vapor, installed prior to January 1, 2008 (1) attached to existing Company secondary pole	\$13.23
27,500	114	250 Watt high pressure sodium vapor attached to existing Company secondary pole	\$13.11
<u>Poles</u>			<u>Per Month Per Unit</u>
Special street lighting poles used only for support of lighting circuit and luminaire			
Steel or aluminum poles installed prior to June 18, 1993			\$3.22
Wood			\$2.00
Standard 30 foot aluminum poles (customer to contribution through "extra facilities" provision the cost of non-standard pole in excess of \$900 per pole)			\$13.75

DECORATIVE - (requires underground service)

<u>Lumens</u>	<u>kWh per month</u>	<u>Luminaire Style</u>	<u>Per Month Per Unit*and**</u> <u>*Plus 1.2298 cents/kwh</u> <u>**Plus 0.1592 cents/kwh</u>
9,500	51	100 Watt high pressure sodium (standard traditional luminaire)	\$ 6.63
16,000	69	150 Watt high pressure sodium (standard traditional luminaire)	\$ 7.59
8,500	83	175 Watt mercury vapor, installed prior to January 1, 2008 (1) (standard traditional luminaire)	\$ 8.00
<u>Poles</u>			<u>Per Month Per Unit</u>
Special street lighting pole (12 foot mounting height, direct buried, smooth fiberglass for above decorative luminaires)			\$6.79

- (1) For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be reasonably available from suppliers. If a ballast replacement is required, the Company will either convert the luminaire to another luminaire of similar size and lumen output where the luminaire can utilize reasonably available compatible ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

(Schedule SL (NC) continued)

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM

Service hereunder shall be supplied through Street Light Service Contracts which shall be executed for a period of up to ten (10) years. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract.

ADDITIONAL LIGHTS OR INCREASE IN SIZE OF LAMPS

Company will at customer's request install lights at specified rate herein provided the term of the service agreement is sufficient to justify the Company in making the investment; otherwise customer shall contribute to the Company an amount of money equal to the estimated unrecovered investment.

EXTRA FACILITIES

Any facilities other than those listed in the Monthly Rate Section of this Schedule will be supplied for an extra monthly charge equal to 1.7% of the estimated difference in cost installed between the luminaire and structure requested and the equivalent luminaire in the Monthly Rate above.

SCHEDULE FL-N (NC)
FLOODLIGHTING SERVICEAPPLICABILITY (North Carolina Nantahala Area only)

This schedule is closed and not available to new customers or locations not served on this schedule prior to January 1, 2008 in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for luminaires served under continually effective agreements made prior to January 1, 2008.

This Schedule is applicable to unmetered service supplied for the floodlighting of areas by luminaires of the type designated below. Floodlighting service is not available for seasonal or other part-time operation of luminaires. Service under this Schedule may be withheld or discontinued at the option of the Company.

CHARACTER OF SERVICE

Company will install, own, maintain, and furnish electric service for the operation of a luminaire from dusk to dawn, except the 1000 Watt metal halide, half-night fixture will operate only half of the dusk to dawn hours.

MONTHLY RATE PER UNIT

<u>Lumens</u>	<u>kWh per month</u>	<u>Luminaire Style</u>	<u>Per Month Per Unit* and **</u>
			<u>*Plus 1.2298 cents/kwh</u>
			<u>** Plus 0.1592 cents/kwh</u>
27,500	114	250 Watt High Pressure Sodium, attached to existing pole	\$10.38
34,000	180	400 Watt Metal Halide, attached to existing pole	\$14.78
110,000	435	1000 Watt Metal Halide, full night, attached to existing pole	\$35.08
110,000	217	1000 Watt Metal Halide, half night, attached to existing pole	\$23.68
<u>Poles</u>			<u>Per Month Per Unit</u>
Special floodlighting wood pole (40 foot) used only for floodlighting and one span of secondary - served overhead			\$5.25
Special floodlighting wood pole (40 foot) used only for floodlighting and one span of secondary - served underground			\$6.90

APPROVED FUEL CHARGE ADJUSTMENTS

The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER

The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM

Service hereunder shall be for an initial term of either three (3) years to ten (10) years as specified below and shall be extended from year to year thereafter until terminated by the customer or Company. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- Three years for all luminaires designated by the Company as standard, post top and bracket-mounted on standard poles.
- Ten years for all luminaires designated by the Company as decorative or non-standard, and for all standard luminaires mounted on supports other than standard wood poles, and for primary extensions solely serving the luminaires.

EXTRA FACILITIES

Any facilities other than those listed in the Monthly Rate Section of this Schedule will be supplied for an extra monthly charge equal to 1.7% of the estimated difference in cost installed between the luminaire and structure requested and the equivalent luminaire in the Monthly Rate above.

RIDER EE (NC)
ENERGY EFFICIENCY RIDER

APPLICABILITY (North Carolina Only)

Service supplied under the Company's rate schedules is subject to approved energy efficiency adjustments over or under the Rate set forth in the approved rate schedules.

ENERGY EFFICIENCY RATE ADJUSTMENT

Energy Efficiency Adjustment (EEA) increments will be applied to the energy charges of all rate schedules as determined by the following formulas:

$$\text{EEA (residential)} = \frac{\text{AC} + \text{BA, as assigned to the residential class of customers}}{S_{\text{residential}}}$$

$$\text{EEA (nonresidential)} = \frac{\text{AC} + \text{BA, as assigned to the nonresidential class of customers}}{S_{\text{nonresidential}}}$$

Where,

EEA = Energy Efficiency Adjustment

S = Projected kWh Sales for the Rider Period for the class (residential or nonresidential) of NC retail customers

AC = Avoided Cost (Capacity and Energy) Revenue Requirement

BA = Balance Adjustment

EEA is calculated for a 12 month period, referred to as the Rider Period.

$$\text{AC} = (\text{ACC} + \text{ACE}) \times 90\% \times \text{NC Allocation Percentage}$$

Where,

ACC = Avoided Capacity Revenue Requirement

ACE = Avoided Energy Revenue Requirement

90% = the percentage of avoided costs to be collected through the Rider

NC Allocation Percentage =

$\frac{\text{Projected kWh Sales for the Rider Period for the class (residential or nonresidential) of NC retail customers}}{\text{Projected kWh Sales for the Rider Period for the class (residential or nonresidential) of NC and SC retail customers}}$

ACC = the sum of (DC + ROR X ACI) for each vintage year of each measure/program

Where,

Measure/program: Programs are a collection of energy efficiency measures which represent individual efficiency technologies available to customers. Each program or measure has a unique set of characteristics, including cost, operational life, and capacity and energy impacts. ACC is calculated based on the assumed life of each program or measure.

Vintage: ACC is calculated for each program/measure separately. A vintage year is the beginning year of participation for a group of participants. With each succeeding year, a new ACC vintage is calculated for that year's incremental capacity and energy impacts.

DC = Depreciation of the Avoided Capital Investment (ACI), calculated using straight-line depreciation over the life of the measure/program for each vintage year of the program.

ROR = rate of return calculated using capital structure, cost of long term debt, and effective tax rate as included in the Avoided Cost Filing and Return on Equity (ROE) from most recent North Carolina general rate case.

ACI = Present Value of the sum of the annual avoided capacity total (AACT) less accumulated depreciation (Sum of DC for current year and all previous years for that vintage) for each vintage of each measure/program over the life of the measure/program, with the Pre-Tax Weighted Cost of Capital as the discount rate.

Pre-Tax Weighted Cost of Capital will be based on the capital structure, cost of long term debt, and effective tax rate as included in the Avoided Cost Filing and Return on Equity (ROE) from most recent North Carolina general rate case.

RIDER EE (NC) continued

ENERGY EFFICIENCY RATE ADJUSTMENT (continued)

Values from the Avoided Cost Filing are determined as follows: the values proposed by Duke Energy Carolinas in North Carolina in the most recent avoided cost proceeding, until an Order approving the avoided costs is issued by the Commission. Following a Commission Order on the filing, the values approved by the Commission up until a new avoided cost filing is made.

Where,

$AACT = PD \text{ (in kW)} \times AAC \text{ (in \$/kW-year)}$, expressed for each vintage for each year in nominal year \$s

Where,

$AACT$ = Annual Avoided Capacity Total, in \$/year

PD = Projected Demand impacts for the measure/program by vintage year

AAC = Annual Avoided Capacity Costs (the Transmission Capacity Cost with Performance Adjustment Factor of 1.2) from the Avoided Cost Filing, escalated using the Escalation Factor, to obtain nominal year \$ values for each year of the measure/program.

Escalation Factor = escalation factor used in Avoided Cost Filing for escalation of capital costs.

ACE = the sum of $(DE + ROR \times AEI)$ for each vintage year of each measure/program

Where,

DE = Depreciation of the Avoided Energy Investment (AEI), calculated using straight-line depreciation over the life of the measure/program.

AEI = Present Value of the sum of the annual avoided energy total ($AAET$) less accumulated depreciation (Sum of DE for current year and all previous years for that vintage) for each measure/program over the life of the measure/program, with the Pre-Tax Weighted Cost of Capital as the discount rate.

Where,

$AAET = PE \text{ (in kWh/year)} \times AEC \text{ (in \$/kWh/year)}$, expressed for vintage for each year in nominal year \$s

Where,

$AACT$ = Annual Avoided Energy Total, in \$/year

PE = Projected Energy impacts for the measure/program by vintage year

AEC = Annual Avoided Energy Costs from modeling results that calculate the annual energy costs for the Duke Energy Carolinas system with and without the portfolio of energy efficiency programs. The difference between the energy costs for the portfolio is assigned to individual program/measure vintage years to determine the Annual Avoided Energy Costs for the program/measure by vintage year. The modeling is consistent with the methodology used for energy cost determination in the Avoided Cost filings and Integrated Resource Plans.

$BA = RREP - AREP$

Where,

$AREP$ = Actual Revenues from the Evaluation Period (which reflect 90% of avoided costs) from North Carolina retail customers

$RREP$ = Revenue Requirements for the Evaluation Period

Evaluation Period = the time period to which the evaluation results apply.

Where,

$AREP =$

$$\frac{[EE \text{ (Evaluation Period)} \times AKWH - BA \text{ (Evaluation Period)}] \times AC \text{ (Evaluation Period for program/measure)}}{AC \text{ (Evaluation Period)}}$$

Where,

$EE \text{ (Evaluation Period)}$ = Rider EE (cents/kWh) for the class of customers in effect during the evaluation period

$AKWH$ = actual kWh sales for the evaluation period for the class

$BA \text{ (Evaluation Period)}$ = BA for the class of customers in effect during the Evaluation Period.

$AC \text{ (Evaluation Period for program/measure)}$ = Avoided Cost (Capacity and Energy) Revenue Requirement as calculated for the Evaluation Period for the measure/program

$AC \text{ (Evaluation Period)}$ = Avoided Cost (Capacity and Energy) Revenue Requirement as calculated for the Evaluation Period for all measures/program

ENERGY EFFICIENCY RATE ADJUSTMENT (continued)

$$RREP = 90\% \times NC \text{ Allocation Percentage} \times [\sum ACC(\text{Evaluation Period}) \times AD/PD(\text{Evaluation Period}) + \sum AEC(\text{Evaluation Period}) \times AE/PE(\text{Evaluation Period})], \text{ for each measure/program and then summed}$$

Where,

ACC (Evaluation Period) = Avoided Capacity Revenue Requirement as calculated for the Evaluation Period for the measure/program

AD = Actual Demand results as validated by program evaluation for the measure/program

PD (Evaluation Period) = Projected Demand results as calculated for the Evaluation Period for the measure/program

AEC (Evaluation Period) = Avoided Energy Revenue Requirement as calculated for the Evaluation Period for the measure/program

AE = Actual Energy results as validated by program evaluation for the measure/program

PE (Evaluation Period) = Projected Energy results as calculated for the Evaluation Period for the measure/program

EFFECT ON RATES

As a result of the Commission's Order dated _____ in Docket No. 831, the Energy Efficiency Adjustment Rider is included in the current rate schedules effective for service on and after June 1, 2009. The effect of the Commission's Order, including revenue related taxes and regulatory fee, is an increment of 0.0382 cents/kWh for residential rate schedules and 0.0068 cents/kWh for nonresidential rate schedules.

OPT OUT PROVISION FOR QUALIFYING NONRESIDENTIAL CUSTOMERS

The EEA increment applicable to Conservation Programs and/or Demand Response Programs will not be applied to the energy charge of the applicable rate schedule for Customers qualified to opt out of the programs where:

- a. The Customer certifies or attests to the Company that it has, or has plans for implementing alternative energy efficiency measures in accordance with quantifiable goals.
- b. Electric service to the Customer must be provided under
 1. An electric service agreement where the establishment is classified as a "manufacturing industry" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.
 2. An electric service agreement for general service as provided for under the Company's rate schedules where the Customer's annual energy use is 1,000,000 kilowatt hours or more.

The following additional provisions apply for qualifying customers who elect to opt out:

- Qualifying customers may opt out of the Company's energy efficiency programs.
- The Customer may not opt of the Company's individual energy efficiency programs. The choice to opt out applies to the Company's entire portfolio of energy efficiency programs.
- If a customer elects to participate in an energy efficiency program, the customer may not subsequently choose to opt out of the program for a period of five (5) years or the life of the applicable measure, whichever is longer.
- Charges under Rider EE (NC) will resume at the end of five (5) years or the life of the applicable measure, whichever is longer.
- In the event of termination of service and/or termination of participation in an energy efficiency conservation program measure qualifying for the opt out provision of this Rider prior to the expiration of the life of the applicable measure or five (5) years, whichever is greater, the customer shall pay the Company a termination charge equal to the prorated value of the incentive provided to the Customer. This fee shall be determined by dividing the remaining term of the measure life by the full measure life or five years, whichever is greater, and multiplying the resulting quotient by the incentive paid to the Customer under the applicable measure.
- In the event of termination of service and/or termination of participation in demand response program qualifying for the opt out provision of this Rider prior to the expiration of the contract, the customer shall pay the Company a termination charge as provided for under the applicable demand response program rider.

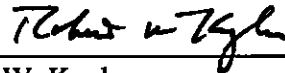
USE OF RIDER

Because Rider EE (NC) charges are already included in the Rates of the Company's current rate schedules, which are effective for service on and after (date), this Rider should not be used in addition to such rate schedules for bill calculations.

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Revised Tariffs and Riders in Docket No. E-7, Sub 831 has been served by electronic mail (e-mail), hand delivery or by depositing a copy in the United States Mail, first class postage prepaid, properly addressed to parties of record.

This the 7th day of May, 2009.



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