

DOCKET NO. E-7, SUB 1276

Application of Duke Energy Carolinas, LLC For Adjustment of Rates and Charges Applicable to Electric Service in North Carolina and Performance-Based Regulation

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**APPLICATION TO ADJUST RETAIL
BASE RATES AND FOR
PERFORMANCE-BASED REGULATION,
AND REQUEST FOR AN ACCOUNTING
ORDER**

Pursuant to N.C. Gen. Stat. §§ 62-133, 62-133.16, and 62-134, and North Carolina Utilities Commission (“Commission”) Rules R1-5, R1-17, R1-17B and R8-27, Duke Energy Carolinas, LLC (“DEC,” the “Company,” or “Applicant”) submits this Application to request approval to adjust and increase its retail electric base rates and charges, and for approval of performance-based regulation (“PBR”). More specifically, DEC requests approval of a series of rate increases based on the Company’s proposed three-year multiyear rate plan (“MYRP”),¹ and other mechanisms required as part of PBR, with the first rate increase effective February 20, 2023. If the Commission suspends rates in this proceeding, the Company intends to implement interim rates on a temporary basis subject to refund on September 1, 2023, and respectfully requests rates otherwise become effective no later than January 1, 2024. In accordance with N.C. Gen. Stat. § 62-133.16(d)(3), in the event the Commission does not approve PBR for DEC, the Company respectfully requests that the Commission approve an increase to base rates based on the adjusted test year pursuant to N.C. Gen. Stat. § 62-133.

In support of this PBR Application, DEC respectfully shows the Commission the following:

1. The Company’s general offices are at 526 South Church Street, Charlotte, North Carolina, 28202 and its mailing address is:

Duke Energy Carolinas, LLC
P.O. Box 1321 (DEC 45A)
Charlotte, North Carolina, 28201

2. The names and addresses of Applicant’s attorneys are:

¹ Capitalized terms not otherwise defined herein shall be defined as provided for in N.C. Gen. Stat. § 62-133.16 or Commission Rule R1-17B.

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3. Copies of all pleadings, testimony, orders, and correspondence in this proceeding should be served upon the attorneys listed above.

4. DEC is (1) a limited liability company duly organized and existing under the laws of the State of North Carolina; (2) duly authorized by its Articles of Organization to engage in the business of generating, transmitting, distributing, and selling electric power and energy; (3) a public utility under the laws of the State of North Carolina, and its operations in this State are subject to the jurisdiction of this Commission; (4) an investor-owned public utility that is subject to the emissions limitations set out under N.C. Gen. Stat. § 143-215.107D; (5) a public utility under the laws of the State of South Carolina, and its operations in South Carolina are subject to the jurisdiction of the Public Service Commission of South Carolina; and (6) a public utility under the Federal Power Act, and certain of its operations are subject to the jurisdiction of the Federal Energy Regulatory Commission (“FERC”). DEC’s service area covers 24,000 square miles in the Central and Western portions of North Carolina and Western South Carolina. The service area includes 62 counties, 44 in North Carolina and 18 in South Carolina. The Company supplies retail electric service to

approximately 2 million customers in North Carolina. During the twelve-month period ended December 31, 2021, DEC's electric revenues amounted to approximately \$7.1 billion, of which approximately 68% was derived from North Carolina retail jurisdictional customers.

5. The current rates now in effect, excluding riders and the fuel cost component, were approved by the Commission in its *Order Accepting Stipulations, Granting Partial Rate Increase and Requiring Customer Notice* in Docket No. E-7, Sub 1214 (the "2019 Rate Case"). The appropriate test period for purposes of this Application is the twelve-month period ended December 31, 2021. The capital cut-off period for purposes of this Application is July 31, 2023.

6. Centered on the Company's obligation to provide reliable and dependable service, as well as to respond to the evolving energy and climate priorities of North Carolina and our customers, the Company has made significant investments, and will continue to make significant investments that will, in part, allow us to deliver increasingly clean energy. Recent and future investments needed to transition to a cleaner energy future, achieve operational excellence, and enhance the customer experience have made it necessary for DEC to request an increase in its traditional base rate retail revenues of approximately \$371.5 million, which represents an overall increase in its retail revenues of approximately 7.1%. The requested increase in the traditional base rate revenue requirement is partially offset by a reduction to the EDIT-4 rider of \$10.4 million, which results in a proposed net revenue increase of \$361.1 million, or approximately 6.9%. In addition, DEC is requesting approval of PBR, which includes a MYRP with base rate increases for two successive years following the initial base rate increase. The Company is also seeking an accounting order in this Application related to: ongoing costs for environmental compliance; bad debt expense related to the COVID-19 pandemic; the impact of updated depreciation rates for its sub-critical coal plants; costs associated

with implementing customer service programs; storm costs; and the impacts of the Inflation Reduction Act of 2022 (“IRA”).

7. As proposed, a typical residential customer using 1,000 kWh will see an increase of approximately \$12.54 per month beginning with the effective date of Rate Year 1 in this case, requested to be January 1, 2024, if the Commission suspends rates in this proceeding. This amount will increase by approximately \$3.90 per month in Rate Year 2, and \$3.18 in Rate Year 3. In the event the Commission does not approve PBR in this case, a typical residential customer using 1,000 kWh will see an increase of approximately \$9.66 per month under the proposed traditional component of the rate case.

8. DEC’s PBR Application is driven by capital-intensive investments necessary to achieve a balanced transition to a cleaner energy future, continued operational excellence, and an enhanced customer experience. Since the 2019 Rate Case, the Company has continued working towards achieving a lower carbon future by reducing its reliance on coal-fired generation and expanding its resource portfolio to include more renewable resources such as solar. The traditional base rate case being proposed will adjust rates to reflect historic investments that are serving customers today, and the proposed MYRP will bring discrete and identifiable future investments into rates as they are brought into service to reliably serve our customers. The proposed MYRP is substantially comprised of distribution and transmission projects aimed at modernizing the grid, but also includes a balanced portfolio of battery storage, solar and other generation projects necessary to operate the system reliably and continue the clean energy transition. DEC has also updated the depreciation lives for its coal plants, as well as the depreciation lives for the 2026 Solar Procurement Program Investment and for future solar facilities. The Company’s investments also include costs associated with ash basin closure to adhere to environmental laws, rules and regulations,

implementation of DEC's new billing and Customer Information System ("CIS") known as "Customer Connect," maintenance and enhancement of the Company's nuclear fleet, DEC's COVID-19 response, Duke Energy Corporation's new corporate headquarters building - the Duke Energy Plaza, and other costs incurred by DEC in providing reliable service to its North Carolina customers. The Company's traditional base revenue requirement includes approximately \$280.8 million for capital additions incurred since its last rate case and projected to be placed in-service through July 31, 2023. Some of the major additions are described below.

9. A portion of the requested increase is driven by supply-side investments that will contribute towards a clean energy future. For example, since its last rate case, DEC has or will have by July 31, 2023, invested approximately \$759 million in its existing nuclear plants to enhance safety, reliability, and efficiency, preserve performance and reliability of the plants throughout their extended life operations, and address regulatory requirements. The Company's existing nuclear fleet is a critical component of DEC's strategy for maintaining safe, reliable, and affordable electric service for its customers. These units have contributed to the Company's ability to provide such service for decades and are projected to be needed for decades more, which is why the Company is actively seeking to extend the life of these plants for up to an additional 20 years. In addition, due to its zero carbon emissions, the nuclear fleet is crucial to achieving a successful energy transition. Witness Steven Capps provides more details on the capital investments in the nuclear fleet in his pre-filed direct testimony. DEC also will have invested approximately \$1.4 billion in its traditional and renewable generation fleets, and in storage assets by the capital cut-off date. These investments include major capital investments to maintain the reliability and efficiency of the Company's gas powered fleet, which is a critical component of the Company's strategy to transitioning to a clean energy future. In addition, the Company has continued to invest in capital maintenance of its remaining coal units, in

order to ensure the continued reliable operation of the coal fleet to support the energy needs of DEC customers during the Company's strategic management of the transition away from coal. The Company also invested in capital additions and maintenance of its hydroelectric assets as part of the continued diversification of its generation fleet. Witness Bryan P. Walsh provides more details regarding these investments in his pre-filed direct testimony.

10. This rate increase is further necessary to enable DEC to maintain its current financial position in light of these significant capital expenditures undertaken to meet its customers' needs. The Company has continued to make progress in achieving its goal of retiring and closing coal units and basins, adding carbon free technologies such as solar and storage, and upgrading the transmission and distribution system to be more reliable, resilient, and supportive of renewable technologies. These investments are not currently reflected in DEC's rates. As such, the Company's current rates are not providing sufficient revenues for the Company to meet its day-to-day operating expenses and provide its investors with reasonable returns on their up-front capital for DEC investments. This proposed rate adjustment is therefore being requested to support investments that benefit North Carolina and the Company's customers, while simultaneously preserving DEC's financial position and keeping service affordable.

11. In the 2019 Rate Case, DEC was authorized to defer certain ongoing Grid Improvement Plan ("GIP") costs in a regulatory asset account. These GIP investments supported grid conversion and modernization for enhancing reliability of service, facilitating the addition of distributed energy resources to DEC's system, and promoting a more dynamic and modern grid capable of reacting to the evolving needs of its customers (among other purposes). Since the time of the Commission's order in the 2019 Rate Case through the end of the deferral period on December 31, 2022, DEC will have invested approximately \$406.1 million in distribution GIP capital and

approximately \$63.5 million in transmission GIP capital on a North Carolina retail basis. In this case, DEC proposes to roll these investments into rate base and also proposes to amortize and recover the balance in its regulatory asset account as is discussed later in this Application.

12. DEC is seeking approval to adopt the depreciation study conducted by Gannett Fleming Valuation and Rate Consultants, LLC (the “2021 Depreciation Study”). Because of the study’s determination of annual depreciation accrual rates and amounts for book and ratemaking purposes, the Company is seeking an approximate annual increase in depreciation expense of \$278.9 million on a system basis, or \$145.7 million, which is net of a deferral of \$37.6 million on a North Carolina retail basis when applied to end of 2021 plant balances. As explained by Witness John Spanos, the depreciation study includes additional updated retirement dates for coal units at Allen, Marshall, Belews Creek, and Cliffside Unit 5 to reflect the industry’s shift towards retiring coal units earlier in light of changing economic conditions and environmental regulations. As explained in the Request for an Accounting Order below, because the updated dates reflected in the 2021 Depreciation Study would reduce the net book value of the plants at retirement, the Company is requesting regulatory asset treatment of a portion of these costs for the sub-critical units, to allow customers to benefit from the savings that could potentially be provided through securitization.

13. The Company requests to amortize existing regulatory assets and liabilities over time related to environmental asset retirement obligation (“ARO”) and non-ARO costs; deferred GIP costs; unrecovered costs associated with Allen Unit 4; deferred costs to effectuate certain lighting audit and billing system changes; COVID-19-related costs; Customer Connect costs; and rate case expenses. Witness Quynh Bowman provides more details on these regulatory assets and liabilities in her pre-filed direct testimony and exhibits.

14. The Company also seeks recovery of actual compliance costs incurred from February

1, 2020 through June 30, 2022 and projected costs from July 1, 2022 through July 31, 2023 associated with the closure of its Coal Combustion Residuals (“CCR”) basins and other CCR units at its presently operating or now-retired coal-fired generating sites. These costs are discussed in detail by Witness Tim Hill, who also indicates that DEC’s closure activities have been implemented in accordance with closure plans and (as applicable) corrective action plans as approved by the relevant state environmental agencies – in North Carolina, the Department of Environmental Quality; and in South Carolina, the Department of Health and Environmental Control. In this case, pursuant to the CCR Settlement Agreement approved by the Commission in the Company’s 2019 Rate Case, the Company has reduced its request for recovery of otherwise recoverable coal ash costs by \$108 million, included an offset for insurance proceeds received, and applied the weighted average cost of capital as specified in the CCR Settlement Agreement.

15. The 2019 Rate Case established a decrement rider to return excess deferred income taxes (“EDIT”) to customers. The proposed rate increase in this case is partially offset by revisions to the existing EDIT rider to return additional amounts to customers. Specifically, the Company is proposing to revise the EDIT-4 rider to return an additional \$17.1 million for Unprotected Federal EDIT and \$5.9 million for Deferred Revenues to customers over the remaining 2.4 years of the total five years to return the Unprotected Federal EDIT approved in the prior rate case. The two-year period for Deferred Revenues under EDIT-3 will expire in June of 2023; therefore, the Company is proposing to flow the additional amounts back to customers over the remaining life of the EDIT-4 rider in lieu of creating a new decrement rider.

16. The Company must be financially sound to make the investments in its system discussed in this Application to continue providing the high-quality service that customers expect, improve customers’ experiences and offer increased convenience and information regarding customer

energy usage, and achieve its goal of providing increasingly cleaner, affordable electric service to its North Carolina customers well into the future. Likewise, to achieve these goals and provide continued support of North Carolina's economy, DEC must be able to attract and retain a qualified and diverse workforce. Therefore, it is imperative that the Company be attractive to the financial community to access the capital it needs on reasonable terms for the benefit of customers, as explained in detail in the Company's pre-filed direct testimony.

17. The opportunity for the Company's investors to earn a fair and reasonable return on equity ("ROE") will help ensure continued access to capital markets on reasonable terms. In his pre-filed direct testimony in this case, the Company's cost of capital expert Witness Dr. Roger Morin recommends that DEC be authorized to provide investors an ROE of 10.4%, on a proposed capital structure containing 53% equity and 47% debt. This recommendation is derived from multiple cost of capital studies performed by Dr. Morin, resulting in a range of ROEs from 9.3% to 11.2%, and his recommendation of 10.4% represents the mathematical average of these results. Dr. Morin's recommendation reflects macroeconomic trends and capital market conditions that have greatly impacted the cost of capital since the Company's last rate case, including markedly higher interest rates and inflation, as well as what he terms a "Perfect Storm" impacting investor risk perception of electric utilities – declining sales per customer and rising costs, all at a time when large capital investment is needed to address aging infrastructure and other issues.

18. DEC also proposes modification of certain rate schedules to reflect its cost of service more accurately. Specifically, the Company is proposing a series of rate design changes to protect customers from cross-subsidization, send price signals that encourage system benefits, and generally modernize the Company's pricing structure. The Company is also proposing a number of innovative rate designs and pricing options to allow customers to better manage their electric usage, and as a

result, their bills. For example, the Company is proposing to refresh its time-of-use periods for both residential and non-residential customers to better reflect cost causation and the growing impact of solar generation; provide better price signals for electric vehicle charging; and make it easier for customers to modify energy consumption patterns and create bill savings. In addition, the Company seeks to modernize and improve several of its non-residential tariffs by, among other things, making important changes to the demand charge structure, as well as offering a new hourly pricing option.

19. To better serve our small and medium business customers, the Company proposes a fee-free payment option for small and medium non-residential customers who make payments using a debit, credit, prepaid, or electronic check to pay their electric bills. Customer feedback has indicated that these customers want to leverage our digital payment channels. A fee-free card payment option gives them that flexibility.

20. DEC is committed to helping customers who struggle to pay for basic needs with programs and options to assist them during times of financial hardship. The Company recognizes the additional strain and challenge brought on by the COVID-19 pandemic and the recent economic environment, including high commodity prices. Witness Lesley Quick discusses our response to assist customers with the impact of the pandemic. The Company also continues to be focused on supporting customers with affordability challenges in a number of ways. Since the 2019 Rate Case, DEC has led, along with the Public Staff – North Carolina Utilities Commission, the Low-Income Affordability Collaborative (“LIAC”). Numerous interested stakeholders, including various state agencies and low-income customer advocates, participated in the LIAC virtual meetings over the course of 2021. Witness Quick’s testimony describes the LIAC’s work in more detail. Additionally, as part of the focus on affordability challenges, the Company is proposing several new low to moderate income assistance programs to help our customers most in need, including the Customer Assistance Program

(“CAP”) and a Tariffed On-Bill Program. The CAP is a low-income bill assistance proposal that provides eligible customers with a flat monthly bill credit. Where eligible, CAP customers may be referred to income-qualified weatherization and energy efficiency services designed to lower a customer’s electricity usage resulting in lower average bills over time. Pursuant to House Bill 951 (S.L. 2021-165) (“HB 951”), the Company recently filed a Tariffed On-Bill Program for approval that will allow customers to pay for certain energy efficiency investments and energy upgrades on their electric bill. The CAP Program is described further in the pre-filed direct testimony of Witness Bradley Harris and Witness Quick. The Tariffed On-Bill Program is described by Witness Harris. These new programs will be in addition to existing assistance programs such as the Share The Light Fund, and our portfolio of demand-side management and energy efficiency programs. For example, the Neighborhood Energy Saver Program has helped many of our customers reduce energy costs. These new and existing programs provide customers with tools to offset the rate increase proposed here.

21. While there is never a good time for a rate increase, DEC’s requested rate increase is necessary and justified. The Company strives every day to contain costs and continually apply downward pressure to operation and maintenance (“O&M”) expenses, which in this case is lower than the level of O&M expense in DEC’s prior rate case, so that rate increase requests are no more frequent than they need to be. The requested rate increases reflect investments the Company has made—and is continuing to make—to transition its generation and power delivery systems to more efficient, reliable, and cleaner technologies consistent with our customers’ evolving needs.

REQUEST FOR PERFORMANCE-BASED REGULATION

22. On October 13, 2021, Governor Roy Cooper signed into law HB 951, which, *inter alia*, enacted N.C. Gen. Stat. § 62-133.16, titled “Performance-based regulation authorized.” PBR is

defined by HB 951 as “an alternative rate-making approach that includes decoupling, one or more performance incentive mechanisms, and a multiyear rate plan, including an earnings sharing mechanism (“ESM”), or such other alternative regulatory mechanisms as may be proposed by an electric public utility.”²

23. HB 951 establishes a framework administered by the Commission to achieve state carbon dioxide (“CO₂”) emission reductions using least cost planning to ensure continued reliability and affordable rates for customers and authorizes the use of PBR in North Carolina. HB 951 recognizes that achievement of the targeted CO₂ reductions requires the modernization of the ratemaking construct in North Carolina through PBR. Traditional ratemaking is no longer adequate as utilities generally shift from larger and more infrequent investments (*e.g.*, building large-scale power plants) to smaller, more frequent investments (*e.g.*, grid improvement and distributed energy resource investments).

24. As discussed above, the Company is proposing a three-year MYRP. The plan period for purposes of this Application is the three-year (36-month) MYRP period beginning on January 1, 2024 and ending December 31, 2026 (the “Plan Period”). Rate Year 1 will begin January 1, 2024 and conclude December 31, 2024; Rate Year 2 will begin January 1, 2025 and conclude December 31, 2025; and Rate Year 3 will begin January 1, 2026 and conclude December 31, 2026.

25. DEC is proposing a MYRP to improve regulatory efficiency, provide timely rate recognition, and better align utility revenues and performance with customer and policy goals. The traditional revenue requirement is the foundation of the total base revenue requirement for each of the MYRP Rate Years. Each Rate Year revenue requirement during the MYRP results in an incremental

² N.C. Gen. Stat. § 62-133.16(a)(7).

base rate “step-up” from the traditional revenue requirement. The step-ups are cumulative. The MYRP increases the revenue requirement an additional \$139.8 million, \$171.5 million, and \$150.3 million in Rate Year 1, Rate Year 2, and Rate Year 3, respectively. As described in the pre-filed direct testimony and exhibits of Witness Kathryn Taylor, each Rate Year will consist of a revenue requirement based on the adjusted historical test year (2021) and base rate “step-ups” for each Rate Year based on the projected revenue requirements associated with approved capital spending projects for each Rate Year of the MYRP.

26. The Company’s PBR proposal includes discrete and identifiable capital spending projects that are projected to be in service and be used and useful during Rate Year 1 of the Plan Period as well as capital spending projects that are projected to go in service and be used and useful during Rate Years 2 and 3 of the Plan Period. These capital spending projects consist of transmission and distribution infrastructure, solar and battery storage, and fossil, hydro, and nuclear investments.

27. Witness Justin LaRoche’s pre-filed direct testimony and exhibits provide information about the 2026 Solar Procurement Program Investment, which is included in DEC’s MYRP. This program supports DEC’s solar commitments, encourages utility scale solar development and deployment, and assists the Company in reliably serving its projected customer load.

28. The pre-filed direct testimony and exhibits of Witnesses Laurel Meeks and Evan Shearer detail the discrete and identifiable battery energy storage projects included in the MYRP that advance DEC’s renewable development and are a necessary part of the Company’s resource portfolio as it transitions to a cleaner energy future.

29. In his pre-filed direct testimony and exhibits Witness Brent Guyton supports the inclusion of a set of defined distribution projects in the Company’s MYRP necessary to maintain DEC’s grid, integrate new grid technologies, prepare for interconnection of distributed energy

resources, and increase grid reliability and resiliency. The distribution projects included in the Company's MYRP are as follows: Self-Optimizing Grid; Integrated Volt Var Control/Voltage Regulation & Management; Distribution Automation; Capacity; Hardening and Resiliency: Laterals; Hardening and Resiliency: Storm; Hardening and Resiliency: Public Interference; Long Duration Interruptions; Targeted Underground; Distribution Integrity; and Hazard Tree Removal. The distribution projects included in the Company's MYRP proposal are the same as those discussed in the MYRP Technical Conference in this proceeding conducted by the Commission on November 2, 2022.

30. In his pre-filed direct testimony and exhibits, Witness Guyton also provides support for certain non-distribution MYRP projects. These projects include DEC's allocated share of the cost for the Advanced Distribution Management System project and three enterprise communication projects: the Land Mobile Radio Replacement; the Towers, Shelters and Power Supplies; and the Mission Critical Transport. There are also 17 Facilities projects that include new and/or upgrades to distribution and transmission operations centers. Additionally, the MYRP includes the Electrification Charging Infrastructure project which will provide necessary charging stations for DEC facilities and DEC electric vehicles.

31. In his pre-filed direct testimony and exhibits Witness Daniel Maley discusses the transmission investments and work the Company intends to perform in order to address the evolving challenges of operating a safe and reliable modern grid capable of supporting a conversion to new sources of energy. The transmission portion of DEC's MYRP includes grid investments in the following categories: System Intelligence; Hardening and Resiliency; Transformer and Breaker Upgrades; and Capacity & Customer Planning. The transmission projects included in the Company's MYRP proposal are those discussed in the MYRP Technical Conference conducted by the

Commission on November 2, 2022.

32. As discussed in the pre-filed direct testimony and exhibits of Witness Steven Capps, the nuclear projects included in the MYRP will enable DEC to maintain safe and reliable operation of the nuclear fleet. Two fleet-wide projects will upgrade the system used to track and analyze station system and equipment performance and install a new firewall to allow DEC to maintain cyber security for its digital assets. The projects also include investments specific to each of the nuclear stations, including for example replacing high pressure feedwater heaters at Oconee Nuclear Station, replacing the high pressure turbine nozzles and diaphragms at Catawba Nuclear Station, and replacing the moisture separator reheaters and turbine controls system at McGuire Nuclear Station.

33. In his pre-filed direct testimony and exhibits, Witness Bryan P. Walsh presents the MYRP projects for the traditional and hydro generation fleets. These projects are being undertaken to comply with regulatory requirements as well as to maintain DEC's traditional and hydro generation units in good, efficient, and reliable working order. The projects include a new combustion turbine at Lincoln CT Station, replacement of value components and a Selective Catalytic Reduction system catalyst layer at Belews Creek station, an update to Bad Creek Unit 4, and an operational demonstration hydrogen project at the Clemson combined heat and power facility.

34. In accordance with HB 951, the Company's Application includes three riders: (1) a decoupling mechanism for residential customers, (2) an ESM, and (3) Performance Incentive Mechanisms ("PIMs"). The riders are described in the pre-filed direct testimony and exhibits of Witnesses Laura Bateman and Phillip Stillman; Witness Taylor's pre-filed direct testimony and exhibits describe the methodology for calculating each of these mechanisms and explains that the rider associated with each mechanism is set at \$0 for Rate Year 1 and will be updated thereafter as part of the annual review process prescribed by Commission Rule R1-17B. Witness Morgan

Beveridge provides the rate schedules for these riders.

35. The Company is proposing a residential revenue per customer decoupling mechanism. The mechanism is intended to break the link between the Company's profits and usage per customer in the residential class. The annual Residential Decoupling Mechanism Rider will reflect the difference between actual revenue and the target revenue for the residential class.

36. The MYRP will also include an ESM that shares earnings with customers if the Company's adjusted earnings exceed a certain level. If the Company's adjusted earnings exceed the authorized ROE determined in this proceeding plus 50 basis points, the excess earnings above the ROE plus 50 basis points will be distributed to customers in the annual ESM Rider.

37. The Company recognizes that the scale and complexity of a clean energy transition imposes special obligations on the Company to deliver the sought-after benefits to customers in a least-cost manner, with flexibility to accommodate customer preferences and without adversely impacting the reliability they depend on. As discussed by Witnesses Bateman and Stillman, DEC is proposing a set of PIMs (Peak Load Reduction, Low-Income/Affordability, Reliability, and Renewables Integration and Encouragement) and three proposed tracking metrics (customer service, CO₂ emissions, and beneficial electrification from electric vehicles) designed to align utility incentives with customer needs and state energy policy objectives of decarbonization, reliability and affordability. The annual PIMs Rider is designed to distribute or collect penalties and rewards based on DEC's performance with respect to Commission-approved PIMs during each Rate Year.

REQUEST FOR AN ACCOUNTING ORDER

38. As part of this Application, the Company requests an accounting order for approval to: (i) continue the regulatory asset treatment for coal ash closure compliance costs after the July 31, 2023 capital cut-off date for this rate case; (ii) continue the deferral of bad debt expenses related to

the impact of the COVID-19 pandemic; (iii) defer 50% of the impact of updated depreciation rates for sub-critical coal plants based on the 2021 Depreciation Study for North Carolina retail; (iv) defer the costs with implementing certain customer service programs; (v) request a new methodology for tracking storm costs incurred; and (vi) defer all impacts associated with the IRA, including any difference between realized and estimated impacts included in this filing.

39. DEC requests Commission authorization to continue to defer its environmental compliance costs beyond the July 31, 2023, cut-off period, for cost recovery consideration in a future traditional base rate case in accordance with the CCR Settlement.

40. As a result of the COVID-19 pandemic and resulting economic conditions, the Company is continuing to experience an increase in bad debt expense. The Company requests to continue to defer the incremental bad debt expense in excess of the amount included in customer rates for cost recovery consideration in a future case.

41. The 2021 Depreciation Study for which the Company is seeking approval in this filing reflects accelerated retirement dates for Allen Units 1 and 5, Cliffside Unit 5, and Marshall Units 1 and 2, compared to the dates currently reflected in customer rates. HB 951 allows the Company to securitize 50% of the remaining net book value of these sub-critical coal facilities upon retirement. Because the accelerated dates reflected in the 2021 Depreciation Study would reduce the net book value of the plants at retirement and the Company wants customers to benefit from the savings that could potentially be provided through securitization. DEC is requesting permission to establish a regulatory asset for coal plant costs to be securitized. The Company requests to defer to that regulatory asset 50% of the incremental depreciation expense for North Carolina retail customers resulting from the accelerated retirement dates for these sub-critical coal units in the 2021 Depreciation Study. Upon retirement of the facilities, the Company would add to this regulatory asset 50% of the remaining net

book value. This approach preserves for securitization the level of net book value that would have resulted had the expected retirement dates not been updated in the 2021 Depreciation Study. The Company also requests permission to defer to this regulatory asset any costs related to obsolete inventory, net of salvage, at the time of retirement.

42. The Company is proposing several new programs in this rate case to benefit customers. For each program, the Company will incur certain implementation and administration costs that were not included in the test period and are not known and measurable at this point. If the Commission approves each program, the Company requests permission to establish a regulatory asset and defer to the account the incremental implementation and administrative O&M costs related to the programs. These programs include the CAP, Tariffed-On-Bill program, and the Payment Navigator program discussed in the pre-filed direct testimony and exhibits of Witnesses Harris and Quick. The Company also requests to defer to this regulatory asset the implementation costs for the Company's proposed PIMs, including, without limitation, certain costs relating to marketing, administration, and the PIMs Dashboard, as outlined in the pre-filed direct testimony and exhibits of Witnesses Bateman and Stillman.

43. The Company proposes to create a "balancing account" for storm costs going forward. This proposal establishes an average amount of incremental storm costs included in customer rates. Under the Company's proposal, each year, if the incremental storm expenses are over the average amount in rates, the difference would be deferred to the account; if the incremental storm expenses are under the average amount in rates, the difference would be contributed to the account. If the average amount included in customer rates approximates the average amount of storm expense going forward, the balancing account balance should fluctuate around zero and not require additional funding. If the account does require additional funding, this could be evaluated in a future rate case

or securitization proceeding. This proposed accounting mechanism would allow the Company to timely recover its actual costs for storm restoration efforts and ensure that the Company does not make or lose money related to its storm restoration efforts. The balancing account, whether in an asset or liability position, would be included in rate base.

44. Given the uncertainty surrounding the estimated benefits associated with the IRA and the Company's intention for customers to receive the full benefit of the tax credits, the Company is requesting an accounting order to authorize deferral of all impacts, net of costs, associated with the IRA (i.e., tax credits associated with nuclear power, hydrogen production, and the corporate alternative minimum tax), as well as any difference between realized and estimated impacts included in this filing.

REQUESTED RATES

45. Copies of the current schedules for which a change is requested are attached as **Exhibit A**. The proposed schedules of rates and charges, attached to this Application as **Exhibits B, B_1, B_2 and B_3**, are filed in accordance with the provisions of N.C. Gen. Stat. § 62-134 and Commission Rules R1-17 and R1-17B. **Exhibit B** has an effective date of February 20, 2023, in accordance with N.C. Gen. Stat. § 62-134(a).

46. The proposed rates set forth in the Exhibits include a base fuel and fuel-related rate of Residential - 2.0031 cents per kWh; General Service and Lighting - 1.8243 cents per kWh; and Industrial - 1.8422 cents per kWh, excluding the Experience Modification Factors as approved in Docket No. E-7, Sub 1263. The rates set forth in **Exhibits B, B_1, B_2 and B_3** (for Rate Years 0, 1, 2, and 3, respectively) are designed to increase annual revenues from North Carolina retail operations by approximately \$823 million over the three-year Plan Period, which represents an approximate 15.7% increase in annual revenues on a cumulative basis and includes the impact of the

refund of certain tax benefits. The proposed revenue increase, before the impact of the refund of certain tax benefits, is distributed among classes of customers by increasing the rate schedules by 18.1% for the residential class, 14.8% for the general service class, 15.8% for the industrial class, 10.8% for the OPT class, and 36.7% for the lighting class. Including the impact of the additional rider adjustment benefits, the percent increases are 17.9% for the residential class, 14.6% for the general service class, 15.6% for the industrial class, 10.6% for the OPT class, and 36.3% for the lighting class. The different percentage increases for customer classes reflect the allocation of the rate increase necessary to “gradually” move each customer class’s current contribution to the overall retail rate of return. The Company also proposes modification of certain rate schedules to more accurately reflect the cost of service.

47. The rates set forth in **Exhibit A** are unjust and unreasonable because they do not allow the Company the opportunity to earn a fair rate of return. During the twelve-month period ended December 31, 2021, as adjusted for known changes, the rate of return on North Carolina retail rate base, as shown on **Exhibit C**, is only 6.02%, and the Company’s return on equity is 7.55%.

48. N.C. Gen. Stat. § 62-133(c) requires that the Commission consider actual changes in costs, revenues or the value of a public utility’s property “based upon circumstances and events occurring up to the time the hearing is closed.” The Company has included in this Application adjustments based upon its estimates of certain changes in costs that are anticipated to occur up to the time the hearing is closed. The Company intends to offer evidence to support these changes up to the time of the hearing. As required by Commission Rule R1-17(b), the Company’s estimates of the items it intends to update are identified by asterisks on pages 4-11 of **Exhibit C**.

49. As required by Commission Rule R1-17(b)(9)f, **Appendix 1** of this Application contains a summary of the proposed increases and changes affecting customers.

50. Included as **Appendix 2** to this Application is an index detailing how DEC's filing complies with the requirements of Commission Rule R1-17B(d) and where the information required by the Rule can be found within the Company's Application and pre-filed Direct Testimony and Exhibits.

51. The exhibits attached to this Application are as follows:

- **Exhibit A.** The schedule of the Company's electric rates and charges in effect and on file with the Commission at the time of filing this Application which the Company seeks to increase, as required by Commission Rule R1-17(b)(1).
- **Exhibit B.** The schedules of electric rates and charges the Company proposes to put into effect on February 20, 2023, as required by Commission Rule R1-17(b)(2), in the event that the Commission does not approve the Company's request for performance-based regulation.
- **Exhibit B_1.** The schedules of electric rates and charges the Company proposes to put into effect for MYRP Rate Year 1 on January 1, 2024, as required by Commission Rule R1-17(b)(2).
- **Exhibit B_2.** The schedules of electric rates and charges the Company proposes to put into effect for MYRP Rate Year 2 on January 1, 2025, as required by Commission Rule R1-17(b)(2).
- **Exhibit B_3.** The schedules of electric rates and charges the Company proposes to put into effect for MYRP Rate Year 3 on January 1, 2026 as required by Commission Rule R1-17(b)(2).
- **Exhibit C.** The financial data for the 12-month period ended December 31, 2021, filed in compliance with Commission Rule R1-17(b)(3)-(10) including data for MYRP Rate Year 1, Rate Year 2, and Rate Year 3.
- **Exhibit D.** A statement of the probable effect of the proposed rates on peak demand, as required by N.C. Gen. Stat. § 62-155(e).
- **Exhibit E.** The Company's forecast of the weather-normalized revenues and costs for each Rate Year of the MYRP, filed in compliance with Commission Rule R1-17B(d)(2)b.
- **Exhibit F.** The Company's forecast, for each year of the MYRP, of the kW load (coincident peak demand, non-coincident peak demand), electric vehicle kWh

sales, and the number of expected customers, with weather normalization, filed in compliance with Commission Rule R1-17B(d)(2)d.

- **Exhibit G.** The Company's forecasting methodology used for each of its forecasts, including its forecasts for all costs, energy sales, peak demand and number of expected customers for each year of the MYRP, filed in compliance with Commission Rule R1-17B(d)(2)e.
- **Exhibit H.** The Company's reconciliation of the capital expenditures and expenses associated with the capital spending projects set forth in response to Commission Rule R1-17B(d)(2)j., with the increases in annual expenses and capital investments set forth in subsections b. and c. of Commission Rule R1-17B(d), filed in compliance with Commission Rule R1-17B(d)(2)l.
- **Exhibit I.** The Company's weather normalization methodology, along with all underlying assumptions and calculations, filed in compliance with Commission Rule R1-17B(d)(2)m.(ii).

DEC Commission Form E-1 is filed with this Application in compliance with Commission Rule R1-17(b)(12)(a) and is incorporated herein by reference.

WHEREFORE, DEC respectfully requests the Commission approve the Company's request for performance-based regulation and the electric rates and charges filed as **Exhibit B_1**, effective January 1, 2024, the rates and charges filed as **Exhibit B_2**, effective January 1, 2025, and the rates and charges filed as **Exhibit B_3**, effective January 1, 2026, as indicated in the tariffs filed in this case. In the event the Commission does not approve the Company's request for performance-based regulation, the Company requests that the Commission approve the rates and charges filed as **Exhibit B**, effective February 20, 2023, and if the Commission suspends rates in this proceeding, the Company respectfully requests the rates in **Exhibit B** be effective no later than January 1, 2024.

Respectfully submitted this 19th day of January, 2023.



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ATTORNEYS FOR DUKE ENERGY CAROLINAS, LLC

APPENDIX 1

For the traditional general rate case (Rate Year 0), the base rates proposed by DEC are designed to produce a 7.1% increase in total electric operating revenues, or approximately \$371.5 million, applicable to North Carolina retail operations as applied to the test year ended December 31, 2021. This requested increase is partially offset by a net rate reduction of \$10.4 million to refund certain tax benefits resulting from the 2017 Federal Tax Cuts and Job Act (the “Tax Act”) and the reduction in North Carolina’s state-corporate tax rate, which results in a proposed net revenue increase of \$361.1 million, or approximately 6.9%.

The Company’s filing also includes a request for approval of performance-based regulation pursuant to N.C. Gen. Stat. § 62-133.16 and Commission Rule R1-17B, including proposed changes in customer rates authorized by that statute and rule. Specifically, the Application includes (1) a residential decoupling ratemaking mechanism that would distribute to or collect from the residential class of customers amounts based on differences between actual and target revenues per residential customer established in this case; (2) a MYRP that includes discrete and identifiable capital spending projects that are projected to go in service and be used and useful during Rate Year 1 and capital spending projects that are projected to go in service and be used and useful during Rate Years 2 and 3 of the Plan Period; (3) an ESM that would require sharing of earnings over a certain threshold each year of the Plan Period; and (4) four PIMs that would penalize or reward the Company based on its achievement of, or failure to achieve, Commission-approved policy goals.

In this Application, the Company has identified present total base rate service revenues (plus the forward-looking component of the annual fuel and fuel-related costs rider) under current rates for the 2021 test period of \$4.994 billion. When combined with riders, total present revenues under current rates are \$5.255 billion. The Company requests that the Commission allow it to recover total

additional base rate service revenues of \$511.3 million in Rate Year One (including the traditional general rate case increase above of \$371.5 million and \$139.8 million for MYRP projects in Year 1), effective January 1, 2024 through December 31, 2024; base service revenues of \$682.8 million (incremental change of \$171.5 million) in Rate Year Two, effective January 1, 2025 through December 31, 2025; and base service revenues of \$833.2 million (incremental change of \$150.3 million) in Rate Year Three, effective January 1, 2026 through such time as new rates are approved by the Commission. These requested increases are partially offset by a net rate reduction of \$10.4 million each year in the EDIT-4 rider to refund certain tax benefits resulting from the Tax Act and the reduction in North Carolina's state-corporate tax rate, which results in a proposed net revenue increase of \$501.0 million for Rate Year 1, an additional \$171.5 million for Rate Year 2, and an additional \$150.3 million for Rate Year 3, totaling \$822.8 million. The proposed EDIT rider reduction would expire in June 2026 (part way through Rate Year 3) along with the rest of the EDIT-4 rider.

The proposed net revenue increases for each Rate Year is distributed among classes of customers as follows:

Customer Class	Present Base Rate Revenues	Present Total Revenues, Including Riders	Base Case	MYRP Year 1	Total Year 1 Increase	MYRP Year 2	MYRP Year 3	Total Increase
Total Base Rate Revenue	\$4,994M	\$5,255M	\$361M	\$140M	\$501M	\$172M	\$150M	\$823M
Average % Increase on Total Bill			6.9%	2.6%	9.5%	3.3%	2.9%	15.7%
Residential	\$2,486M	\$2,549M	7.5%	3.0%	10.5%	3.8%	3.6%	17.9%
General Service	\$855M	\$944M	5.7%	2.5%	8.2%	3.3%	3.1%	14.6%
Industrial	\$154M	\$168M	7.0%	2.6%	9.6%	3.2%	2.8%	15.6%
OPT	\$1,365M	\$1,465M	5.2%	1.9%	7.1%	2.0%	1.5%	10.6%
Lighting	\$134M	\$129M	22.4%	5.6%	28.0%	5.2%	3.1%	36.3%

The different percentage increases for customer classes reflect the allocation of the rate increase necessary to “gradually” move each customer class’s current contribution closer to the

overall retail rate of return average. The Company proposes modification of certain rate schedules to reflect more accurately the cost of service. While the unit cost study justifies an increase to the fixed monthly customer charges to recover the basic cost of providing electric service independent of customer usage, the Company is not proposing to raise the fixed monthly charges for residential rate schedules at this time.

All proposed changes to the Company's rate schedules are shown in **Exhibits B, B_1 B_2 and B-3** in the Application. The energy rates shown on the rate schedules in **Exhibits B, B_1, B_2 and B_3** include the proposed base fuel and forward-looking fuel adjustment rates as filed by the Company in Docket No. E-7, Sub 1263. Present and proposed base fuel and forward-looking fuel adjustment rates by customer class are as follows (including the regulatory fee)³:

Customer Class	Present Base Fuel Rate	Present Fuel Adjustment Rate	Proposed Base Fuel Rate	Proposed Fuel Adjustment Rate
Residential	\$0.016049	\$0.003982	\$0.020031	\$0.000000
General Service and Lighting	\$0.017608	\$0.000635	\$0.018243	\$0.000000
Industrial	\$0.016675	\$0.001746	\$0.018422	\$0.000000

³ Base fuel and forward-looking fuel adjustment rates will be updated after September 1, 2023, when new fuel rates become effective.

SUBPART	PBR FILING REQUIREMENTS: R1-17B(d)	EXHIBIT NAME/LOCATION
(1)	Proposed Decoupling Mechanism	
a.	The applicable residential rate schedules and riders eligible to be affected by the decoupling	Direct Testimony of Kathryn Taylor and Direct Testimony of Morgan Beveridge
b.	The proposed target annual revenue requirement per residential customer unit for each Rate Year, with weather normalization, along with the electric public utility's underlying assumptions, calculations, and methodology	Taylor Exhibit 5 Application Exhibit I
c.	Proposed distribution of the weather normalized per residential revenue requirement for each month in each Rate Year, along with the electric public utility's underlying assumptions, calculations, and methodology	Taylor Exhibit 5 Application Exhibit I
d.	The projected number of residential customers for each Rate Year, along with the projected number of residential customers for each month of each Rate Year, and an explanation of the calculation or methodology for determining the projected number of residential customers for each month	Direct Testimony of Kathryn Taylor, Taylor Exhibit 5 Application Exhibit G
e.	The proposed method for calculating and deferring differences realized between the estimated and actual revenue per customer, including the proposed accounting entries for decoupling true-up entries	Direct Testimony of Kathryn Taylor, Taylor Exhibit 5 and Direct Testimony of Nicholas Speros
f.	A method for distinguishing kWh sales associated with EVs and the residential class as a whole and an explanation of how those EV sales will be treated, including the EV rate schedules or riders that have been excluded from the mechanism, along with the projected number of EV customers and kWh for each month of each Rate Year, along with the electric public utility's underlying assumptions, calculations, and methodology.	Direct Testimony of Kathryn Taylor
(2)	Proposed MYRP	
a.	A concise, plain statement of the changes in base rates and the time when the change in rates will go into effect with schedules for each Rate Year of the MYRP in the same manner required pursuant to G.S. § 62-134(a)	Application Appendix 1
b.	A forecast of the weather-normalized revenues and costs for each Rate Year of the MYRP including detailed supporting workpapers	Application Exhibit E
c.	A forecast of the required overall return, return on common equity (or its equivalent), and revenue requirement for each Rate Year of the MYRP, including	Taylor Exhibit 3 and 4

SUBPART	PBR FILING REQUIREMENTS: R1-17B(d)	EXHIBIT NAME/LOCATION
	detailed supporting workpapers	
d.	A forecast, for each year of the MYRP, of the kWh sales, kilowatt (kW) load (coincident peak demand, non-coincident peak demand), electric vehicle kWh sales, and the number of expected customers, with weather normalization, including detailed supporting workpapers	Application Exhibit F
e.	The electric public utility's forecasting methodology used for each of its forecasts, including its forecasts for all costs, energy sales, peak demand, and number of expected customers for each year of the MYRP	Application Exhibit G
f.	A detailed description of and detailed workpapers supporting all adjustments increasing or decreasing, for each year of the MYRP, operating revenue deductions and capital expenditures above or below the amounts proposed for the general rate case in accordance with G.S. § 62-133	Taylor Exhibits 3 and 4
g.	A calculation of the proposed percent increase in revenue requirements for Rate Years 2 and 3, if applicable, of the MYRP calculated as set forth in the Statute	Taylor Exhibit 4
h.	A fully adjusted jurisdictional and class cost of service study that includes:	
(i)	Total electric cost of service and rates of return on rate base under present rates per books, present rates annualized, and proposed rates for each year of a MYRP annualized	E-1 Item 45 for each year of the MYRP
(ii)	Functionalization and classification of all revenues, rate base, and expenses related to the base year and each subsequent year of a MYRP;	E-1 Item 45 for each year of the MYRP
(iii)	A unit cost study for the base year and each subsequent year of a MYRP; and	E-1 Item 45 for each year of the MYRP
(iv)	Jurisdictional and customer class allocation factors and accompanying workpapers	E-1 Item 45 for each year of the MYRP
i.	The electric public utility's financing plan for the capital spending projects for each year of the MYRP	Direct Testimony of Karl Newlin at Pages 17-18
j.	Projected costs, including AFUDC, if applicable, and related workpapers associated with the discrete and identifiable capital spending projects to be placed into service for each Rate Year of the MYRP, including	Guyton Exhibits 3 and 4; Maley Exhibits 1 and 2; Meeks/Shearer Exhibits 1 & 2; LaRoche Exhibit 1 Walsh Exhibit 1 Capps Exhibit 1 Taylor Exhibits 1 and 2

SUBPART	PBR FILING REQUIREMENTS: R1-17B(d)	EXHIBIT NAME/LOCATION
(i)	The reason for each capital spending project	Guyton Exhibits 3 and 6; Maley Exhibits 1 and 4; Meeks/Shearer Exhibits 1 & 2; LaRoche Exhibit 1 Walsh Exhibit 1 Capps Exhibit 1
(ii)	The scope of each capital spending project	Guyton Exhibits 3 and 6; Maley Exhibits 1 and 4; Meeks/Shearer Exhibits 1 & 2; LaRoche Exhibit 1 Walsh Exhibit 1 Capps Exhibit 1
(iii)	The timing of each capital spending project, including projected in-service month and year for each capital spending project	Guyton Exhibits 3 and 4; Maley Exhibits 1 and 2; Meeks/Shearer Exhibits 1 & 2; LaRoche Exhibit 1 Walsh Exhibit 1 Capps Exhibit 1 Taylor Exhibits 1 and 2
(iv)	Depreciation life of each capital spending project by year	Taylor Exhibit 2; Direct Testimony of Justin LaRoche
(v)	Changes expected in the depreciable life of each capital spending project for two years after the conclusion of the MYRP; and	Direct Testimony of Kathryn Taylor
(vi)	The impacts on (a) operating expenses (including operations and maintenance, depreciation, and taxes other than income expenses), and (b) the itemized rate base, related to the construction, and placement into service, of the capital spending projects for each Rate Year of the MYRP	Taylor Exhibits 1, 2, 3 and 4
k.	Projected operating benefits associated with the capital spending projects to be placed in service during each Rate Year of the MYRP, including the methodology, modeling, or other analyses used to determine the projected operating benefits	Direct Testimony and Exhibits of Brent Guyton, Daniel Maley, Justin LaRoche, Meeks/Shearer, Steven Capps, and Bryan Walsh

SUBPART	PBR FILING REQUIREMENTS: R1-17B(d)	EXHIBIT NAME/LOCATION
l.	A reconciliation, accompanied by detailed workpapers, of the capital expenditures and expenses associated with the capital spending projects set forth in response to subsection j. above with the increases in annual expenses and capital investments set forth in subsections b. and c. above	Application Exhibit H
m.	A proposed Earnings Sharing Mechanism that provides for the refund to customers of any annual revenues collected from the ratepayers associated with weather-normalized earnings 50 basis points or more above the Commission authorized rate of return on equity. The proposal must include the following	Direct Testimony of Kathryn Taylor and Taylor Exhibit 6
(i)	The projected, weather-normalized earnings for each Rate Year	Application Exhibit E
(ii)	The electric public utility's weather normalization methodology, along with all underlying assumptions and calculations	Application Exhibit I
(iii)	Proposed revenue requirements for each Rate Year of the MYRP	Taylor Exhibit 4
n.	Proposed base rates and pro forma revenues for each of the years that a MYRP is in effect or a method for calculating the same, accompanied by exhibits that illustrate base rate changes (exclusive of all riders applicable to the electric public utility's service), and workpapers similar in form to those provided for the general rate case pursuant to G.S. § 62-133, with exhibits including the base revenues and associated rates for the NC retail jurisdiction, each customer class and rate schedule	E-1 Item 42 and Beveridge Exhibit 2
o.	A proposed allocation of the electric public utility's total revenue requirement among customer classes for each Rate Year of the MYRP based upon the Cost Causation Principle, including the use of minimum system methodology by an electric public utility that allocates distribution costs between customer classes. Interclass subsidization of ratepayers should be minimized to the greatest extent practicable by the conclusion of the MYRP period	Beveridge Exhibit 4
p.	A new depreciation study prepared within 180 days of the filing of the PBR application. However, an electric public utility serving fewer than 150,000 customers in North Carolina may file a new depreciation study that was prepared within two years of the PBR application date	Spanos Exhibit 1
(3)	PIMs	
a.	Identification of the Policy Goal targeted by the PIM	Direct Testimony of Laura Bateman and Phillip Stillman
b.	A detailed explanation of how the proposed PIM supports or advances the Policy Goal	Direct Testimony of Laura Bateman and Phillip Stillman

SUBPART	PBR FILING REQUIREMENTS: R1-17B(d)	EXHIBIT NAME/LOCATION
c.	An estimate of the impact to annual and total revenue requirements (NC retail jurisdiction and customer classes) that would result from supporting or advancing the Policy Goal	Direct Testimony of Kathryn Taylor
d.	Identifiable and measurable metrics that will be used to assess compliance, including but not limited to projections of costs to be incurred, along with information on how the electric public utility intends to evaluate, measure, and verify compliance or achievement, and the proposed resources (labor, contractors, materials, etc.) the electric public utility plans to use to support or advance the Policy Goal; and	Direct Testimony of Laura Bateman and Phillip Stillman; PBR Policy Panel Exhibits 1-4
e.	The penalty to be refunded to or the reward to be collected from customers for the proposed PIM accompanied by one or more of the following:	Direct Testimony of Laura Bateman and Phillip Stillman; PBR Policy Panel Exhibits 1-4
(i)	An explanation of how any savings achieved by meeting or exceeding a specific Policy Goal will be shared with customers	Direct Testimony of Laura Bateman and Phillip Stillman; PBR Policy Panel Exhibits 1-4
(ii)	A proposal for differentiated authorized rates of return on common equity (or its equivalent) to encourage utility investments or operational changes to meet a specific Policy Goal; or	N/A
(iii)	Proposed fixed financial rewards or penalties based on achievement of specific Policy Goals. To the extent possible, the proposed PIMs should reward the electric public utility for achieving specific outcomes or penalize the electric public utility for not achieving specific outcomes	Direct Testimony of Laura Bateman and Phillip Stillman; PBR Policy Panel Exhibits 1-4
(iv)	A detailed explanation of (a) How the proposed penalty or reward will minimize any duplication of other rewards or penalties created by other ratemaking mechanisms authorized by statute or Commission rule; and (b) How the electric public utility will distinguish the achievements that are rewarded through the incentives earned by the utility related to its DSM/EE portfolio approved pursuant to Rules R8-68 and 8-69 from those that it proposes to be measured for purposes of any performance incentive pursuant to § 62-133.16	Direct Testimony of Laura Bateman and Phillip Stillman
(4)	The electric public utility may include in its PBR application proposed Tracking Metrics with or without targets or benchmarks to measure electric public utility achievement	Direct Testimony of Laura Bateman and Phillip Stillman

Duke Energy Carolinas, LLC
Current North Carolina Tariffs Proposed for Change

LEAF NO.	DESCRIPTION	REVISION NO.
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I. RETAIL CLASSIFICATION

A. RESIDENTIAL RATE SCHEDULES

11	RS Residential Service.....	54
13	RE Residential Service Electric Water Heating and Space Conditioning	55
14	ES Residential Service Energy Star.....	38
15	RT Residential Service Time Of Use ¹	54
136	RSTC Residential Service: Time of Use with Critical Peak Pricing	3
137	RETC Residential Service for All-Electric Customers: Time of Use with Critical Peak Pricing.....	3

B. GENERAL SERVICE AND INDUSTRIAL RATE SCHEDULES

21	SGS Small General Service	32
26	BC Building Construction	52
29	LGS Large General Service	31
38	TS Traffic Signal Service	51
41	I Industrial Service.....	59
45	OPT-E Optional Power Service Time-of-Use Energy Only (Pilot) ¹	26
49	OPT-V Optional Power Service Time-of-Use with Voltage Differential.....	17
54	HP Hourly Pricing.....	36
55	PG Parallel Generation	64
138	SGSTC Small General Service: Time of Use with Critical Peak Pricing	3
204	S Unmetered Signs ¹	31

C. LIGHTING RATE SCHEDULES

32	OL Outdoor Lighting	60
34	PL Street and Public Lighting Service	11
35	NL Nonstandard Lighting (Pilot) ¹	27

D. RETAIL RIDERS

99	Summary of Rider Adjustments	All.....	55
60	FCAR Fuel Cost Adjustment Rider	All Retail Schedules	40
62	EE Energy Efficiency Rider	All Retail Schedules	17
64	EDPR Existing DSM Program Costs Adjustment Rider.....	All Retail Schedules	18
72	NM Net Metering Rider.....	All Retail Schedules	13
75	SCG Small Customer Generator Rider.....	All Retail Schedules	13
78	PS Powershare Nonresidential Load Curtailment	LGS, I, OPT-V, HP.....	5
80	IS Interruptible Power Service ¹	LGS, I, HP, OPT-V, OPT-E	9
82	SG Standby Generator Control ¹	General Service and Industrial Schedules	4
84	EC Economic Development.....	LGS, I, OPT-V	6
87	ER Economic Redevelopment.....	LGS, I, OPT-V	6
104	GS Green Source (Experimental) ¹	OPT-V	Orig.
129	EDIT-3 Excess Deferred Income Tax Rider-3	All Retail Schedules.....	1
131	EDIT-4 Excess Deferred Income Tax Rider-4.....	All Retail Schedules.....	1
133	STS Storm Securitization Rider.....	All Retail Schedules.....	5
135	SCR Storm Cost Recovery Rider	All Retail Schedules.....	Orig.
145	GSA Green Source Advantage Rider	General Service and Industrial Schedules	2
331	SRR Solar Rebate Rider	All Retail Schedules.....	6

E. RETAIL PROGRAMS

320	Remote Meter Reading and Usage Data Service	APPLICABLE TO: All Retail Customers.....	4
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F. OTHER TARIFFS, CONTRACT FORMS AND ADMINISTRATIVE PROCEDURES

400	Distribution Line Extension Plan.....	1
401	Service Regulations	7

¹Not available for new applications

Duke Energy Carolinas, LLC

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

OFFICIAL COPY
Jan 19 2023

SCHEDULE RS (NC) RESIDENTIAL SERVICE

AVAILABILITY (North Carolina Only)

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

Power delivered under this schedule shall not be used for resale except to landlords for individually-metered residences leased by the bedroom, and where the landlord has complied with Chapter 22 of the Rules of the North Carolina Utilities Commission. Additionally, power delivered under this schedule shall not be used 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 \$ 14.00
- II. Energy Charges
 - For the billing months of July - October
 - For all kWh used per month, per kWh* 9.3826¢
 - For the billing months of November – June
 - For all kWh used per month, per kWh* 9.3826¢
- * 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 8.4772 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 \$ 3.17 per month.

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

- Leaf No. 60 Fuel Cost Adjustment Rider
- Leaf No. 62 Energy Efficiency Rider
- Leaf No. 64 Existing DSM Program Costs Adjustment Rider
- Leaf No. 105 BPM Prospective Rider

North Carolina Fifty-Fourth Revised Leaf No. 11
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

Duke Energy Carolinas, LLC

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

**SCHEDULE RS (NC)
RESIDENTIAL SERVICE**

Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Fifth Revised Leaf No. 13
Superseding North Carolina Fifty-Fourth Revised Leaf No. 13

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

AVAILABILITY (North Carolina Only)

Available only to residential customers in residences, condominiums, manufactured homes, or individually-metered apartments which provide independent 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 except to landlords for individually-metered residences leased by the bedroom, and where the landlord has complied with Chapter 22 of the Rules of the North Carolina Utilities Commission. Additionally, power delivered under this schedule shall not be used 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.

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 \$14.00

II. Energy Charges

For the billing months of July – October

All kWh* 9.0710¢

For the billing months of November – June

For the first 350 kWh used per month, per kWh* 9.0710¢

For all over 350 kWh used per month, per kWh 8.0509¢

- * 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 8.1975 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 \$3.06 per month.

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

North Carolina Fifty-Fifth Revised Leaf No. 13
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

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

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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.
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	4,500
50 – 119	5,500
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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Fifth Revised Leaf No. 13
Superseding North Carolina Fifty-Fourth Revised Leaf No. 13

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

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.

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.

Duke Energy Carolinas, LLC

Electricity No. 4

North Carolina Thirty-Eighth Revised Leaf No. 14
Superseding North Carolina Thirty-Seventh Revised Leaf No. 14

SCHEDULE ES (NC) RESIDENTIAL SERVICE, ENERGY STAR

AVAILABILITY (North Carolina Only)

Available only to residential customers in residences, condominiums, manufactured homes, or individually-metered apartments which provide independent 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 except to landlords for individually-metered residences leased by the bedroom, and where the landlord has complied with Chapter 22 of the Rules of the North Carolina Utilities Commission. Additionally, power delivered under this schedule shall not be used 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.

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	\$14.00	\$14.00
II. Energy Charges		
<u>For the billing months of July – October</u>		
For the first 350 kWh used per month, per kWh	9.3826¢	9.0710¢
For all over 350 kWh used per month, per kWh	8.9135¢	8.6175¢
<u>For the billing months of November – June</u>		
For the first 350 kWh used per month, per kWh	9.3826¢	9.0710¢
For all over 350 kWh used per month, per kWh	8.9135¢	7.6484¢

Duke Energy Carolinas, LLC

Electricity No. 4

North Carolina Thirty-Eighth Revised Leaf No. 14
Superseding North Carolina Thirty-Seventh Revised Leaf No. 14

**SCHEDULE ES (NC)
RESIDENTIAL SERVICE, ENERGY STAR**

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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.

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

Duke Energy Carolinas, LLC

Electricity No. 4

North Carolina Thirty-Eighth Revised Leaf No. 14
Superseding North Carolina Thirty-Seventh Revised Leaf No. 14

SCHEDULE ES (NC)
RESIDENTIAL SERVICE, ENERGY STAR

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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Fourth Revised Leaf No. 15
Superseding North Carolina Fifty-Third Revised Leaf No. 15

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Jan 19 2023

SCHEDULE RT (NC) RESIDENTIAL SERVICE, TIME OF USE

AVAILABILITY (North Carolina Only)

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

Power delivered under this schedule shall not be used for resale except to landlords for individually-metered residences leased by the bedroom, and where the landlord has complied with Chapter 22 of the Rules of the North Carolina Utilities Commission. Additionally, power delivered under this schedule shall not be used 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.

This Schedule is not available for new service after April 1, 2022.

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	\$14.00	
II.	On-Peak Demand Charge per month, per kW	Summer Months	Winter Months
		<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
		\$7.37	\$4.79
III.	Energy Charge	<u>All Months</u>	
	a. On-Peak energy per month, per kWh	6.7258¢	
	b. Off-Peak energy per month, per kWh	5.3707¢	

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider

North Carolina Fifty-Fourth Revised Leaf No. 15
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Fourth Revised Leaf No. 15
Superseding North Carolina Fifty-Third Revised Leaf No. 15

**SCHEDULE RT (NC)
RESIDENTIAL SERVICE, TIME OF USE**

Leaf No. 129 EDIT-3 Rider
Leaf No. 131 EDIT-4 Rider
Leaf No. 135 Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u>	Winter Months <u>October 1 – May 31</u>
On-Peak Period Hours	1:00 p.m. – 7:00 p.m. Monday – Friday	7:00 a.m. – 12:00 noon Monday - Friday
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.	

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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Third Revised Leaf No. 136
Superseding North Carolina Second Revised Leaf No. 136

**SCHEDULE RSTC (NC)
RESIDENTIAL SERVICE:
TIME OF USE WITH CRITICAL PEAK PRICING**

AVAILABILITY (North Carolina Only)

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

Power delivered under this schedule shall not be used for resale except to landlords for individually-metered residences leased by the bedroom, and where the landlord has complied with Chapter 22 of the Rules of the North Carolina Utilities Commission. Additionally, power delivered under this schedule shall not be used 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	\$14.00
II.	Energy Charge	
a.	Critical Peak Energy per month, per kWh	35.0000¢
b.	On-Peak Energy per month, per kWh	19.2297¢
c.	Off-Peak Energy per month, per kWh	8.4187¢
d.	Discount Energy per month, per kWh	6.0864¢

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to each of the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider

North Carolina Third Revised Leaf No. 136
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Third Revised Leaf No. 136
Superseding North Carolina Second Revised Leaf No. 136

SCHEDULE RSTC (NC)
RESIDENTIAL SERVICE:
TIME OF USE WITH CRITICAL PEAK PRICING

Leaf No. 135 Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

DETERMINATION OF ON-PEAK, OFF-PEAK, AND DISCOUNT HOURS

	<u>Applicable Days</u>	<u>Summer Hours</u> <u>May – September</u>	<u>Non-Summer Hours</u> <u>October – April</u>
On-Peak Period:	Monday – Friday excluding Holidays*	6:00 pm – 9:00 pm	6:00 am – 9:00 am
Discount Period:	All days including Holidays*	1:00 am – 6:00 am	1:00 am – 3:00 am and 11:00 am – 4:00 pm
Off-Peak Period:	All days including Holidays*	All hours that are not On-Peak or Discount Hours	

*Holidays include New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, and Christmas Day.

All hours are shown in Eastern Prevailing Time (EPT).

DETERMINATION OF CRITICAL PEAK PRICING

The Company will call up to 20 Critical Peak Days per calendar year. The number of Critical Peak Days permitted annually may be exceeded in the event of a system emergency that is expected to place the Company's ability to provide reliable service to customers at risk.

During Company-designated Critical Peak Days, On-Peak Hours will become Critical Peak Hours. The Company may shift the Critical Peak Hours one hour earlier or later than the regular On-Peak Hours to provide flexibility for system operations; however, the number of Critical Peak Hours per day will remain the same as the number of On-Peak Hours that would have otherwise occurred. Any shift in Critical Peak Hours will be reflected in the customer notification.

NOTIFICATION OF CRITICAL PEAK PRICING

The Company will notify customers of Critical Peak Days and applicable Critical Peak Hours by 4:00 pm on the prior day. Customers may elect to receive notifications by phone, email and/or text message. The Company will use its best efforts to notify customers by 4:00 pm on the prior day; however, notification of Critical Peak Days may occur at any time, but no later than one hour prior to the Critical Peak period. Receipt of Critical Peak Pricing notification is the Customer's responsibility.

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 30 days.

MINIMUM BILL

The minimum bill shall be the Basic Facilities Charge.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Third Revised Leaf No. 136
Superseding North Carolina Second Revised Leaf No. 136

SCHEDULE RSTC (NC)
RESIDENTIAL SERVICE:
TIME OF USE WITH CRITICAL PEAK PRICING

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 30 days written notice.

GENERAL PROVISIONS

Participating customers must provide and maintain internet accessibility, an email address, and/or means to receive phone calls or text messages, as appropriate, at the Customer's expense in order for the Company to provide notification for Critical Peak Pricing.

SCHEDULE RETC (NC)
RESIDENTIAL SERVICE FOR ALL-ELECTRIC CUSTOMERS:
TIME OF USE WITH CRITICAL PEAK PRICING

AVAILABILITY (North Carolina Only)

Available only to residential customers in residences, condominiums, mobile homes, or individually-metered apartments which provide independent 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 except to landlords for individually-metered residences leased by the bedroom, and where the landlord has complied with Chapter 22 of the Rules of the North Carolina Utilities Commission. Additionally, power delivered under this schedule shall not be used 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.

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	\$14.00
II.	Energy Charge	
a.	Critical Peak Energy per month, per kWh	35.0000¢
b.	On-Peak Energy per month, per kWh	16.8762¢
c.	Off-Peak Energy per month, per kWh	7.7044¢
d.	Discount Energy per month, per kWh	5.5734¢

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to each of the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Third Revised Leaf No. 137
Superseding North Carolina Second Revised Leaf No. 137

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Jan 19 2023

**SCHEDULE RETC (NC)
RESIDENTIAL SERVICE FOR ALL-ELECTRIC CUSTOMERS:
TIME OF USE WITH CRITICAL PEAK PRICING**

Leaf No. 105 BPM Prospective Rider
Leaf No. 106 BPM True-Up Rider
Leaf No. 127 CPRE Rider
Leaf No. 129 EDIT-3 Rider
Leaf No. 131 EDIT-4 Rider
Leaf No. 135 Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

DETERMINATION OF ON-PEAK, OFF-PEAK, AND DISCOUNT HOURS

	<u>Applicable Days</u>	<u>Summer Hours</u> <u>May – September</u>	<u>Non-Summer Hours</u> <u>October – April</u>
On-Peak Period:	Monday – Friday excluding Holidays*	6:00 pm – 9:00 pm	6:00 am – 9:00 am
Discount Period:	All days including Holidays*	1:00 am – 6:00 am	1:00 am – 3:00 am and 11:00 am – 4:00 pm
Off-Peak Period:	All days including Holidays*	All hours that are not On-Peak or Discount Hours	

*Holidays include New Year’s Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, and Christmas Day.

All hours are shown in Eastern Prevailing Time (EPT).

DETERMINATION OF CRITICAL PEAK PRICING

The Company will call up to 20 Critical Peak Days per calendar year. The number of Critical Peak Days permitted annually may be exceeded in the event of a system emergency that is expected to place the Company’s ability to provide reliable service to customers at risk.

During Company-designated Critical Peak Days, On-Peak Hours will become Critical Peak Hours. The Company may shift the Critical Peak Hours one hour earlier or later than the regular On-Peak Hours to provide flexibility for system operations; however, the number of Critical Peak Hours per day will remain the same as the number of On-Peak Hours that would have otherwise occurred. Any shift in Critical Peak Hours will be reflected in the customer notification.

NOTIFICATION OF CRITICAL PEAK PRICING

The Company will notify customers of Critical Peak Days and applicable Critical Peak Hours by 4:00 pm on the prior day. Customers may elect to receive notifications by phone, email and/or text message. The Company will use its best efforts to notify customers by 4:00 pm on the prior day; however, notification of Critical Peak Days may occur at any time, but no later than one hour prior to the Critical Peak period. Receipt of Critical Peak Pricing notification is the Customer’s responsibility.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Third Revised Leaf No. 137
Superseding North Carolina Second Revised Leaf No. 137

SCHEDULE RETC (NC)
RESIDENTIAL SERVICE FOR ALL-ELECTRIC CUSTOMERS:
TIME OF USE WITH CRITICAL PEAK PRICING

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 30 days.

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 30 days written notice.

GENERAL PROVISIONS

Participating customers must provide and maintain internet accessibility, an email address, and/or means to receive phone calls or text messages, as appropriate, at the Customer's expense in order for the Company to provide notification for Critical Peak Pricing.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Thirty-Second Revised Leaf No. 21
Superseding North Carolina Thirty-First Revised Leaf No. 21

**SCHEDULE SGS (NC)
SMALL GENERAL SERVICE**

AVAILABILITY (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 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 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	\$19.39
II.	Demand Charge	
	For the first 30 kW of Billing Demand per month, per kW	No Charge
	For all over 30 kW of Billing Demand per month, per kW	\$3.9955
II.	Energy Charge	
	<u>For the First 125 kWh per kW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month, per kWh	11.3739¢
	For the next 6,000 kWh per month, per kWh	6.7296¢
	For all over 9,000 kWh per month, per kWh	6.6819¢

North Carolina Thirty-Second Revised Leaf No. 21
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Thirty-Second Revised Leaf No. 21
Superseding North Carolina Thirty-First Revised Leaf No. 21

**SCHEDULE SGS (NC)
SMALL GENERAL SERVICE**

For the Next 275 kWh per kW Billing Demand per Month:

For the first 3,000 kWh per month, per kWh	6.2289¢
For the next 6,000 kWh per month, per kWh	5.4129¢
For all over 9,000 kWh per month, per kWh	5.1732¢

For all Over 400 kWh per kW Billing Demand per Month:

For all kWh per month, per kWh	5.0391¢
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RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule, unless the service qualifies for a waiver of the REPS Billing Factor for an auxiliary service.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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)

Provision 3. related to Contract Demand will apply beginning with the fourth full billing month for new installations.

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.

SCHEDULE SGS (NC)
SMALL GENERAL SERVICE

MINIMUM BILL

Beginning in the fourth full month for new service installations, 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: \$2.11 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: \$43.38 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.

SPECIAL TERMS AND CONDITIONS

Electric service for the operation of CATV distribution line power supply equipment is available under this rate schedule for constant load as determined by the Company. Such service is provided only on a metered basis, and each individual delivery point shall be billed the Basic Facilities Charge shown above, and all kWh will be billed at a rate of 5.1685 cents per kWh.

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 twenty-fifth 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

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Thirty-Second Revised Leaf No. 21
Superseding North Carolina Thirty-First Revised Leaf No. 21

SCHEDULE SGS (NC)
SMALL GENERAL SERVICE

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.

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Jan 19 2023

**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, 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 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	\$ 19.39
II.	Energy Charge	
	For the first 50 kWh used per month, per kWh	8.2755¢
	For all over 50 kWh used per month, per kWh	6.4111¢

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Second Revised Leaf No. 26
Superseding North Carolina Fifty-First Revised Leaf No. 26

**SCHEDULE BC (NC)
BUILDING CONSTRUCTION SERVICE**

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 twenty-fifth 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 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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Thirty-First Revised Leaf No. 29
Superseding North Carolina Thirtieth Revised Leaf No. 29

**SCHEDULE LGS (NC)
LARGE GENERAL SERVICE**

AVAILABILITY (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 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 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	\$23.91
II.	Demand Charge	
	For the first 30 kW of Billing Demand per month, per kW	No Charge
	For all over 30 kW of Billing Demand per month, per kW	\$4.0167
II.	Energy Charge	
	<u>For the First 125 kWh per kW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month, per kWh	11.4527¢
	For the next 87,000 kWh per month, per kWh	6.7689¢
	For all over 90,000 kWh per month, per kWh	6.7060¢

North Carolina Thirty-First Revised Leaf No. 29
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Thirty-First Revised Leaf No. 29
Superseding North Carolina Thirtieth Revised Leaf No. 29

**SCHEDULE LGS (NC)
LARGE GENERAL SERVICE**

For the Next 275 kWh per kW Billing Demand per Month:

For the first 6,000 kWh per month, per kWh	6.3103¢
For the next 134,000 kWh per month, per kWh	5.4839¢
For all over 140,000 kWh per month, per kWh	5.3824¢

For all Over 400 kWh per kW Billing Demand per Month:

For all kWh per month, per kWh	5.1191¢
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RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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.

Provision 3. related to Contract Demand will apply beginning with the fourth full billing month for new installations.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Thirty-First Revised Leaf No. 29
Superseding North Carolina Thirtieth Revised Leaf No. 29

**SCHEDULE LGS (NC)
LARGE GENERAL SERVICE**

MINIMUM BILL

Beginning in the fourth full month for new service installations, 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: \$2.13 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: \$ 42.43 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 twenty-fifth 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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-First Revised Leaf No. 38
Superseding North Carolina Fiftieth Revised Leaf No. 38

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, wireless communications equipment, and cameras used to monitor traffic.

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	\$6.70
II.	Energy Charge	
	For the first 50 kWh used per month, per kWh	28.0443¢
	For all over 50 kWh used per month, per kWh	10.5075¢

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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 twenty-fifth 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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-First Revised Leaf No. 38
Superseding North Carolina Fiftieth Revised Leaf No. 38

SCHEDULE TS (NC)
TRAFFIC SIGNAL SERVICE

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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Ninth Revised Leaf No. 41
Superseding North Carolina Fifty-Eighth Revised Leaf No. 41

SCHEDULE I (NC) 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 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; 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	\$19.27
II.	Demand Charge	
	For the first 30 kW of Billing Demand per month, per kW	No Charge
	For all over 30 kW of Billing Demand per month, per kW	\$4.5087
III.	Energy Charge	
	<u>For the First 125 kWh per kW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month, per kWh	11.2536 ¢
	For the next 87,000 kWh per month, per kWh	6.1669 ¢
	For all over 90,000 kWh per month, per kWh	5.8888 ¢

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Ninth Revised Leaf No. 41
Superseding North Carolina Fifty-Eighth Revised Leaf No. 41

**SCHEDULE I (NC)
INDUSTRIAL SERVICE**

<u>For the Next 275 kWh per kW Billing Demand per Month:</u>	
For the first 140,000 kWh per month, per kWh	4.9165 ¢
For all over 140,000 kWh per month, per kWh	4.7345 ¢
<u>For all Over 400 kWh per kW Billing Demand per Month:</u>	
For all kWh per month, per kWh	4.4995 ¢

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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)

Provision 3. related to Contract Demand will apply beginning with the fourth full billing month for new installations.

MINIMUM BILL

Beginning in the fourth full month for new service installations, 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: \$2.17 per kW per month of Contract Demand

SCHEDULE I (NC) INDUSTRIAL SERVICE

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: \$40.58 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 twenty-fifth 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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Twenty-Sixth Revised Leaf No. 45
Superseding North Carolina Twenty-Fifth Revised Leaf No. 45

**SCHEDULE OPT-E (NC)
OPTIONAL POWER SERVICE TIME-OF-USE, ENERGY-ONLY
(Pilot)**

AVAILABILITY (North Carolina Only)

This schedule is closed and not available to customers or locations not served on this Schedule prior to January 1, 2010 and shall remain in effect for customers under continually effective agreements for this Schedule made prior to January 1, 2012 where the individual customer was previously on Schedule OPT-I or Schedule OPT-G with a maximum annual demand during the On-Peak Hours of more than 2,000 kW. The maximum annual On-Peak Demand of all participating customers will not exceed 25,000 kW. This pilot will remain in effect until at least 12 months after September 25, 2013. Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

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 per month	\$33.21
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SCHEDULE OPT-E (NC)
OPTIONAL POWER SERVICE TIME-OF-USE, ENERGY-ONLY
(Pilot)

II. Energy Charge	Summer Months	Winter Months
	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
A. On-Peak Energy		
For the first 100,000 kWh per month, per kWh	18.3727¢	14.6982¢
For all over 100,000 kWh per month, per kWh	13.3006¢	9.5334¢
B. All Off-Peak Energy per month, per kWh	3.4213¢	3.4213¢

RATE EQUALIZATION ADJUSTMENT

A Rate Equalization Adjustment will apply to the Customer's total monthly usage in addition to the charges above. Prior to entering an agreement for service under this Schedule, a kilowatt hour adjustment factor (kWh Factor) will be calculated by taking the annual difference in revenue between Schedule OPT-I and Schedule OPT-E, based on a historical twelve-month billing period. The resulting difference in annual revenue divided by the annual kilowatt hour usage is the kWh factor increment or decrement which will be applied to all kilowatt hours used per month under this Schedule.

In determining the kWh Factor, the Customer and the Company will mutually agree on a historical twelve-month billing period. The annual revenue under Schedule OPT-E will be calculated for the same historical period using load profile data if available; however, where load profile data is not available or insufficient, the kWh Factor will be zero. The kWh Factor will remain in effect throughout the term of this pilot.

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 131	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months	Winter Months
	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
On-Peak Period Hours	1:00 p.m. – 9:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday – Friday
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,	

SCHEDULE OPT-E (NC)
OPTIONAL POWER SERVICE TIME-OF-USE, ENERGY-ONLY
(Pilot)

Thanksgiving Day, Day after Thanksgiving, and Christmas Day.

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.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge and Energy Charge, but shall not be less than the Basic Facilities plus \$2.13 per kW of the Contract Demand.

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 twenty-fifth 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-V (NC)
OPTIONAL POWER SERVICE, TIME OF USE
WITH VOLTAGE DIFFERENTIAL

AVAILABILITY (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, 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. Transmission Service

Delivery voltage greater than or equal to 44 kV

A. Basic Facilities Charge	\$32.17
B. Demand Charge	
On-Peak Demand Charge per kW Billing Demand per month, June 1 – September 30 (Summer)	\$10.4764
On-Peak Demand Charge per kW Billing Demand per month, October 1 – May 31 (Winter)	\$5.7162
C. Energy Charge	
All On-Peak Energy per month, per kWh	6.2590¢

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SCHEDULE OPT-V (NC)
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WITH VOLTAGE DIFFERENTIAL

All Off-Peak Energy per month, per kWh 3.0369¢

II. Primary Service

Delivery voltage greater than 600 volts but less than 44 kV where the maximum on-peak actual demand during the months of June – September is as follows: Small - less than or equal to 1,000 kW; Medium - greater than 1,000 kW but less than or equal to 3,000 kW; Large - greater than 3,000 kW

	<u>Small</u>	<u>Medium</u>	<u>Large</u>
A. Basic Facilities Charge	\$32.17	\$32.17	\$32.17
B. Demand Charge			
On-Peak Demand Charge per kW Billing Demand per month, June 1 – September 30 (Summer)			
For the First 5,000 kW, per kW	\$13.8291	\$14.2318	\$15.2124
For all over 5,000 kW, per kW	\$13.8291	\$14.2318	\$10.7748
On-Peak Demand Charge per kW Billing Demand per month, October 1 – May 31 (Winter)			
For the First 5,000 kW, per kW	\$8.1147	\$8.0472	\$8.5828
For all over 5,000 kW, per kW	\$8.1147	\$8.0472	\$6.1219
Economy Demand Charge per month, per kW	\$1.3714	\$1.3714	\$1.3714
C. Energy Charge			
All On-Peak Energy per month, per kWh	6.7940¢	6.2711¢	6.3148¢
All Off-Peak Energy per month, per kWh	3.2764¢	3.0283¢	3.0361¢

III. Secondary Service

Delivery voltage less than or equal to 600 volts where the maximum on-peak actual demand during the months of June – September is as follows: Small - less than or equal to 1,000 kW; Medium - greater than 1,000 kW but less than or equal to 3,000 kW; Large - greater than 3,000 kW

	<u>Small</u>	<u>Medium</u>	<u>Large</u>
A. Basic Facilities Charge	\$32.17	\$32.17	\$32.17
B. Demand Charge			
On-Peak Demand Charge per kW Billing Demand per month, June 1 – September 30 (Summer)	\$16.3266	\$15.4708	\$13.4143
On-Peak Demand Charge per kW Billing Demand per month, October 1 – May 31 (Winter)	\$9.7401	\$8.6707	\$7.6976
Economy Demand Charge per month, per kW	\$2.2456	\$2.2456	\$2.2456
C. Energy Charge			
All On-Peak Energy per month, per kWh	6.1104¢	6.2317¢	6.3255¢
All Off-Peak Energy per month, per kWh	3.0222¢	3.0257¢	3.0287¢

DETERMINATION OF CUSTOMER SIZE CLASSIFICATION

The demand used to determine the rate classification of the customer as Small, Medium or Large, used in the calculation of the monthly bill, shall be the maximum thirty (30) minute on-peak actual demand registered during the months of June-September

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**SCHEDULE OPT-V (NC)
 OPTIONAL POWER SERVICE, TIME OF USE
 WITH VOLTAGE DIFFERENTIAL**

within the previous 12 months; however, if the customer was not served on a time of use rate prior to taking service under Schedule OPT-V, the customer's maximum integrated thirty (30) minute actual demand for the billing months of June through September shall be used. For new customers, the Company shall determine the size classification based on an appropriate estimate of the maximum on peak actual demand for the months of June through September.

Each year, at the end of the summer season, accounts will be reviewed to determine if a change in classification is necessary based on the most recent months of June through September. If a change in classification is warranted, such change and reclassification shall be effective with the November billing period which follows the summer season. The Company may, at its option, change the rate classification at other times if, upon its own assessment, the Company determines that a change in the load would warrant a change in classification prior to the annual review.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u>	Winter Months <u>October 1 – May 31</u>
On-Peak Period Hours	1:00 p.m. – 9:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday – Friday
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.	

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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.

SCHEDULE OPT-V (NC)
OPTIONAL POWER SERVICE, TIME OF USE
WITH VOLTAGE DIFFERENTIAL

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. The On-Peak Contract Demand is the maximum demand to be delivered to the Customer during the On-Peak Hours of any month.

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 (not applicable to Transmission Service Rate)

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.

Provisions A.2. and B.2. related to Contract Demand will apply beginning with the fourth full billing month for new installations.

MINIMUM BILL

Beginning in the fourth full month for new service installations, 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 (if applicable) shall not be less than \$2.13 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.

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. If any bill is not so paid, the Company has the right to suspend

Duke Energy Carolinas, LLC

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SCHEDULE OPT-V (NC)
OPTIONAL POWER SERVICE, TIME OF USE
WITH VOLTAGE DIFFERENTIAL

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.

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Superseding North Carolina Thirty-Fifth Revised Leaf No. 54

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SCHEDULE HP (NC) HOURLY PRICING FOR INCREMENTAL LOAD

AVAILABILITY (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-V, 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, Power Factor Charge (if applicable), Minimum Bill (if applicable), and Riders.

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 86.18¢ 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 below)

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SCHEDULE HP (NC) HOURLY PRICING FOR INCREMENTAL LOAD

Minimum Bill = (see Minimum Bill below)

Riders = (see Riders below)

Where:

- a) = Sum of [(New Load kWh per hour – Reduced Load kWh per hour) x Hourly Energy Charge]
- b) = Net New Load kWh x 0.5 ¢ 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.

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 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, Applicable Riders, 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 components apply to any hour of the month when reserve margins are expected to be below 1,800 MWh. The deficit reserve amount is equal to 1,800 less the expected reserve amount. Each deficit MWh will be priced by the appropriate component. The generation and transmission components apply to all customers. The distribution component applies only to distribution-served customers. If the above condition does not occur during the month, the Rationing Charge will be zero. The Rationing Price will be communicated as described in Energy Price Determination

Incremental Demand Charge 86.18¢ 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: 0.5¢ per kWh which is applied to Net New Load, but shall not be less than zero.

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Electricity No. 4
North Carolina Thirty-Sixth Revised Leaf No. 54
Superseding North Carolina Thirty-Fifth Revised Leaf No. 54

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SCHEDULE HP (NC) HOURLY PRICING FOR INCREMENTAL LOAD

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider (applicable to Baseline Charge only)
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

MINIMUM BILL

The monthly bill shall be calculated as specified above under Bill Determination. Beginning in the fourth full month for new service installations, the Minimum Bill component of the monthly bill is calculated by comparing the sum of the charges listed in 1. below and the charges listed in 2. below. (See exception below.) If the sum of the charges listed in 2. below exceeds the charges listed in 1. below, the Minimum Bill is the difference between the two amounts. Otherwise, the Minimum Bill is zero.

1.
 - (a) The monthly Demand Charges included in the Baseline Charge
 - (b) Standby Charges, if applicable
 - (c) Incremental Demand Charges
 - (d) Incentive Margin applied to Net New Load
2.
 - (a) the total of \$2.15 per kW per month of Baseline Contract Demand
 - (b) \$ 0.8618 per month 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.

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

SCHEDULE HP (NC) HOURLY PRICING FOR INCREMENTAL LOAD

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.

PROVISION FOR CUSTOMERS SERVED UNDER RIDER PS

For customers served under PowerShare, Rider PS, the Maximum Curtailable Demand shall be the same as that contracted for during the baseline period and the PowerShare Firm Demand must be at least 100 kW less than the Customer Baseline (CBL). Further, the calculation of the Effective Curtailable Demand (ECD) each month will exclude all energy consumed above the CBL. The PowerShare Curtailed Energy Credit will apply to only the load curtailed between the Firm Demand and the smaller of the Forecasted Demand and the CBL, provided the Forecasted Demand is greater than the Firm Demand. The Hourly Energy Charge and Hourly Rationing Charge will not apply to HP Reduced Load above the PowerShare Firm Demand during a Curtailment Period.

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 (0.85 ÷ hourly power factor)] – total hourly kWh

EXTRA FACILITIES CHARGE

A monthly "Extra Facilities Charge" equal to 1.0% 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

For a Customer operating an electric dual-fuel boiler under this Schedule, the rate schedule used to calculate the baseline charges will be OPT-G, OPT-H or OPT- I as appropriate with all on-peak energy above the baseline billed at the hourly price under this Schedule. The off-peak baseline (CBL) will be determined based on one of the following at the customer's option.

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**SCHEDULE HP (NC)
HOURLY PRICING FOR INCREMENTAL LOAD**

1. The off-peak CBL will be established as provided for this schedule except that the baseline may be adjusted during any month during which the Net New Load divided by the Baseline Energy is within plus or minus 25% of the CBL, except that any period during the month for which a Rationing Charge is imposed will be excluded from this criteria.
2. The off-peak CBL may be reestablished each month based on the Customer's actual load.

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. 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.

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SCHEDULE PG (NC) PARALLEL GENERATION

AVAILABILITY (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	\$ 69.90	\$ 69.90
II.	On-Peak Demand Charge per On-Peak month, per kW	\$15.3865	\$18.2779

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**SCHEDULE PG (NC)
PARALLEL GENERATION**

III.	Energy Charge		
	a. All On-Peak Energy per month, per kWh	4.3316¢	4.4363¢
	b. All Off-Peak Energy per month, per kWh	4.1126¢	4.1983¢
IV.	Standby Charge per month, per kW	\$1.7235	\$1.7235

CREDITS

Credits for excess energy delivered to the Company are set forth in the most recently approved Schedule PP (NC) Variable Rate Energy Credit applicable to the Customer's generation type.

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh charges shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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:

North Carolina Sixty-Fourth Revised Leaf No. 55
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

**SCHEDULE PG (NC)
PARALLEL GENERATION**

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.

Provision 2. related to Contract Demand will apply beginning with the fourth full billing month for new installations.

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

Duke Energy Carolinas, LLC

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North Carolina Sixty-Fourth Revised Leaf No. 55
Superseding North Carolina Sixty-Third Revised Leaf No. 55

**SCHEDULE PG (NC)
PARALLEL GENERATION**

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

Beginning in the fourth full month for new service installations, 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.

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. 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.

SCHEDULE SGSTC (NC)
SMALL GENERAL SERVICE:
TIME OF USE WITH CRITICAL PEAK PRICING

AVAILABILITY (North Carolina Only)

Available to the individual customer with a demand of 75 kilowatts (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 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 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	\$19.39
II. Demand Charge	
a. On-Peak Demand Charge* per month, per kW	\$3.50
b. Distribution Demand Charge* per month, per kW	\$1.40

* For all over 30 kW of Billing Demand. No charge for first 30 kW of Billing Demand.

III. Energy Charge	
a. Critical Peak Energy per month, per kWh	35.0000¢
b. On-Peak Energy per month, per kWh	22.2081¢

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North Carolina Third Revised Leaf No. 138
Superseding North Carolina Second Revised Leaf No. 138

SCHEDULE SGSTC (NC)
SMALL GENERAL SERVICE:
TIME OF USE WITH CRITICAL PEAK PRICING

c. Off-Peak Energy per month, per kWh	9.7451¢
d. Discount Energy per month, per kWh	6.7307¢

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to each of the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

DETERMINATION OF ON-PEAK, OFF-PEAK, AND DISCOUNT HOURS

	<u>Applicable Days</u>	<u>Summer Hours</u> <u>May – September</u>	<u>Non-Summer Hours</u> <u>October – April</u>
On-Peak Period:	Monday – Friday excluding Holidays*	6:00 pm – 9:00 pm	6:00 am – 9:00 am
Discount Period:	All days including Holidays*	1:00 am – 6:00 am	1:00 am – 3:00 am and 11:00 am – 4:00 pm
Off-Peak Period:	All days including Holidays*	All hours that are not On-Peak or Discount Hours	

*Holidays include New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, and Christmas Day.

All hours are shown in Eastern Prevailing Time (EPT).

DETERMINATION OF CRITICAL PEAK PRICING

The Company will call up to 20 Critical Peak Days per calendar year. The number of Critical Peak Days permitted annually may be exceeded in the event of a system emergency that is expected to place the Company's ability to provide reliable service to customers at risk.

During Company-designated Critical Peak Days, On-Peak Hours will become Critical Peak Hours. The Company may shift the Critical Peak Hours one hour earlier or later than the regular On-Peak Hours to provide flexibility for system operations; however,

SCHEDULE SGSTC (NC)
SMALL GENERAL SERVICE:
TIME OF USE WITH CRITICAL PEAK PRICING

the number of Critical Peak Hours per day will remain the same as the number of On-Peak Hours that would have otherwise occurred. Any shift in Critical Peak Hours will be reflected in the customer notification.

NOTIFICATION OF CRITICAL PEAK PRICING

The Company will notify customers of Critical Peak Days and applicable Critical Peak Hours by 4:00 pm on the prior day. Customers may elect to receive notifications by phone, email and/or text message. The Company will use its best efforts to notify customers by 4:00 pm on the prior day; however, notification of Critical Peak Days may occur at any time, but no later than one hour prior to the Critical Peak period. Receipt of Critical Peak Pricing notification is the Customer's responsibility.

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 30 days.

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.

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

MINIMUM BILL

Beginning in the fourth full month for new installations, the minimum bill shall be the amount determined as shown below according to the type of minimum selected by the Company:

Monthly: \$2.11 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: \$43.38 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 minimum 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

North Carolina Third Revised Leaf No. 138
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Third Revised Leaf No. 138
Superseding North Carolina Second Revised Leaf No. 138

SCHEDULE SGSTC (NC)
SMALL GENERAL SERVICE:
TIME OF USE WITH CRITICAL PEAK PRICING

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

GENERAL PROVISIONS

Participating customers must provide and maintain internet accessibility, an email address, and/or means to receive phone calls or text messages, as appropriate, at the Customer's expense in order for the Company to provide notification for Critical Peak Pricing.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Thirty-First Revised Leaf No. 204
Superseding North Carolina Thirtieth Revised Leaf No. 204

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	\$5.90 per sign
Energy Charge	5.9956 cents per contracted kWh used

RIDERS

The Renewable Energy Portfolio Standard (REPS) Rider charge as shown on Leaf No. 68 will be added to the monthly bill for each agreement for service under this schedule.

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 62	Energy Efficiency Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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. 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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Sixtieth Revised Leaf No. 32
Superseding North Carolina Fifty-Ninth Revised Leaf No. 32

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Jan 19 2023

SCHEDULE OL (NC) OUTDOOR LIGHTING SERVICE

AVAILABILITY (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</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 Underground</u>	
High Pressure Sodium Vapor*						
4,000	21	Post Top (2)	NA	NA	\$17.78	
9,500	47	Suburban (3)	\$10.92	\$17.41	\$22.03	
9,500	47	Urban	\$12.32	\$18.81	\$23.43	
13,000	56	Suburban (4) (in suitable mercury fixture)	\$11.96	NA	NA	
16,000	70	Urban	\$13.32	\$19.81	\$24.43	
27,500	104	Urban	\$15.75	\$22.24	\$26.86	
50,000	156	Urban	\$19.17	\$25.66	\$30.28	
16,000	70	Floodlight	\$16.48	\$22.97	\$27.59	
27,500	104	Floodlight	\$19.41	\$25.90	\$30.52	
50,000	156	Floodlight	\$21.81	\$28.30	\$32.92	
Metal Halide**						
9,000	43	Urban	\$14.15	\$20.64	\$25.26	
40,000	155	Urban	\$22.82	\$29.31	\$33.93	
78,000	295	Area	\$52.76	\$59.25	\$63.87	
110,000	395	Area	\$72.13	\$78.62	\$83.24	
40,000	155	Floodlight	\$24.22	\$30.71	\$35.33	
34,000	180	Floodlight (10)	\$22.70	\$29.19 (11)	NA	
34,000	180	Floodlight (10)	NA	\$33.01 (12)	\$33.81	
110,000	217	Floodlight (half night) (10)	\$33.05	\$39.54	\$44.16	
110,000	435	Floodlight (10)	NA	\$61.82 (11)	NA	
110,000	435	Floodlight (10)	\$56.26	\$62.75	\$67.37	
Mercury Vapor***						
4,000	41	Suburban (7)	\$9.83	NA	NA	
4,000	41	Post Top (2)	\$9.03 (5)	NA	\$20.14 (6)	
4,000	41	Post Top (7)	\$11.93	NA	NA	
7,500	75	Suburban (3)	\$9.86	\$16.35	\$20.97	
7,500	75	Urban (6)	\$11.11	\$17.60	\$22.22	
7,500	75	Post Top (7)	\$16.99	NA	NA	
20,000	152	Urban (6)	\$15.25	\$21.74	\$26.36	
Light Emitting Diode (8) (9)						
4,500	18	Area	50 watts	\$10.21	\$16.70	\$21.32
6,500	25	Area	70 watts	\$10.45	\$16.94	\$21.56

North Carolina Sixtieth Revised Leaf No. 32
Effective for service rendered on and after August 1, 2022
NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

SCHEDULE OL (NC)
OUTDOOR LIGHTING SERVICE

9,500	40	Area	110 watts	\$12.70	\$19.19	\$23.81
12,500	54	Area	150 watts	\$14.16	\$20.65	\$25.27
18,500	79	Area	220 watts	\$16.64	\$23.13	\$27.75
24,000	101	Area	280 watts	\$18.98	\$25.47	\$30.09
43,000	151	Area	420 watts	\$40.10	\$46.59	\$51.21
48,000	179	Area	530 watts	\$44.98	\$51.47	\$56.09
15,000	47	Floodlight	130 watts	\$21.74	\$28.23	\$32.85
30,000	48	Floodlight	260 watts (half night) (10)	\$45.76	\$52.25	\$56.87
30,000	95	Floodlight	260 watts	\$47.06	\$53.55	\$58.17

* High pressure sodium vapor luminaires are no longer available for new installations. Upon complete fixture failure, the Company will replace any standard or nonstandard/decorative high pressure sodium vapor luminaire with a comparable LED luminaire and the monthly rate for the new luminaire will apply. Where the Customer requests the continued use of the same luminaire type for appearance reasons, the Company will attempt to provide such luminaire and the Customer shall commence being billed in accordance with paragraph (A) above or paragraph (B) below. Customer requested replacement of high pressure sodium vapor luminaire prior to fixture failure are subject to a transition fee as provided under paragraph (D) below.

** Metal halide luminaires are no longer available for new installations. Upon failure of the luminaire or ballast, the Company will replace any standard or nonstandard/decorative metal halide luminaire with a comparable LED luminaire and the monthly rate for the new luminaire will apply. Customer requested replacements of metal halide luminaires prior to failure are subject to a transition fee as provided for under paragraph (D) below.

*** Mercury vapor luminaires are no longer available and will be replaced with LED luminaires. (See Notes 8 and 9).

- (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 luminaries installed before January 1, 2008.
- (7) Closed to new installations.
- (8) Light Emitting Diode (LED) luminaires are available for new installations after January 28, 2014, as replacements for failed mercury vapor luminaires and for customer requested replacements of existing mercury vapor luminaires, provided the fixture will accommodate an LED luminaire as a replacement. LED luminaires are not available as replacements for High Pressure Sodium Vapor or Metal Halide luminaires except as provided for under paragraph (D) below. LED luminaires are not available as replacements for other LED luminaires except as provided for under paragraph (E) below.
- (9) The Company will replace standard mercury vapor luminaires with LED luminaires not otherwise replaced under Note 8 above by December 31, 2019. The Company will replace post top mercury vapor luminaires with LED luminaires not otherwise replaced under Note 8 above by December 31, 2023.
- (10) 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.
- (11) 30' wood pole served overhead.
- (12) 40' wood pole served overhead.

(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 1.0% 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)
OUTDOOR LIGHTING SERVICE

(C) Underground Charges

- (1) Additional monthly charge for the underground conductor system: \$0.07 for each increment of 10 feet, or less, over 150 feet per pole.
- (2) When the installation requires the cutting and replacing of pavement, 1.0% 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 1.0% 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 \$4.62 per pole. For installations over 150 feet per pole, the charges under (C) (1) above will apply in addition to the \$4.62 charge.
- (5) Additional monthly charge for the underground conductor system for existing pole installations in-service prior to November 12, 1991:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
0 – 100 feet	\$0.48	\$0.34
101 – 200 feet	\$0.87	\$0.73
Over 200 feet	\$0.87 plus \$0.07 for each increment of 10 feet, or less, over 200 feet	\$0.73 plus \$0.07 for each increment of 10 feet, or less, over 200 feet

(D) Transition Fees for Change out of High Pressure Sodium and Metal Halide Luminaires to LED Luminaires

Upon customer request, the Company will replace a High Pressure Sodium or Metal Halide luminaire with a LED luminaire upon payment to the Company, in advance, a transition fee as follows:

- (1) For non-floodlight luminaires billed under paragraph (A) above, the fee shall be \$50.00 for each such luminaire replaced. For floodlight luminaires billed under paragraph (A) above, the fee shall be \$101.00 for each such luminaire replaced.
- (2) For luminaires billed under paragraph (B) above, the fee shall be calculated on a per luminaire basis as the loss due to early retirement of the luminaire being replaced.
- (3) Customers will not be charged a transition fee for metal halide luminaires that are replaced due to failure of the ballast or luminaire.
- (4) Customers will not be charged a transition fee for high pressure sodium luminaires that are replaced due fixture failure. If fixture failure is due to willful damage, the Customer shall be responsible to pay applicable transition fees as noted above.

(E) Transition Fees for Change out of LED Luminaires to other LED Luminaires

Upon Customer request, the Company will replace a LED luminaire with another LED luminaire at the same location. If the LED luminaire being replaced has been in service less than 20 years and the original contract term has been fulfilled, there will be a fee of \$40.00 paid in advance for each LED luminaire replaced and billed under paragraph (A) or paragraph (B) above. For LED luminaires that have been in service for 20 years or longer and initial contract terms have been fulfilled, the Company will, at no cost to the Customer, change the fixture at the same location under a new contract. For LED luminaires where the original contract term has not been fulfilled, the customer will pay the applicable termination fee under the original contract and a transition fee will not be charged.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60 Fuel Cost Adjustment Rider

**SCHEDULE OL (NC)
OUTDOOR LIGHTING SERVICE**

Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

EXPLANATORY NOTES AND OTHER CHARGES

- (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, except as otherwise noted.
- (5) For non-floodlight luminaires, color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$1.01 per lamp per month. For non-floodlight 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 non-flood 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 non-floodlight 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 non-floodlight 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 30 cents per month, or 40-foot, class 5 pole for 41 cents per month. For all luminaires, wood poles longer than 40-feet, or structures other than standard wood poles, can be installed for an extra monthly charge equal to 1.0% of the estimated installed cost difference between the requested pole or structure, and the standard wood pole, but not less than \$5.41 per month per pole or structure. For all non-floodlight luminaires, 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 71 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 \$1.72.
- (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 \$1.72 per standard wood pole shall be made for luminaires installed for service before November 12, 1991. A monthly charge of \$6.49 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 1.0% of the estimated cost of the primary extension shall be made. Should any installation require guying of secondary facilities, a charge of 61 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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Sixtieth Revised Leaf No. 32
Superseding North Carolina Fifty-Ninth Revised Leaf No. 32

**SCHEDULE OL (NC)
OUTDOOR LIGHTING SERVICE**

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. 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. Additionally, if the Customer requests to terminate the agreement for Metal Halide and/or High Pressure Sodium luminaires prior to the end of the original term in order to convert to an LED luminaire, the Customer will pay the applicable transition fee and a termination fee will not be charged. 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 installed 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 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.

Duke Energy Carolinas, LLC

Electricity No. 4
 North Carolina Fifty-Eighth Revised Leaf No. 34
 Superseding North Carolina Fifty-Seventh Revised Leaf No. 34

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</u>			
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (8)</u>	<u>New Pole (8)</u>	<u>New Pole Served Underground (8)</u>
High Pressure Sodium Vapor*					
9,500	47	Suburban (1)	\$7.43	NA	NA
9,500	47	Urban	\$8.51	NA	NA
13,000	56	Suburban (2) (in suitable mercury fixture)	\$8.32	NA	NA
16,000	70	Urban	\$9.27	NA	NA
27,500	104	Urban	\$11.12	NA	NA
38,000	136	Urban (3) (in suitable mercury fixture)	\$12.07	NA	NA
50,000	156	Urban	\$13.77	NA	NA
140,000	391	Urban (installed on 55-foot wood pole)	\$28.14	NA	NA
Metal Halide**					
9,000	43	Urban	\$13.56	NA	NA
40,000	155	Urban	\$16.64	NA	NA
78,000	295	Area	\$50.60	NA	NA
Mercury Vapor ***					
4,000	41	Suburban (1)	\$4.89	NA	NA
7,500	75	Suburban (1)	\$6.62	NA	NA
7,500	75	Urban (4)	\$7.61	NA	NA
20,000	152	Urban (4)	\$10.77	NA	NA
55,000	393	Urban (4)	\$22.27	NA	NA
Incandescent (5)					
	63	Suburban	\$4.78	NA	NA
	63	Post Top	\$1.77	NA	NA
Light Emitting Diode (6) (7)					
4,500	18	Area 50 watts	\$8.01	\$14.50	\$19.12
6,500	25	Area 70 watts	\$8.19	\$14.68	\$19.30
9,500	40	Area 110 watts	\$9.95	\$16.44	\$21.06
12,500	54	Area 150 watts	\$11.10	\$17.59	\$22.21
18,500	79	Area 220 watts	\$13.03	\$19.52	\$24.14
24,000	101	Area 280 watts	\$14.88	\$21.37	\$25.99
43,000	151	Area 420 watts	\$31.41	\$37.90	\$42.52
48,000	179	Area 530 watts	\$44.98	\$51.47	\$56.09

North Carolina Fifty-Eighth Revised Leaf No. 34
 Effective for service rendered on and after August 1, 2022
 NCUC Docket No. E-7, Sub 1146, Order dated June 22, 2018

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifty-Eighth Revised Leaf No. 34
Superseding North Carolina Fifty-Seventh Revised Leaf No. 34

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

<u>Lamp Rating</u>		<u>Per Month Per Luminaire</u>			
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (9)</u>	<u>New Pole</u>	<u>New Pole Served Underground</u>
Floodlight Service					
16,000	70	High Pressure Sodium Vapor*	\$16.48	\$22.97	\$27.59
27,500	104	High Pressure Sodium Vapor*	\$19.41	\$25.90	\$30.52
50,000	156	High Pressure Sodium Vapor*	\$21.81	\$28.30	\$32.92
40,000	155	Metal Halide**	\$24.22	\$30.71	\$35.33
34,000	180	Metal Halide (10)**	\$22.70	\$29.19 (11)	NA
34,000	180	Metal Halide (10)**	NA	\$33.01 (12)	\$33.81
110,000	217	Metal Halide (half night) (10)**	\$33.05	\$39.54	\$44.16
110,000	435	Metal Halide (10)**	NA	\$61.82 (11)	NA
110,000	435	Metal Halide (10)**	\$56.26	\$62.75	\$67.37
15,000	47	LED 130 watts	\$21.74	\$28.23	\$32.85
30,000	48	LED 260 watts (half night) (10)	\$45.76	\$52.25	\$56.87
30,000	95	LED 260 watts	\$47.06	\$53.55	\$58.17

- (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.
 - (5) Closed to new installations.
 - (6) Light Emitting Diode (LED) luminaires are only available as replacements for failed mercury vapor luminaires and for customer requested replacements of existing mercury vapor luminaires, provided the fixture will accommodate an LED luminaire as a replacement. LED luminaires are not available as replacements for High Pressure Sodium Vapor or Metal Halide luminaires except as provided under paragraph (D) below. LED luminaires are not available as replacements for other LED luminaires except as provided under paragraph (E) below.
 - (7) The Company will replace standard mercury vapor luminaires with LED luminaires not otherwise replaced under Note 6 above beginning January 1, 2020 through December 31, 2023.
 - (8) "Existing Pole", "New Pole" and/or "New Pole Served Underground" rates are applicable for existing pole, new pole and/or new pole served underground installations on or after September 1, 2018. After this date, the "Existing Pole" rates are available only for luminaires attached to poles which are not installed solely to support the luminaire.
 - (9) 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.
 - (10) 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.
 - (11) 30' wood pole served overhead.
 - (12) 40' wood pole served overhead.
- * High pressure sodium vapor luminaires are no longer available for new installations. Upon complete fixture failure the Company will replace any standard or nonstandard/decorative high pressure sodium vapor luminaire with a comparable LED luminaire and the monthly rate for the new luminaire will apply. Where the Customer requests the continued use of the same luminaire type for appearance reasons, the Company will attempt to provide such luminaire, and the Customer shall commence being billed in accordance with paragraph (A) above or paragraph (B) below. Customer requested replacement of high pressure sodium vapor luminaire prior to fixture failure are subject to a transition fee as provided under paragraph (D) below.

SCHEDULE PL (NC)
STREET AND PUBLIC LIGHTING SERVICE

- ** Metal halide luminaires are no longer available for new installations. Upon failure of the luminaire or ballast, the Company will replace any standard or nonstandard/decorative metal halide luminaire with a comparable LED luminaire and the monthly rate for the new luminaire will apply. Customer requested replacements of metal halide luminaires prior to failure are subject to a transition fee as provided under paragraph (D) below.
- *** Mercury vapor luminaires are no longer available and will not be repaired if they fail. Upon failure, the Company will replace any standard luminaire with a comparable LED luminaire and the monthly rate for the new luminaire will apply.

(B) Other Luminaires

Decorative and nonstandard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.0% of the estimated installed cost difference between the luminaire and structure requested and the equivalent luminaire and standard pole in (A) above.

(C) Underground Charges

- (1) For non-floodlight underground facilities installed prior to September 1, 2018 or for floodlight underground facilities installed prior to November 12, 1991, the 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	\$0.48	\$0.34
101 – 200 feet	\$0.87	\$0.73
Over 200 feet	\$0.87 plus \$0.07 for each increment of 10 feet, or less, over 200 feet	\$0.73 plus \$0.07 for each increment of 10 feet, or less, over 200 feet

- (2) For non-floodlight underground facilities installed on or after September 1, 2018 or for floodlight underground facilities installed on or after November 12, 1991, an underground conductor system, up to 150 feet per pole, can be installed to an existing pole under paragraph (A) above, for an additional monthly charge of \$4.62 per pole. For installations over 150 feet per pole, a charge of \$0.07 for each increment of 10 feet, or less over 150 feet will apply in addition to the \$4.62 charge (this is also applicable to new pole underground charges over 150 feet per pole).
- (3) When the installation requires the cutting and replacing of, 1.0% of the estimated cost of this cutting and replacing of pavement will be added to the charges above.
- (4) 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 1.0% of the estimated cost of the underground conductor system.

(D) Transition Fees for Change out of High Pressure Sodium and Metal Halide Luminaires to LED Luminaires

Upon customer request, the Company will replace a High Pressure Sodium or Metal Halide luminaire with an LED luminaire upon payment to the Company, in advance or in accordance with paragraph (D) (5), a transition fee as follows:

- (1) For non-floodlight luminaires billed under paragraph (A) above, the fee shall be \$36.00 for each such luminaire replaced. For floodlight luminaires billed under paragraph (A) above, the fee shall be \$101.00 for each such luminaire replaced.
- (2) For luminaires billed under paragraph (B) above, the fee shall be calculated on a per luminaire basis as the loss due to early retirement of the luminaire being replaced.
- (3) Customers will not be charged a transition fee for metal halide luminaires that are replaced due to failure of the ballast or luminaire.
- (4) Customers will not be charged a transition fee for high pressure sodium luminaires that are replaced due fixture failure. If fixture failure is due to willful damage, the Customer shall be responsible to pay applicable transition fees as noted above.
- (5) Customers may choose to pay transition fees noted in (D) (1) and (D) (2) above spread up to a 4 year period, billed annually. The transition fees under this provision will be billed approximately in August each year for an applicable term.

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(E) Transition Fees for Change out of LED Luminaires to other LED Luminaires

Upon the Customer request, the Company will replace LED luminaire with another LED luminaire at the same location. If the LED luminaire being replaced has been in service less than 20 years and the original contract term has been fulfilled, there will be a fee of \$40.00 paid in advance for each LED luminaire replaced and billed under paragraph (A) or paragraph (B) above. For LED luminaires that have been in service for 20 years or longer and initial contract terms have been fulfilled, the Company will, at no cost to the Customer, change the fixture at the same location under a new contract. For LED luminaires where the original contract term has not been fulfilled, the customer will pay the applicable termination fee under the original contract and a transition fee will not be charged.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3
Leaf No. 131	EDIT-4
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

EXPLANATORY NOTES AND OTHER CHARGES

- (1) The installation of bracket-mounted luminaires in (A) above includes Company-designated standard wood poles.
 - (a) Wood poles or structures other than designated standard wood poles, may be installed for an extra monthly charge equal to 1.0% 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 \$5.41 per month, per pole or other structure.
 - (b) The Company's standard metal street lighting pole is closed as of January 1, 2010. An extra monthly charge of \$5.41 per month, per pole applies to installations prior to January 1, 2010.
 - (c) The Company's standard metal mast-arm pole may be installed for an extra monthly charge of \$5.41 plus 1.0% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole, per month, per pole applies to installations prior to January 1, 2010. The standard metal mast-arm pole without a luminaire is closed as of January 1, 2010. A monthly charge of \$7.12 plus 1.0% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole applies to installations prior to January 1, 2010.
 - (d) For non-floodlight luminaires, brackets longer than 12 feet, but not longer than 20 feet can be installed for an additional monthly charge of \$4.36.
- (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.

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- (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.
- (4) For non-floodlight luminaires installed outside municipal limits prior to January 1, 2010, 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 \$1.72 per standard wood pole shall be made for such excess number of poles. For floodlight luminaires installed prior to November 12, 1991, 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 \$1.72 per standard wood pole shall be made for such excess number of poles. A monthly charge of \$6.49 per pole shall be made for such excess number of poles installed for service on or after January 1, 2010 for non-floodlight luminaires or on or after November 12, 1991 for floodlight luminaires in or outside municipal limits.
- (5) When the installation requested requires a primary extension solely to serve the luminaires, an additional monthly charge of 1.0% of the estimated cost of the primary extension will be made. For poles to support non-floodlight luminaires installed outside municipal limits prior to January 1, 2010 and for poles to support floodlight luminaires, should the installation of secondary facilities include downguys or spanguys, a charge of \$0.61 per month per guy shall be made.
- (6) Standard wood poles installed prior to January 1, 2010 may be provided for \$1.72 per pole per month plus \$.61 per month per guy for downguys or spanguys, if needed, when provided to solely support traffic signals. Standard wood poles installed January 1, 2010 and after, may be provided for \$6.49 per pole per month when provided solely to support traffic signals.
- (7) 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.
- (8) Color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$0.71 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.
- (9) For non-floodlight luminaires installed prior to January 1, 2010, 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 \$1.72. For floodlight luminaires installed prior to November 12, 1991, 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 \$1.72.
- (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.

OPTIONAL PREPAYMENT OF CERTAIN CHARGES

For non-floodlight LED and floodlight luminaires, the Customer may, at its option, prepay the initial capital cost of poles and underground wiring, in which case the monthly rate per luminaire shall be the Existing Pole Rate shown above.

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. 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

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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. Additionally, if the Customer requests to terminate the agreement for Metal Halide and/or High Pressure Sodium luminaires prior to the end of the original term in order to convert to an LED luminaire, the Customer will pay the applicable transition fee and a termination fee will not be charged. 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 NL (NC)
NONSTANDARD LIGHTING SERVICE
(Pilot)

AVAILABILITY (North Carolina Only)

This Schedule is closed and not available for service to new installations after August 1, 2018 but remains in effect for continually effective agreements under this Schedule. Available, at the Company's option, for outdoor lighting applications not offered under one of the Company's standard lighting tariffs which may include new technologies. The type of luminaire(s) and services provided will be included in the contract with the Customer. This schedule is available as a pilot.

RATE

The monthly rate for this service will be determined as follows:

Monthly Services Payment = Levelized Capital Cost + Expenses + [Energy x 6.5761¢ per kWh]

Where:

Levelized Capital Cost is equal to the present value of all estimated capital related cash flows for a period corresponding to the time of engineering, design and installation of equipment through the term of the contract, including the cost of cutting and replacing of pavement in excess of one per luminaire, adjusted to a pre-tax amount and converted to a uniform monthly payment for the term of the contract. The estimated capital cash flows shall include installed cost of equipment, contingency allowances, property taxes, salvage value, adjustment to reflect additional supporting investment of general plant nature, and income tax impacts.

Expenses shall equal the present value of estimated expenses associated with the support and maintenance of the equipment, adjusted to a pre-tax amount and converted to a uniform monthly payment for the term of the contract. The estimated expenses shall include administrative and general expenses, expenses for labor and materials related to operations and maintenance, third party expenses for operations and maintenance, warranties, insurance, annual costs associated with working capital, other costs related to the operation and support of the installation, and income tax impacts.

The after tax cost of capital from the Company's most recent general rate case will be used to convert present values to uniform monthly payments.

Energy is the equal to the estimated average kilowatt hours used per month under this agreement.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 60	Fuel Cost Adjustment Rider
Leaf No. 64	Existing DSM Program Costs Adjustment Rider
Leaf No. 105	BPM Prospective Rider
Leaf No. 106	BPM True-Up Rider
Leaf No. 127	CPRE Rider
Leaf No. 129	EDIT-3 Rider
Leaf No. 131	EDIT-4 Rider
Leaf No. 135	Storm Cost Recovery Rider

A Storm Securitization Rider charge will be added to the monthly bill based on the currently approved cents/kWh incremental rate as shown in Leaf No. 133.

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Electricity No. 4
North Carolina Twenty-Seventh Revised Leaf No. 35
Superseding North Carolina Twenty-Sixth Revised Leaf No. 35

SCHEDULE NL (NC)
NONSTANDARD LIGHTING SERVICE
(Pilot)

OPTIONAL PREPAYMENT OF LEVELIZED CAPITAL COST

The Customer may, at its option, prepay the Levelized Capital Cost, in which case the monthly rate per luminaire shall be the Expenses plus Energy charges. The prepayment amount shall be the net present value of the after-tax cash flow of the Levelized Capital Cost using the current after-tax cost of capital.

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. 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 for Nonstandard Lighting Service from the Company for an original term of five (5) years, after which agreement terminates unless the customer enters into a new five (5) year contract for Nonstandard Lighting Service. In the event of early termination of an Agreement under this program, the Customer may be required to pay the Company a termination fee equal to the net present value of the Monthly Service Fee, less the Energy Charge, for the remainder of the term of the contract. However, if any successor customer has requested service supplied under this schedule prior to the effective date of the termination, the termination charge will be waived or reduced based on the contract of the successor customer.

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Electricity No. 4
 North Carolina Fifty-Fifth Revised Leaf No. 99
 Superseding North Carolina Fifty-Fourth Revised Leaf No. 99

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SUMMARY OF RIDER ADJUSTMENTS

The following is a summary of Rider Adjustments that must be added to the bill calculated on the applicable rate schedule in order to compute the bill. The factors shown below include revenue-related taxes and regulatory fees. More specific information concerning these Riders is contained in the applicable Rider listed below.

Residential Schedules RS, RE, ES, RT, RSTC, RETC

	<u>cents/kWh</u>	<u>Effective Date</u>
Fuel Cost Adjustment Rider	0.8851	9/1/22
Energy Efficiency Rider	0.3389	1/1/23
Existing DSM Program Costs Adjustment Rider	-0.0020	7/1/22
BPM Prospective Rider	-0.0120	7/1/22
BPM True-Up Rider	-0.0031	7/1/22
CPRE Rider	0.0369	9/1/22
EDIT-3 Rider	-0.1894	10/1/21
EDIT-4 Rider	-0.4842	10/1/21
Storm Cost Recovery Rider	0.0000	6/1/21
TOTAL cents/kWh	0.5702	

General Service Schedules SGS, BC, LGS, TS, S, OPT-E, OPT-V, PG, SGSTC

	<u>cents/kWh</u>	<u>Effective Date</u>
Fuel Cost Adjustment Rider	0.6898	9/1/22
Energy Efficiency Rider	0.6242	1/1/23
Existing DSM Program Costs Adjustment Rider	-0.0020	7/1/22
BPM Prospective Rider	-0.0120	7/1/22
BPM True-Up Rider	-0.0031	7/1/22
CPRE Rider	0.0348	9/1/22
EDIT-3 Rider	-0.1132	10/1/21
EDIT-4 Rider	-0.2893	10/1/21
Storm Cost Recovery Rider	0.0000	6/1/21
TOTAL cents/kWh	0.9292	

Lighting Schedules PL, OL, NL

	<u>cents/kWh</u>	<u>Effective Date</u>
Fuel Cost Adjustment Rider	0.6898	9/1/22
Energy Efficiency Rider	0.0000	1/1/23
Existing DSM Program Costs Adjustment Rider	-0.0020	7/1/22
BPM Prospective Rider	-0.0120	7/1/22
BPM True-Up Rider	-0.0031	7/1/22
CPRE Rider	0.0348	9/1/22
EDIT-3 Rider	-0.4875	10/1/21
EDIT-4 Rider	-1.2461	10/1/21
Storm Cost Recovery Rider	0.0000	6/1/21
TOTAL cents/kWh	-1.0261	

* Qualifying customers who have opted out of the Company's Energy Efficiency and/or Demand Side Management Programs are not subject to the applicable Energy Efficiency Rider charges based on the individual customer's opt-out election. Refer to Rider EE to determine the Rider EE amount, if any, applicable to customers who have opted out.

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Electricity No. 4
 North Carolina Fifty-Fifth Revised Leaf No. 99
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SUMMARY OF RIDER ADJUSTMENTS

<u>Industrial Schedules I, OPT-E, OPT-V, PG</u>	<u>cents/kWh</u>	<u>Effective Date</u>
Fuel Cost Adjustment Rider	0.7480	9/1/22
Energy Efficiency Rider	0.6242	1/1/23
Existing DSM Program Costs Adjustment Rider	-0.0020	7/1/22
BPM Prospective Rider	-0.0120	7/1/22
BPM True-Up Rider	-0.0031	7/1/22
CPRE Rider	0.0339	9/1/22
EDIT-3 Rider	-0.0886	10/1/21
EDIT-4 Rider	-0.2264	10/1/21
Storm Cost Recovery Rider	0.0000	6/1/21
TOTAL cents/kWh	1.0740	

	<u>cents/kWh</u>	<u>cents/kWh</u>	<u>Effective Date</u>
<u>Schedule HP – General Service</u>	<u>Baseline</u>	<u>Incremental</u>	
Fuel Cost Adjustment Rider	0.6898	0.0000	9/1/22
Energy Efficiency Rider	0.6242	0.6242	1/1/23
Existing DSM Program Costs Adjustment Rider	-0.0020	-0.0020	7/1/22
BPM Prospective Rider	-0.0120	-0.0120	7/1/22
BPM True-Up Rider	-0.0031	-0.0031	7/1/22
CPRE Rider	0.0348	0.0348	9/1/22
EDIT-3 Rider	-0.1132	-0.1132	10/1/21
EDIT-4 Rider	-0.2893	-0.2893	10/1/21
Storm Cost Recovery Rider	0.0000	0.0000	6/1/21
TOTAL cents/kWh	0.9292	0.2394	

	<u>cents/kWh</u>	<u>cents/kWh</u>	<u>Effective Date</u>
<u>Schedule HP – Industrial</u>	<u>Baseline</u>	<u>Incremental</u>	
Fuel Cost Adjustment Rider	0.7480	0.0000	9/1/22
Energy Efficiency Rider	0.6242	0.6242	1/1/23
Existing DSM Program Costs Adjustment Rider	-0.0020	-0.0020	7/1/22
BPM Prospective Rider	-0.0120	-0.0120	7/1/22
BPM True-Up Rider	-0.0031	-0.0031	7/1/22
CPRE Rider	0.0339	0.0339	9/1/22
EDIT-3 Rider	-0.0886	-0.0886	10/1/21
EDIT-4 Rider	-0.2264	-0.2264	10/1/21
Storm Cost Recovery Rider	0.0000	0.0000	6/1/21
TOTAL cents/kWh	1.0740	0.3260	

* Qualifying customers who have opted out of the Company's Energy Efficiency and/or Demand Side Management Programs are not subject to the applicable Energy Efficiency Rider charges based on the individual customer's opt-out election. Refer to Rider EE to determine the Rider EE amount, if any, applicable to customers who have opted out.

North Carolina Fifty-Fifth Revised Leaf No. 99
 Effective for service rendered on and after January 1, 2023
 NCUC Docket No. E-7, Sub 1265, Order dated December 12, 2022

Duke Energy Carolinas, LLC

Electricity No. 4
 North Carolina Fortieth Revised Leaf No. 60
 Superseding North Carolina Thirty-Ninth Revised Leaf No. 60

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FUEL COST ADJUSTMENT RIDER (NC)

APPLICABILITY (North Carolina Only)

Service supplied under the Company's rate schedules are subject to approved fuel charge adjustments, if any, over or under the Rate set forth in the approved rate schedules. Adjustments are made pursuant to North Carolina General Statute 62-133.2 and North Carolina Utilities Commission Rule R8-55 as ordered by the North Carolina Utilities Commission.

BASE FUEL COSTS

Effective June 1, 2021, the Base Fuel Costs established in Docket No. E-7, Sub 1214 are: Residential: 1.6027¢ per kilowatt-hour, General Service/Lighting: 1.7583¢ per kilowatt-hour and Industrial: 1.6652¢ per kilowatt-hour. These amounts are included in the energy charges of the Company's rate schedules.

FUEL COST ADJUSTMENT AND EXPERIENCE MODIFICATION FACTOR

All service supplied under the Company's rate schedules is subject to an increment or decrement per kilowatt-hour as set forth below. This adjustment is not included in the rate schedules of the Company and therefore must be applied to the bill as calculated under the applicable rate.

<u>RESIDENTIAL SERVICE</u>		<u>Fuel and Fuel Related Costs</u> Effective September 1, 2022	
Adjustment to Residential		0.3976	¢/kWh
Experience Modification Factor & Interest	+	0.4863	¢/kWh
Net Fuel Rider Factor		0.8839	¢/kWh
Regulatory Fee Multiplier	×	1.001402	
Fuel Cost Adjustment Factor		0.8851	¢/kWh

<u>GENERAL SERVICE AND LIGHTING</u>		<u>Fuel and Fuel Related Costs</u> Effective September 1, 2022	
Adjustment to General Service and Lighting		0.0634	¢/kWh
Experience Modification Factor & Interest	+	0.6254	¢/kWh
Net Fuel Rider Factor		0.6888	¢/kWh
Regulatory Fee Multiplier	×	1.001402	
Fuel Cost Adjustment Factor		0.6898	¢/kWh

<u>INDUSTRIAL SERVICE</u>		<u>Fuel and Fuel Related Costs</u> Effective September 1, 2022	
Adjustment to Industrial		0.1744	¢/kWh
Experience Modification Factor & Interest	+	0.5726	¢/kWh
Net Fuel Rider Factor		0.7470	¢/kWh
Regulatory Fee Multiplier	×	1.001402	
Fuel Cost Adjustment Factor		0.7480	¢/kWh

RIDER EE (NC) ENERGY EFFICIENCY RIDER

APPLICABILITY (North Carolina Only)

Service supplied under the Company's rate schedules is subject to approved adjustments for new energy efficiency and demand-side management programs approved by the North Carolina Utilities Commission (NCUC). The Rider Adjustments are not included in the Rate Schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

As of January 1, 2023, cost recovery under Rider EE consists of the four-year term program, years 2014-2017, as well as rates under the continuation of that program for years 2018-2023 as outlined below. This Rider applies to service supplied under all rate schedules, except rate schedules OL, FL, PL, GL and NL for program years 2017-2023.

GENERAL PROVISIONS

This Rider will recover the cost of new energy efficiency and demand-side management programs beginning January 1, 2014, using the method approved by the NCUC as set forth in Docket No. E-7, Sub 1032, Order dated October 29, 2013, and as revised by Docket No. E-7, Sub 1130, Order dated August 23, 2017, and Docket No. E-7, Sub 1032, Order dated October 20, 2020.

TRUE-UP PROVISIONS

Rider amounts will initially be determined based on estimated kW and kWh impacts related to expected customer participation in the programs, and will be true-up as actual customer participation and actual kW and kWh impacts are verified. If a customer participates in any vintage of programs, the customer is subject to the true-ups as discussed in this section for any vintage of programs in which the customer participated.

RIDER EE OPT OUT PROVISION FOR QUALIFYING NON-RESIDENTIAL CUSTOMERS

The Rider EE increment applicable to energy efficiency programs and/or demand-side management 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 has notified the Company that it has implemented, 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. Additionally, all other agreements billed to the same entity associated with the manufacturing industry located on the same or contiguous properties are also eligible to opt out.
 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. Additionally, all other agreements billed to the same entity with lesser annual usage located on the same or contiguous properties are also eligible to opt out.

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

For customers who elect to opt out of energy efficiency programs, the following provisions also apply:

- Qualifying customers may opt out of the Company's energy efficiency programs each calendar year only during the annual two-month enrollment period between November 1 and December 31 immediately prior to a new Rider EE becoming effective on January 1. (Qualifying new customers have sixty days after beginning service to opt out.)
- Customers may not opt out of individual energy efficiency programs offered by the Company. The choice to opt out applies to the Company's entire portfolio of energy efficiency programs.
- If a customer participates in any vintage of energy efficiency programs, the customer, irrespective of future opt out decisions, remains obligated to pay the remaining portion of the lost revenues for each vintage of energy efficiency programs in which the customer participated.

RIDER EE (NC)
ENERGY EFFICIENCY RIDER

- Customers who elect to opt out during the two-month annual enrollment period immediately prior to the new Rider EE becoming effective may elect to opt in to the Company's energy efficiency programs during the first 5 business days of March each calendar year. Customers making this election will be back-billed retroactively to the effective date of the new Rider EE.

For customers who elect to opt out of demand-side management programs, the following provisions also apply:

- Qualifying customers may opt out of the Company's demand-side management program during the enrollment period between November 1 and December 31 immediately prior to a new Rider EE becoming effective on January 1 of the applicable year. (Qualifying new customers have sixty days after beginning service to opt out.)
- If a customer elects to participate in a demand-side management program, the customer may not subsequently choose to opt out of demand-side management programs for three years.
- Customers who elect to opt out during the two-month annual enrollment period immediately prior to the new Rider EE becoming effective may elect to opt in to the Company's demand-side management program during the first 5 business days of March each calendar year. Customers making this election will be back-billed to the effective date of the new Rider EE.

Any qualifying non-residential customer that has not participated in an energy efficiency or demand-side management program may opt out during any enrollment period, and has no further responsibility to pay Rider EE amounts associated with the customer's opt out election for energy efficiency and/or demand-side management programs.

ENERGY EFFICIENCY RIDER ADJUSTMENTS (EEA) FOR ALL PROGRAM YEARS

The Rider EE amounts applicable to the residential and nonresidential rate schedules for the period January 1, 2023 through December 31, 2023 including utility assessments are as follows:

Residential

Vintage 2018 ¹ , 2019 ¹ , 2020 ¹ , 2021 ¹	(0.0903) ¢ per kWh
Vintage 2020 ² , 2021 ² , 2022 ² , 2023 ²	<u>0.4292 ¢ per kWh</u>
Total Residential Rate	0.3389 ¢ per kWh

Nonresidential

Vintage 2018 ³	
Energy Efficiency	(0.0021) ¢ per kWh
Demand Side Management	(0.0002) ¢ per kWh
Vintage 2019 ³	
Energy Efficiency	0.0064 ¢ per kWh
Demand Side Management	0.0003 ¢ per kWh
Vintage 2020 ³	
Energy Efficiency	0.0247 ¢ per kWh
Demand Side Management	(0.0002) ¢ per kWh
Vintage 2021 ³	
Energy Efficiency	(0.0162) ¢ per kWh
Demand Side Management	(0.0173) ¢ per kWh
Vintage 2022 ³	
Energy Efficiency	0.0995 ¢ per kWh
Demand Side Management	0.0000 ¢ per kWh

Duke Energy Carolinas, LLC

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Superseding North Carolina Sixteenth Revised Leaf No. 62

RIDER EE (NC)
ENERGY EFFICIENCY RIDER

Vintage 2023 ³	
Energy Efficiency	0.4323 ¢ per kWh
Demand Side Management	0.0970 ¢ per kWh
Total Nonresidential Rate	0.6242 ¢ per kWh

¹ Includes the true-up of program costs, shared savings and lost revenues from Vintages 2018, 2019, 2020 and 2021

² Includes prospective component of Vintages 2020, 2021, 2022 and 2023

³ Not Applicable to Rate Schedules OL, FL, PL, GL and NL

Each factor listed under Nonresidential is applicable to nonresidential customers who are not eligible to opt out and to eligible customers who have not opted out. If a nonresidential customer has opted out of a Vintage(s), then the applicable energy efficiency and/or demand-side management charge(s) shown above for the Vintage(s) during which the customer has opted out will not apply to the bill.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Eighteenth Revised Leaf No. 64
Superseding North Carolina Seventeenth Revised Leaf No. 64

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Jan 19 2023

EXISTING DSM PROGRAM COSTS ADJUSTMENT RIDER (NC)

APPLICABILITY (North Carolina Only)

Service supplied under the Company's rate schedules is subject to approved Demand Side Management (DSM) program costs adjustments, if any, over or under the rate incorporated in the approved rate schedules.

EXISTING DSM PROGRAM RATE ADJUSTMENTS

The Commission has ordered effective for service rendered on and after January 1, 2008 that such an adjustment shall be included in the Company's rate schedules and an appropriate existing DSM program costs adjustment rider be filed together with the rate schedules to implement the changes to the existing DSM program costs components.

BASE EXISTING DSM PROGRAM COSTS

The Base Existing DSM Program Costs amount established effective June 1, 2021 in Docket No. E-7, Sub 1214 is 0.0063 cents per kilowatt-hour (¢/kWh).

EXISTING DSM PROGRAM COST ADJUSTMENT FACTOR

A rider adjustment will be applied to the energy charges of all NC Retail rate schedules in an amount to the nearest one ten-thousandth of a cent, as determined by the following formula, to the extent determined reasonable and proper by the Commission. This adjustment is not included in the rate schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

$$A = D / S$$

Where:

A = Existing DSM Program Costs Rate Adjustment per kilowatt hour applied to the applicable base rates rounded to the nearest one ten-thousandths of a cent

D = DSM deferral account balance for the period calculated as $((C \times \text{NC Allocation Factor}) - E) + R$

Where:

C = Program costs from existing DSM programs as defined in Docket Nos. E-7, Sub 487, E-100, Sub 64, and E-100, Sub 75

NC Allocation Factor = NC Retail summer coincident peak / Total system summer coincident peak from current Cost of Service Study

E = Base Existing DSM Program Costs established June 1, 2021 in Docket No. E-7, Sub 1214 of 0.0063 ¢/kWh, multiplied by actual NC Retail kWh sales for the applicable period

R = Return calculated by applying, on a monthly basis, the net-of-tax overall rate of return approved in the last general rate case and compounding annually

S = Projected Sales, defined as projected North Carolina Retail jurisdictional kilowatt hour sales from all classes of customers for the applicable July 1 – June 30 rider period

	<u>Effective July 1, 2022</u>
Change in Existing DSM Costs	-0.0020 ¢/kWh
Regulatory Fee Multiplier	× 1.001302
Change in Rates	-0.0020 ¢/kWh

Duke Energy Carolinas, LLC

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Superseding North Carolina Seventeenth Revised Leaf No. 64

EXISTING DSM PROGRAM COSTS ADJUSTMENT RIDER (NC)

The appropriate regulatory fee will be applied to rate adjustments approved under this Rider. The rider calculation will be subject to appropriate modification to reflect changes in income tax laws or regulations, subject to Commission approval.

Beginning in 2009, the Company shall file the Existing DSM Program Costs Adjustment Rider on April 1 of each year following the calendar year under consideration, to be effective July 1 of that year.

**RIDER NM (NC)
NET METERING**

AVAILABILITY (North Carolina Only)

Available to residential and nonresidential Customers receiving concurrent service from the Company where a photovoltaic, wind-powered, micro-hydro or biomass-fueled generation source of energy, is installed on the Customer's side of the delivery point, for the Customer's own use, interconnected with and operated in parallel with the Company's distribution system.

GENERAL PROVISIONS

1. To qualify for service under this Rider, a residential Customer may be served on any residential rate schedule. The Nameplate Rating of the Customer's installed generation system and equipment must not exceed the estimated maximum monthly kilowatt (kW) demand of the residence or 20 kW, whichever is less.
2. To qualify for service under this Rider, a nonresidential Customer may be served under one of the Company's general service or industrial rate schedules that does not otherwise provide for parallel operation of a customer generator. The Nameplate Rating of the Customer's installed generation system and equipment must not exceed the Customer's Contract Demand or 1000 kW, whichever is less.
3. If the electricity supplied to the Customer by the Company exceeds the electricity delivered to the grid by the Customer-Generator during a monthly billing period, the Customer-Generator shall be billed for the net electricity in kilowatt hours supplied by the Company, plus any demand or other charges under the applicable rate schedule. If the electricity delivered to the grid by the Customer-Generator exceeds the electricity in kilowatt hours supplied by the utility during a monthly billing period, the Customer-Generator shall be credited for the excess kilowatt hours generated during that billing period. Charges or credits will be determined using the appropriate energy rates of the applicable rate schedule as further outlined in the RATE paragraph below.
4. All other provisions of the applicable rate schedule including, but not limited to, Determination of Billing Demand, Determination of On-Peak and Off-Peak Hours, Definition of Month, Contract Demand, Approved Fuel Charge Adjustments, etc. will apply to service supplied under this Rider.
5. If the Customer is not the owner of the premises receiving electric service from the Company, the Company shall have the right to require that the owner of the premises give satisfactory written approval of the Customer's request for service under this Rider.
6. Customers served under this Rider are not eligible to participate in NC GreenPower.
7. For any customer receiving service under a non-time of use demand rate schedule, any renewable energy credits (RECs) shall be retained by the Company.

RATE

The rate shall be the applicable time of use demand rate schedule and the monthly bill shall be determined as follows:

- I. The Basic Facilities Charge shall be the Basic Facilities Charge from the applicable rate schedule.
- II. The Demand Charge shall be determined from the applicable schedule as appropriate.
- III. Energy Charges (or Credits) shall be based on the net kilowatt hours purchased from or delivered to the Company for the bill month. For any bill month during which the Energy Charges are a net credit, the respective Energy Charges for the month shall be zero. Any Energy Credits shall carry forward on following month's bill. If the customer is on a time of use rate, the energy credits shall carry forward by first applying excess On-Peak kWh against On-Peak kWh charges and excess Off-peak kWh against Off-peak kWh charges, then applying any remaining On-Peak kWh against any remaining Off-Peak kWh charges. Effective with the seasonal rate change on June 1 of each year, any accrued credit will be reset to zero. Credits shall not offset the Basic Facilities Charge or the Demand Charge.

**RIDER NM (NC)
NET METERING**

- IV. A Standby Charge of \$1.7235 per kW per month will apply to all nonresidential customers where the generator is larger than 100 kW.

MINIMUM BILL

The monthly minimum bill for Customers receiving service under this Rider shall be no less than Basic Facilities Charge plus the if applicable, any of the following charges: the Demand Charge, the Economy Demand Charge the Standby Charge, and the Extra Facilities Charge.

DETERMINATION OF STANDBY CHARGES

The Company will require each Customer served under this Rider with a generator system of more than 100 kW to contract for standby, auxiliary or breakdown service. For billing purposes, the Standby kW will be based on the Nameplate Rating, in kilowatts, of the Customer's system.

METERING REQUIREMENTS

The Company will furnish, install, own and maintain metering to measure the kilowatt demand delivered by the Company to the Customer, and to measure the net kilowatt-hours purchased by the Customer or delivered to the Company. 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.

SAFETY, INTERCONNECTION AND INSPECTION REQUIREMENTS

This Rider 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 a Request to Interconnect, 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.

The Customer shall be responsible for any costs incurred by the Company pursuant to the Interconnection Procedures. The Company reserves the right to require additional interconnection facilities, furnished, installed, owned and maintained by the Company, at the Customer's expense, if the Customer's system, despite compliance with the Interconnection Procedures, causes safety, reliability or power quality problems. These additional facilities will be subject to a monthly charge under the Extra Facilities provisions of the Company's Service Regulations provided, however, that the minimum Extra Facilities charge shall not apply.

POWER FACTOR CORRECTION

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 energy in kilowatt-hours, as appropriate. The Company reserves the right to install facilities necessary for the measurement of power factor. The Company will not install such equipment, nor make a power factor correction if the generator system is less than 20 kW and uses an inverter.

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Superseding North Carolina Twelfth Revised Leaf No. 72

RIDER NM (NC)
NET METERING

CONTRACT PERIOD

Each Customer shall enter into a contract for a minimum original term of one (1) year, except that either party may terminate the contract after one year by giving at least sixty (60) days previous notice of such termination in writing.

The Company reserves the right to terminate the Customer's contract under this Rider at any time upon written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Rider, or operates the generation system and equipment 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 Rider, the Customer will be required to pay the Company for the costs due to such early cancellation, in accordance with the Company's North Carolina Service Regulations.

RIDER SCG (NC)
SMALL CUSTOMER GENERATOR

AVAILABILITY

Available, at the Company's option, for residential and nonresidential Customers receiving concurrent service from the Company where a photovoltaic, wind-powered, hydroelectric or biomass-fueled generation source of energy is installed on the Customer's side of the delivery point interconnected with and operated in parallel with the Company's system. The Customer's generation system will be used to offset the Customer's energy and if applicable, demand requirements, supplied by the Company to the Customer. The Customer will be billed for all energy purchased from the Company under the applicable rate schedule and the excess energy will be purchased by the Company at the credit rate listed below. The Company reserves the right to limit the number of Customers allowed to interconnect generation systems and equipment on an individual electric circuit or substation. If the Customer is not the owner of the premises receiving electric service from the Company, the Company shall have the right to require that the owner of the premises give satisfactory written approval of the Customer's request for service under this Rider.

This Rider is available to Customers who install electric energy systems and contract with the Company for service under this Rider subject to the following conditions:

1. Residential Customers

To qualify for service under this Rider, a residential Customer must be receiving service under one of the Company's residential service schedules. The Nameplate Rating of the Customer's installed generation system and equipment must not exceed the estimated maximum monthly kilowatt (kW) demand of the residence or 20 kW, whichever is less.

2. Nonresidential Customers

To qualify for service under this Rider, a nonresidential Customer must be receiving service under one of the Company's general service or industrial rate schedules that does not otherwise provide for parallel operation of a customer generator. The Nameplate Rating of the Customer's installed generation system and equipment must not exceed Customer's Contract Demand or 1000 kW, whichever is less. The Contract Demand shall be the maximum demand to be delivered under normal conditions to the Customer excluding output from the Customer's installed electric energy system.

RATE

- I. The applicable rate schedule for energy delivered to the Customer, and demand if applicable, shall be the rate schedule for which the Customer qualifies and / or selects for the Customer's class of service.
- II. The following charges and credits will be added to the Customer's bill calculated under Paragraph I. above:

CHARGES

Supplemental Basic Facilities Charge per month:	\$3.92
Standby Charge per month	
For systems 100 kW or less	No charge
For systems larger than 100 kW, per kW	\$1.7235

CREDITS

The Customer will receive credits for all excess energy delivered by the Customer to the Company equal to the most recently approved Schedule PP (NC) Variable Rate Energy Credit applicable to the Customer's generation type (Interconnected to the Distribution System). Unless otherwise specified in the Company's contract with the Customer, payment of credits under this Schedule do not convey to the Company the right to renewable energy credits (RECS) associated with the energy delivered to the Company by the Customer.

**RIDER SCG (NC)
SMALL CUSTOMER GENERATOR**

MINIMUM BILL

The monthly minimum bill for Customers receiving service under this Rider shall be no less than the Minimum Bill calculated from the Rate Schedule with which this Rider is used, plus the Supplemental Basic Facilities Charge, plus, if applicable, the Standby Charge and, the monthly Extra Facilities charge.

METERING REQUIREMENTS

The Company will furnish, install, own and maintain metering to measure the kilowatt-hours delivered by the Company to the Customer, and if applicable, the kilowatt demand. The Company will also furnish, install, own and maintain metering equipment to measure the kilowatt-hours delivered from the Customer to the Company. The Customer's service will be metered with a single, bi-directional meter, which records independently the flow of electricity in each direction through the meter. The Company may require a contribution in aid of construction if it is required to provide to the Customer a metering installation that is deemed to be economically infeasible. 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.

DETERMINATION OF ON-PEAK AND OFF-PEAK ENERGY

On-Peak Energy shall be energy, in kilowatt-hours, which is supplied to the Company during On-Peak Period Hours. Off-Peak Energy shall be energy, in kilowatt-hours, which is supplied to the Company during Off-Peak Period Hours. The On-Peak and Off-Peak Period hours are outlined in Schedule PP-N and PP-H for Option A or Option B, as selected by the Customer.

DETERMINATION OF STANDBY CHARGES

The Company will require each Customer served under this Rider with a generator system of more than 100 kW to contract for standby, auxiliary or breakdown service. For billing purposes, the Standby kW will be based on the Nameplate Rating, in kilowatts, of the Customer's system.

DEFINITION OF "NAMEPLATE RATING"

The term "Nameplate Rating" shall mean the maximum electrical output capability of the Customer's generation system and equipment at any time.

SAFETY, INTERCONNECTION AND INSPECTION REQUIREMENTS

This Rider 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 a Request to Interconnect, 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.

The Customer shall be responsible for any costs incurred by the Company pursuant to the Interconnection Procedures. The Company reserves the right to require additional interconnection facilities, furnished, installed, owned and maintained by the Company, at the Customer's expense, if the Customer's system, despite compliance with the Interconnection Procedures, causes

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Superseding North Carolina Twelfth Revised Leaf No. 75

**RIDER SCG (NC)
SMALL CUSTOMER GENERATOR**

safety, reliability or power quality problems. These additional facilities will be subject to a monthly charge under the Extra Facilities provisions of the Company's Service Regulations provided, however, that the minimum Extra Facilities charge shall not apply.

POWER FACTOR CORRECTION

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 energy in kilowatt-hours, as appropriate. The Company reserves the right to install facilities necessary for the measurement of power factor and to impose an Extra Facilities Charge accordingly, solely at the option of the Company. The Company will not install such equipment, nor make a power factor correction if the generator system is less than 20 kW and uses an inverter.

CONTRACT PERIOD

Each Customer shall enter into a contract for a minimum original term of one (1) year, except that either party may terminate the contract after one year by giving at least sixty (60) days previous notice of such termination in writing. The Company reserves the right to offer or require a contract for a longer original term of years, as specified in the individual contract with the customer, when justified by the circumstances.

The Company reserves the right to terminate the Customer's contract under this Rider at any time upon written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Rider, or operates the generation system and equipment 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 Rider, the Customer will be required to pay the Company for the costs due to such early cancellation, in accordance with the Company's North Carolina Service Regulations.

RIDER PS (NC)
POWERSHARE NONRESIDENTIAL LOAD CURTAILMENT

AVAILABILITY (North Carolina only)

Available on a limited and voluntary basis, at the Company's option to nonresidential customers receiving concurrent service from the Company on Schedule LGS, I, OPT-V and HP; however, customers on Schedule HP are eligible only for the Mandatory Curtailment Option. The Company shall limit the acceptance of contracts under the Mandatory Curtailment and Generator Curtailment Option to a collective total of 1,500,000 KW of Maximum Curtailable Demand on the Company's system.

GENERAL PROVISIONS

Under this Rider the Customer receives credits when, at the Company's request, the Customer agrees to reduce and maintain his load to a level specified in the individual contract, or as nominated on a per event basis, or transfers load to a standby generator, under one of the curtailment options below. The provisions of this Rider apply in addition to the stated provisions of the Customer's rate schedule.

Service under the Mandatory or Voluntary options of this Rider will not begin until, or unless the Company has satisfactory interval load data for the purposes of establishing the Forecasted Demand.

Continued service under this Rider is subject to satisfactory performance by the Customer, as determined by the Company, in response to the Company's request for curtailment.

DEFINITIONS

Contract Demand: The Contract Demand is the maximum kilowatt demand which the Company shall be required to supply to the Customer.

Maximum Curtailable Demand: The Maximum Curtailable Demand is either (a) that portion of the Contract Demand which the Company will supply to the Customer at all times except during Curtailment Periods under the Mandatory or Voluntary Curtailment Option or (b) the capacity the Customer agrees to transfer from the Company's source to the standby generator during Curtailment Periods under the Generator Curtailment Option. The customer will be required to curtail at least 100 kW during Curtailment Periods under the Mandatory or Voluntary Curtailment Option. The customer will be required to transfer at least 100 kW during Curtailment Periods and Tests under the Generator Option

Firm Demand: The Firm Demand, which may be specified at different values for the Summer months of June through September and the Winter months of October through May, is that portion of the Contract Demand which the Company will supply to the Customer without limitation on the periods of availability. For customers served on Schedule HP, the Firm Demand must be less than the Customer Baseline (CBL).

Forecasted Demand: The Forecasted Demand is the kW per hour which the customer would be expected to register absent a Curtailment Period and is used to determine the Energy Credits applicable under the Mandatory or Voluntary Curtailment Option.

Curtailment Period: A Curtailment Period is that interval of time, initiated and terminated by the Company, (a) during which the participating customer will require service at no more than the applicable Firm Demand under the Mandatory or Voluntary Curtailment Option, or (b) during which the Customer is requested to offset load from the Company's source by transferring load to the Customer's engine/generator unit under the Generator Curtailment Option.

Exposure Period: The Exposure Period is that period of time within the month corresponding to the weekday peak demand periods and during which curtailment under these provisions is most likely to occur. Specifically, the Exposure Period for the purpose of computing monthly credits is defined as follows:

Summer Months of June through September
1:00 p.m. to 9:00 p.m., Monday through Friday

Winter Months of October through May
6:00 a.m. to 1:00 p.m., Monday through Friday

RIDER PS (NC)
POWERSHARE NONRESIDENTIAL LOAD CURTAILMENT

MANDATORY CURTAILMENT OPTION

GENERAL PROVISIONS

The Company's request to curtail service under this option may be at any time the Company has capacity constraints, including generation, transmission or distribution capacity constraints or reactive power concerns. The Company, at its sole discretion, may limit requests for curtailment to certain groups of customers for valid reasons.

Under this option the customer agrees to reduce and maintain load to the Firm Demand specified in the contract. Customers served under the Mandatory Curtailment Option may also contract for service under the Voluntary Curtailment Option, but may not contract under the Generator Curtailment Option.

The Company reserves the right to test the provisions of this Rider twice per year, and shall give advance notice of any test to customers served under this Rider.

RATE

Facilities Fee \$ 40.00 per month

Credits*

1. Capacity Credit

Each month, a determination of the curtailable capacity available to the Company during the Exposure Period will be made in order to compute a credit under the Mandatory Curtailment Option. The resulting amount will be the Effective Curtailable Demand (ECD) and shall not be less than zero. The monthly Capacity Credit is equal to the ECD X \$3.50/kW.

2. Energy Credit

During any month when curtailment is requested, the Customer will also receive an energy credit of \$.10 per kWh for the energy curtailed between the Firm Demand and the Forecasted Demand during a Curtailment Period.

* HP customers see Schedule HP, Provision For Customers Served Under Rider PS

Penalty and Penalty Computation

If the Customer fails to reduce and maintain load at, or below the Firm Demand during any Curtailment Period, a penalty will be applied to the Customer's account for the month of occurrence at the rate of \$2.00 per kWh for all kWh used above the Firm Demand.

CONTROL NOTICES AND LIMITATIONS

The Customer shall be notified of all initiations of Curtailment Periods at least thirty (30) minutes prior to such times. The Company may invoke Curtailment Periods for not more than 100 hours in any year. Further, the Company shall have the right to invoke a Curtailment Period at any time, subject to a maximum duration of 10 hours in any calendar day, which may be extended only by mutual agreement with the Customer.

VOLUNTARY CURTAILMENT OPTION

GENERAL PROVISIONS

The Company's request to curtail service under the Voluntary Curtailment Option may be at any time. Under this option, the customer agrees, on a per event basis, to reduce load to a Firm Demand. Customers served under the Voluntary Curtailment Option may also contract for service under the Mandatory Curtailment Option, but may not contract under the Generator Curtailment Option.

Customers who agree to curtail load during a Curtailment Period must indicate their desire to participate in the event in accordance with an offer, the details of which will be posted on the Duke Energy web site. The Customer will be required to nominate an amount of load to be reduced during the Curtailment Period by establishing a Firm Demand. Customer nominations

RIDER PS (NC)
POWERSHARE NONRESIDENTIAL LOAD CURTAILMENT

to curtail load will be accepted on a first-come, first-served basis, and are not firm until the Company has accepted the Customer's nomination. Prior to acceptance of any nomination, the Company may rescind the offer based on customer responses to the offer or due to changes in load conditions.

Under the Voluntary Curtailment Option each participating customer will receive notice of an offer to participate in a curtailment event and such notice will normally be made on the business day immediately prior to the event, but in no case will be less than one hour's notice prior to the beginning of the Curtailment Period. The offer will include the hourly energy prices (\$/ kWh) for each hour of the Curtailment Period to be used to determine the Energy Credit.

The Company reserves the right to test the provisions of this Rider twice per year, and shall give advance notice of any test to customers served under this Rider.

RATE

Facilities Fee \$ 40.00 per month (see Exception)

Exception. The Facilities Fee does not apply to customers concurrently enrolled under the Mandatory Curtailment Option.

Credits

Energy credits will be paid to the customer for the load curtailed between the Forecasted Demand and the Firm Demand during the Curtailment Period. Energy Credits are not paid for load curtailed below the Firm Demand.

Penalty and Penalty Computation

No payment will be made to the customer during a Curtailment Period unless the customer curtails at least 50% of the nominated load reduction in kilowatt hours.

CONTROL NOTICES AND LIMITATIONS

The Customer shall be notified of all initiations of Curtailment Periods at least thirty (30) minutes prior to such times. The Company may invoke Voluntary Curtailment Periods for an unlimited number of hours per year with no limit on the number of hours in any given calendar day.

CONCURRENT PARTICIPATION IN THE MANDATORY CURTAILMENT AND VOLUNTARY CURTAILMENT OPTION

For Customers participating under both the Mandatory Curtailment Option and the Voluntary Curtailment Option, the following provisions apply:

If prior to or during any Voluntary Curtailment Period the Company invokes a Mandatory Curtailment request, any customer participating in the Voluntary Curtailment Period will receive notice under the Mandatory Curtailment provision and be required to also comply with the Mandatory Curtailment provisions.

If prior to or during any Mandatory Curtailment period the Company invokes a Voluntary Curtailment request, any customer participating in the Mandatory Curtailment Period may receive an offer under the Voluntary Curtailment provision and be allowed to participate in the Voluntary Curtailment Period by providing additional curtailable load beyond their Mandatory Curtailment Option obligation.

Credits and penalties under the Mandatory Curtailment Option take precedence and will be determined before calculating credits under the Voluntary Curtailment Option. For concurrent participation in a Mandatory and Voluntary Curtailment event, the requirement under the Voluntary Curtailment Option to curtail at least 50% of the nominated load will be waived for Mandatory and Voluntary Curtailment Periods that run concurrently. In addition, during a concurrent Mandatory and Voluntary Curtailment Period, credits for the Voluntary Curtailment Period will exclude all load curtailed pursuant to the Mandatory Curtailment provisions.

RIDER PS (NC)
POWERSHARE NONRESIDENTIAL LOAD CURTAILMENT

GENERATOR CURTAILMENT OPTION

GENERAL PROVISIONS

Contracts for Generator Curtailment will be accepted for a minimum of 100 KW of load to be transferred from the Company's source to the standby generator. Under this option, the customer agrees to provide a source of capacity through load reduction at any time the Company has capacity constraints, including generation, transmission or distribution capacity constraints or reactive power concerns. The Company, at its sole discretion, may limit requests for curtailment to certain groups of customers for valid reasons. The Generator Option is not available to customers served under the Mandatory Curtailment Option or the Voluntary Curtailment Option.

When the Company requests the operation of the standby generator, a watt-hour meter(s) installed on or near the generator bus of the Customer's facility will record the kWh output at the generator. The Customer shall supply a 110-volt continuous source of power for the meter.

The Company will test the operation of the Customer's generator(s) each month, during which time the Customer will transfer load from the Company's source to the generator(s).

RATE

Facilities Fee \$ 155.00 per generator meter per month (See Exception)

Exception: If, in the Company's sole opinion, cellular communication technology cannot be utilized to retrieve data from the meter, the customer may still be allowed to participate in the Generator Option by providing, at his expense, a dedicated telephone line. In such a case, the Facilities Fee will be reduced by \$30.00.

Credits

1. Capacity Credit

The Customer will receive a Capacity Credit of \$3.50 per kW based on the average capacity generated, based on kilowatt-hours associated with the Maximum Curtailable Demand, during all Curtailment Periods of the current month and all tests.

2. Energy Credit

The Customer will receive an Energy Credit of \$.10 per kWh based on the metered output of the Customer's generator, for all kWh below the Maximum Curtailable Demand, during Curtailment Periods of the month and all tests.

Penalty and Penalty Computation

If the Customer fails to transfer to the generator at least 50% of the Maximum Curtailable Demand on a continuous basis, during a Curtailment Period, a penalty will be applied to the Customer's account for the month of occurrence at the rate of \$2.00 per kWh for the difference between the generated capacity and 50% of the Maximum Curtailable Demand.

CONTROL NOTICES AND LIMITATIONS

The Customer shall be notified of all initiations of Curtailment Periods at least fifteen (15) minutes prior to such times. The Company may invoke Curtailment Periods for not more than 100 hours in any year. Further, the Company shall have the right to invoke a Curtailment Period at any time, subject to a maximum duration of 10 hours in any calendar day, which may be extended only by mutual agreement with the Customer.

CONTRACT

MANDATORY CURTAILMENT OPTION AND GENERATOR OPTION

The Mandatory Curtailment Option and Generator Curtailment Option shall have an original minimum term of three (3) years, and shall renew annually thereafter for additional one (1) year terms until terminated by the Customer giving at least sixty (60) days' notice of such termination in writing. In the event the Customer requests an amendment to or termination of the service agreement for this rider before the end of the applicable term without providing the required notice, and such termination ceases, or an amendment reduces, the Customer's obligation to curtail load, and the Customer continues the agreement for service under

Duke Energy Carolinas, LLC

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North Carolina Fifth Revised Leaf No. 78
Superseding North Carolina Fourth Revised Leaf No. 78

RIDER PS (NC)
POWERSHARE NONRESIDENTIAL LOAD CURTAILMENT

the applicable rate schedule at the same location, the Customer shall pay a termination fee equal to repayment of the credits received during the previous 12 months, plus the monthly Facilities Fee for each month in the remaining term of the agreement. The termination fee may be adjusted based on the Maximum Curtailable Demand established in an amended contract by the customer.

VOLUNTARY CURTAILMENT OPTION

The Voluntary Curtailment Option shall have a minimum original term of one (1) year and shall renew annually thereafter until terminated by the Customer giving at least sixty (60) days previous notice of such termination in writing. In the event the Customer requests termination of service under this Rider before the end of the original term, and continues the agreement for service under the applicable rate schedule at the same location the Customer shall pay a termination fee equal to the monthly Facilities Fee for each month in the remaining original term of contract and required notice period.

The Company reserves the right to terminate the Customer's Contract under this Rider at any time upon written notice to the Customer for the failure to perform satisfactorily during three or more events as determined by the Company, in response to requests for curtailment, or for violation of any of the terms or conditions of the applicable Schedule or this Rider.

This Rider is closed and not available to new customers after February 26, 2009. This Rider remains in effect for nonresidential customers receiving concurrent service from the Company on Schedules LGS, I, HP, OPT-V or OPT-E, served under continually effectively agreements for this Rider made prior February 26, 2009.

Under this Rider the Customer agrees, at the Company's request, to reduce and maintain his load at a level specified in the individual contract. The Company's request to interrupt service may be at any time the Company has capacity problems. For non-residential customers who enter into a specific contract for interruptible power service, the following provisions apply in addition to the stated provisions of the Customer's rate schedule:

1. General Provisions:

Contracts for interruptible power service will be accepted by the Company on the basis of successive contracts, and each contract shall specify an interruptible, integrated demand of not more than 50,000 KW to be subject to these provisions. The Company shall limit the acceptance of contracts to a total of 1,100,000 KW of Interruptible Contract Demand on all non-residential schedules on the total system.

At the option of the Company, Customers may specify that the interruptible load provisions of this Rider be applicable only to a designated portion of the Customer's load which shall be submetered for the purposes of this Rider.

Duke reserves the right to test the provisions of this Rider once per year if there has not been an occasion during the previous 12 months when the Company requested an interruption. Duke shall give advance notice of any test to customers served under this Rider.

Continued service under this Rider is subject to satisfactory performance by the Customer, as determined by the Company, in response to the Company's request for interruption.

2. Definitions:

Contract Demand: The Contract Demand is the maximum kilowatt demand which the Company shall be required to supply to the Customer.

Interruptible Contract Demand: The Interruptible Contract Demand of not more than 50,000 KW is that portion of the Contract Demand which the Company will supply to the Customer at all times except during Interruption Periods.

Firm Contract Demand: The Firm Contract Demand, which may be specified at different values for the summer months of June through September and the winter months of October through May, is that portion of the Contract Demand which the Company will supply to the Customer without limitation on the periods of availability.

Interruption Period: An Interruption Period is that interval of time, initiated and terminated by the Company, during which the Customer will require service at no more than the Firm Contract Demand and the Company is obligated to supply no more than the Firm Contract Demand.

Penalty Demand: The Penalty Demand is the maximum thirty (30) minute integrated demand required by the Customer during an Interruption Period in excess of the Firm Contract Demand.

Exposure Period: The Exposure Period is that period of time within the month corresponding to the weekday peak demand periods and during which interruption under these provisions is most likely to occur. Specifically, the Exposure Period for the purpose of computing monthly credits is defined as follows:

Summer Months of June through September
1:00 p m. to 9:00 p m., Monday through Friday

Winter Months of October through May
6:00 a m. to 1:00 p.m., Monday through Friday

For customers served on a time of use rate, the Exposure Period will exclude the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day.

3. Control Notices and Limitations:

The Customer shall be notified of all initiations of Interruption Periods at least thirty (30) minutes prior to such times, and the Customer shall fully comply with the Company's requests to reduce and maintain his load to not more than the Firm Contract Demand for the duration of the Interruption Period. The Customer shall be notified of all terminations of Interruption Periods.

The Company may invoke interruption periods for not more than 150 hours in any year. Further, the Company shall have the right to invoke an interruption period at any time, subject to a maximum duration of 10 hours in any calendar day, which may be extended only by mutual agreement with the Customer.

4. Credit and Credit Computation:

Each month, a determination of the interruptible capacity available to the Company will be made in order to compute a credit. All energy consumed at a level above the Firm Contract Demand during the Exposure Period excluding the energy consumed above the Firm Contract Demand during interruption periods, will be divided by the hours of duration of the Exposure Period excluding the hours of duration of Interruption Periods. The value thus computed will be reduced by the amount of the monthly maximum demand above the Firm Contract Demand which occurs during any Interruption Period. The resulting amount will be the Effective Interruptible Demand (EID) and shall not be less than zero.

The formula for computation is:

$$EID = \frac{KWH_{EP} - KWH_{IP}}{HOURS_{EP} - HOURS_{IP}} - KW_{MP}$$

Where: EID = Effective Interruptible Demand

KWH_{EP} = Energy consumed during the Exposure Period above Firm Contract Demand

KWH_{IP} = Energy consumed during Interruption Periods above Firm Contract Demand

$HOURS_{EP}$ = Hours of duration of the Exposure Period

$HOURS_{IP}$ = Hours of duration of the Interruption Periods

KW_{MP} = Maximum monthly Penalty Demand

The amount of credit to be applied to the Customer's account each month will be determined by the formula:

$$\text{Credit} = EID \times \$3.50 / KW_{EID}$$

5. Penalty and Penalty Computation:

Should the Customer fail to reduce and maintain his load at, or below the Firm Contract Demand during any Interruption Period, a penalty will be applied to the Customer's account for the month of occurrence. The penalty shall be computed by the formula:

$$\text{Penalty} = \Sigma KW_P \times \$10.00$$

Where: ΣKW_P = the summation of the Penalty Demands occurring in each and every Interruption Period during the billing period.

6. A monthly "Extra Facilities Charge", equal to 1.0% of the installed cost of the extra facilities necessary for interruptible power service, but not less than \$25, shall be billed to the Customer in addition to the billing for energy or for demand plus energy, in accordance with the Extra Facilities provisions of the Company's Service Regulations.

7. Contract Period:

Contracts with interruptible load provisions shall be for a minimum original term of five (5) years and thereafter until terminated, by giving at least twelve (12) 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 Rider at any time upon written notice to the Customer for failure of the Customer to reduce and maintain his load at or below the Firm Contract Demand during three or more Interruption Periods, or for violation of any of the terms or conditions of the applicable schedule or this Rider. 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.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fourth Revised Leaf No. 82
Superseding North Carolina Third Revised Leaf No. 82

RIDER SG (NC)
STANDBY GENERATOR CONTROL

This Rider is closed and not available to new customers after February 26, 2009. This Rider remains in effect for nonresidential customers receiving concurrent service from the Company under continually effective agreements for this Rider made prior February 26, 2009.

For customers not receiving concurrent service from the Company on Rider IS who enter into a specific contract for the control of standby generators which are not operated in parallel with the Company's system, the following provisions shall apply:

1. GENERAL DESCRIPTION

The Standby Generator Control Program is designed to provide a source of capacity through load reduction at any time the Company has capacity problems. The Company reserves the right to test the operation of the Customer's standby generator(s) at any time. When the Company requests the operation of the standby generators, the watt-hour meter(s) installed on or near the generator bus of the Customer's facility will be energized to record the kWh output at the generator. Customers may voluntarily enter into an agreement to participate in Standby Generator Control in one of the following categories:

Category A.

Standard Generator Response: The Customers under Category A shall operate their generators on an "as available" basis. Each month the meter(s) will be read and the Customer compensated for the kWh output based on an energy credit which will be updated monthly.

Category B.

Guaranteed Generator Response: The Customers under Category B shall operate their generators on a "guaranteed response" basis. Customers shall commit to operate during a minimum of 80% of the Control periods annually, including tests, and to provide at least 200 KW average capacity on an annual basis. Each month the meter(s) will be read. The Customer under Category B will receive a capacity credit based on the average capacity generated during all control periods of the current month. Also, the Customer will be compensated for the kWh output based on an energy credit which will be updated monthly. Continuation under Category B will be based on the Company's annual review of its records for the particular customer's standby generation to determine when actual performance has indicated compliance with the above standards for the twelve-month period.

Payments will not be rendered unless the Company requested the generator operation and the Customer complied.

2. METERING AND CONTROL EQUIPMENT

The metering equipment will be furnished, owned, installed and maintained by the Company at no expense to the Customer. The control equipment will also be furnished, owned and maintained by the Company at no expense to the Customer, but Customer must install control equipment and provide required electrical power supply.

3. DEFINITIONS

Engine/Generator Nameplate Rating: The nameplate rating is the maximum kilowatt output of the engine/generator at full load at its rated power factor as specified on the nameplate.

Control Period: A control period is that interval of time, initiated and terminated by the Company, during which the Customer is requested to transfer load from the Company's source to the electrical distribution system supplied by the engine/generator unit. No control period shall be of more than ten (10) hours duration in any calendar day.

Notice of Control: The Customer shall be notified of the start and end times for all initiations of Control Periods at least ten (10) minutes prior to such times. The remote control signal shall be initiated at the designated start and end times.

4. METER READING

Each month, the installed watt-hour meter(s) shall be read for purposes of computing a payment. In the event that a Control Period is in progress, the reading of the meter(s) shall be delayed until after the Control Period has ended.

RIDER SG (NC)
STANDBY GENERATOR CONTROL

5. EQUIPMENT INSPECTION

At periodic intervals, the Company will inspect each generator metering and control system installation at the Customer's facility.

6. BASIS OF MONTHLY CREDIT

Each month, an energy credit will be computed in accordance with fuel oil price quotations from vendors for Company stations with combustion turbines.

7. MONTHLY CREDIT NOTIFICATION

Notification of the energy credit per kWh and the monthly period for which it is applicable shall be provided to each participating Customer no later than the last business day of the month preceding the application period.

8. COMPUTATION OF THE MONTHLY PAYMENT

Following the reading of the standby generator meter(s) each month, the amount of monthly payment for each participating Customer shall be computed as follows:

ENERGY CREDITS (Categories A & B)

Monthly Payments (\$) = (kWh x \$/kWh) + \$10.00 per month for compliance

CAPACITY CREDITS (Category B Only)

For Category B customers, a Capacity Credit will be computed as follows:

Monthly Payments (\$) = (kWh/Total Hours in Control Periods) x \$/KW

Where: kWh = Total kWh output of Customer's standby generator during the monthly Control Periods

\$/kWh = Applicable energy credit for the month

\$/KW = \$2.75 Applicable capacity credit

The \$10.00 per month for compliance is in addition to the credit per kWh and is paid only in the months in which the Company requests operation of the generator and the Customer complies.

In no event shall the monthly payment be based on an amount of kWh greater than the generator nameplate rating in KW multiplied by the Control Period hours during the month.

9. PAYMENT TO CUSTOMER

Each month, payment shall be made to each participating Customer for the amount of credit due for the previous month. The statement shall specify at least the following information and other data as appropriate: Applicable Month, Total kWh Output, Credit Amount, and Payment Amount.

AVAILABILITY (North Carolina Only)

Available, only at the Company's option, to nonresidential establishments receiving service from the Company under Schedule LGS, I, or OPT-V provided that the establishment is not classified as Retail Trade or Public Administration by the Standard Industrial Classification (SIC) Manual published by the United States Government.

This Rider is available for load associated with initial permanent service to new establishments, expansion of existing establishments, or new customers in existing establishments who make application to the Company for service under this Rider, and the Company approves such application after November 1, 1994. The New Load applicable under this Rider must be a minimum of 1,000 KW at one delivery point. To qualify for service under this rider, the customer must meet the qualifications under A. or B. below:

- A. The Customer employ an additional workforce in the Company's service area of a minimum of seventy-five (75) full time equivalent (FTE) employees per 1,000 KW of New Load. Employment additions must occur following the Company's approval for service under this Rider.
- B. The Customer's New Load must result in capital investment of four hundred thousand dollars (\$400,000) per 1,000 KW of New Load. The capital investment must occur following the Company's approval for service under this Rider.

This Rider is not available to a new customer which results from a change in ownership of an existing establishment. However, if a change in ownership occurs after the customer contracts for service under this Rider, the successor customer may be allowed to fulfill the balance of the contract under Rider EC and continue the schedule of credits outlined below. This Rider is also not available for renewal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. This Rider is also not available for load shifted from one establishment or delivery on the Duke system to another on the Duke system.

DEFINITIONS

New Load: New Load is that which is added to the Company's system by a new establishment after November 1, 1994. For existing establishments, New Load is the net incremental load above that which existed prior to approval for service under this Rider.

Delivery Date: The Delivery Date is the first date service is supplied under the contract.

Operational Date: The Operational Date shall be the date the facility is fully operational as declared by the Customer, but shall be no more than eighteen (18) months after the Delivery Date.

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

GENERAL PROVISIONS

1. The Customer must make an application to the Company for service under this Rider and the Company must approve such application before the Customer may receive service hereunder. The application must include a description of the amount of and nature of the new load and the basis on which the Customer requests qualification shown in A. or B. under Availability above. In the application, the Customer must affirm that availability of this Rider was a factor in the Customer's decision to locate the new load on the Duke system. For customers making application under paragraph A. above, the application shall also specify the total number of full time equivalent employees (FTE) employed by the Customer in all establishments receiving electric service from the Company's system, at the time of application for this Rider, and on the Operational Date.
2. The Customer must agree to a minimum contract term of ten (10) years, with the credits being available for a maximum period of four years immediately following the Operational Date.
3. For customers contracting under this Rider due to expansion, the Company will determine, based on historical usage, what portion of the Customer's load, qualifies as new Load eligible for this Rider.
4. To continue service under this Rider the customer must maintain a monthly average of 250 hours use of demand.
5. All terms and conditions of the rate schedule applicable to the individual customer shall apply to the service supplied to the Customer except as modified by this Rider.

APPLICATION OF CREDIT:

Beginning with the Operational Date, a credit based on the percentages below will be applied to the total bill for the New Load contracted for under this Rider, calculated on the applicable rate schedule, including the Basic Facilities, Demand Charge, Energy Charge, or Minimum Bill, applicable Riders listed on Leaf No. 99, but excluding other applicable riders, and excluding Extra Facilities Charges.

Months	1 – 12	20%
Months	13 – 24	15%
Months	25 – 36	10%
Months	37 – 48	5%
After Month	48	0%

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of ten (10) years, 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 request a change in rate schedule from that which was approved in conjunction with Rider EC, credit under Rider EC will no longer be available. Such a change will be allowed upon thirty (30) days written notice to the Company. An individual establishment will not be allowed to receive credits for more than four years under this Rider, unless the Company, at its option, agrees to accept a new application and contract for qualifying new load, and such application receives special approval by the Company. If at any time during the term of contract under this Rider the customer violates any of the terms and conditions of the Rider or the agreement, the Company may discontinue service under this Rider, and bill the customer under the applicable schedule without further credits. In the event the Customer requests an amendment to or termination of an agreement under this Rider before the expiration of the initial term of the agreement, the Customer will be required to pay the Company as an early termination charge the lower of:

- (a) The net present value of the monthly minimum bills, including, but not limited to, basic facilities, demand, and extra facilities charges, for the remaining term under the agreement less the expected net present value of the monthly minimum bills for the initial term of contract of any successor customer who has applied for 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.
- or
- (b) The sum of:
 - 1) The loss due to early retirement ("LDER") of all transmission and distribution facilities specifically installed by the Company in order to provide the Customer with electric service under the agreement to the extent that such facilities will not be utilized by the Company to provide service under the initial term of contract of any successor customer who has applied for service at the premises prior to the effective date of the contract amendment or termination. The LDER amount shall be calculated as the installed cost of such facilities less accumulated depreciation, less any salvage value, plus removal cost, provided, however, this amount shall not be less than zero; and
 - 2) The repayment of credits received under this Rider to the extent required based upon the marginal cost to serve the Customer. This repayment obligation shall be calculated as the difference between the net charges to the Customer under the applicable rate schedule after the application of any credits received under this Rider and the Company's marginal cost to serve the Customer; provided, however, that this amount shall not be less than zero and shall not be greater than the total credits received by the Customer under this Rider. The Company's marginal cost shall be calculated under the Company's Schedule HP (NC) Hourly Pricing for Incremental Load.

AVAILABILITY (North Carolina Only)

Available, only at the Company's option, to nonresidential establishments receiving service from the Company under Schedule LGS, I, or OPT-V, provided that the establishment is not classified as Retail Trade or Public Administration by the Standard Industrial Classification (SIC) Manual published by the United States Government.

This Rider is available for load associated with a new customer in an existing establishment served, or previously served, by the Company, provided the establishment has been unoccupied and/or has remained dormant for a minimum period of six months, as determined by the Company. In order to qualify for service under the Rider, the New Load must be a minimum of 500 KW at one delivery point at one voltage. In addition, the requested service necessary to serve the New Load must not result in additional investment in distribution facilities by the Company, however, minor alterations in the service supplied which can be accomplished feasibly and economically may be allowed. To qualify for service under this Rider, the Customer must meet the qualifications under A. or B. below

- A. The Customer employ an additional workforce in the Company's service area of a minimum of thirty-five (35) full time equivalent (FTE) employees per 500 KW of New Load. Employment additions must occur following the Company's approval for service under this Rider.
- B. The Customer's New Load must result in capital investment of two hundred thousand dollars (\$200,000) per 500 KW of New Load. The capital investment must occur following the Company's approval for service under this Rider.

This Rider is not available for renewal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. This Rider is also not available for load shifted from one establishment or delivery on the Duke system to another on the Duke system. However, if a change of ownership occurs after the customer contracts for service under this Rider, the successor customer may be allowed to fulfill the balance of the contract under Rider ER and continue the credits outlined below.

DEFINITIONS

New Load: New Load is that which is added to the Company's system as a result of the new customer taking service at an existing establishment and shall not be less than the Contract Demand.

Delivery Date: the Delivery Date is the first date service is supplied under the contract.

Operational Date: The Operational Date shall be the date the facility is fully operational as declared by the Customer, but shall be no more than twelve (12) months after the Delivery Date.

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

GENERAL PROVISIONS

1. The Customer must make an application to the Company for service under this Rider and the Company must approve such application before the Customer may receive service hereunder. The application must include a description of the amount of and nature of the new load and the basis on which the Customer requests qualification shown in A. or B. under Availability above. In the application, the Customer must affirm that availability of this Rider was a factor in the Customer's decision to locate the new load on the Duke system. For customers making application under paragraph A. above, the application shall also specify the total number of full time equivalent employees (FTE) employed by the Customer in all establishments receiving electric service from the Company's system, at the time of application for this Rider, and on the Operational Date.
2. The Customer must agree to a minimum contract term of five (5) years, with the credits being available for a maximum period of one (1) year following the Operational Date.
3. For customers contracting under this Rider moving load from another facility, or where the previous customer's dormant load was more than 10% of the load contracted for under this Rider, the Company will determine, based on historical usage, what portion of the Customer's load, qualifies as new Load eligible for this Rider.
4. To continue service under this Rider, the Customer must maintain a monthly average of 300 hours use of demand.

5. All terms and conditions of the rate schedule applicable to the individual customer shall apply to service supplied to the Customer except as modified by this Rider.

APPLICATION OF CREDIT:

Beginning with the Operational Date, a credit of 50% will be applied to the total bill in Months 1 through 12 for the New Load contracted for under this Rider, calculated on the applicable rate schedule, including the Basic Facilities, Demand Charge, Energy Charge, or Minimum Bill, applicable Riders listed on Leaf No. 99, but excluding other applicable riders, and excluding Extra Facilities Charges.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of five (5) years, 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 a change in rate schedule from that which was approved in conjunction with Rider ER, credit under Rider ER will no longer be available. Such a change will be allowed upon thirty (30) days' written notice to the Company. If at any time during the term of contract under this Rider, the Customer violates any of the terms and conditions of the Rider or the agreement, the Company may discontinue service under this Rider, and bill the customer under the applicable schedule without further credits. In the event the Customer requests an amendment to or termination of an agreement under this Rider before the expiration of the initial term of the agreement, the Customer will be required to pay the Company as an early termination charge the lower of:

- (a) The net present value of the monthly minimum bills, including, but not limited to, basic facilities, demand, and extra facilities charges, for the remaining term under the agreement less the expected net present value of the monthly minimum bills for the initial term of contract of any successor customer who has applied for 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.
- or
- (b) The sum of:
- 1) The loss due to early retirement ("LDER") of all transmission and distribution facilities specifically installed by the Company in order to provide the Customer with electric service under the agreement to the extent that such facilities will not be utilized by the Company to provide service under the initial term of contract of any successor customer who has applied for service at the premises prior to the effective date of the contract amendment or termination. The LDER amount shall be calculated as the installed cost of such facilities less accumulated depreciation, less any salvage value, plus removal cost, provided, however, this amount shall not be less than zero;
 - and
 - 2) The repayment of credits received under this Rider to the extent required based upon the marginal cost to serve the Customer. This repayment obligation shall be calculated as the difference between the net charges to the Customer under the applicable rate schedule after the application of any credits received under this Rider and the Company's marginal cost to serve the Customer; provided, however, that this amount shall not be less than zero and shall not be greater than the total credits received by the Customer under this Rider. The Company's marginal cost shall be calculated under the Company's Schedule HP (NC) Hourly Pricing for Incremental Load.

AVAILABILITY (North Carolina only)

This Rider is available on a limited and voluntary basis, at the Company's option, to nonresidential customers receiving concurrent service from the Company on Schedule OPT-G, OPT-H, OPT-I, who elect to displace all or a portion of the energy supplied for the customer's new load added to the Company's system after June 30, 2012, with procurement of renewable energy resources. The Customer's new load must be a minimum of 1000 kW. This Rider is not available to customers receiving service under Rider PS, PSC, SCG or NM. This Rider is available for enrollment for a three-year period following its initial approval, or until the aggregate program cap of approximately 1,000,000 annual megawatt hours is reached, whichever occurs first.

GENERAL PROVISIONS

To qualify for this Rider, the Customer must make an application to the Company requesting an annual amount of energy and Renewable Energy Certificates ("RECs") be produced or procured over a specific term. The application shall be accompanied by the payment of a nonrefundable application fee of \$2000, which is intended to cover the Company's transaction fees related to the procurement of renewable energy pursuant to the Customer's application. The Company will make its best efforts to match the supply source, in terms of annual output and term of contract, with that requested by the Customer either by entering into a purchased power agreement(s) ("PPA") with a renewable energy supplier(s) or supplying the energy directly from one or more Duke Energy Carolina renewable energy assets that are dedicated to serving Rider GS customers. The Company shall allow the Customer to review the negotiated price terms and the terms and conditions of a PPA or the price offered from a dedicated Company asset prior to the Customer's election to participate in this Rider. Upon review of the price, and terms and conditions in the case of a PPA, the Customer may elect to move to proceed with or cancel its application; provided however, the terms and conditions of a PPA with a renewable energy supplier shall be set in Duke Energy Carolinas' sole discretion. In either case, the Customer shall be responsible for the entire cost incurred under the PPA or use of Company's asset. The renewable energy supplier is a renewable energy resource from which the Company procures energy and "RECs" as a result of the Customer's election under this rider.

In order to participate in this Rider, the Customer shall provide the Company a guarantee, surety bond, letter of credit or other form of security that is acceptable to the Company. Such security for payment of all obligations to the Company under this Rider shall be in an amount sufficient to cover the Company's full costs and other obligations of Company, including a termination or default of Customer's obligations under this Rider during its term.

In procuring the renewable energy, the Company will ensure that renewable energy resources utilized under this rider are or have been placed in service on or after January 1, 2007.

The Company shall not be liable to the Customer in the event that the renewable energy supplier fails to provide renewable energy to the Company and will make reasonable efforts to encourage the renewable energy supplier to resume production as soon as possible. However, in the event that the renewable energy supplier terminates the renewable energy contract with the Company, for any reason during the term of contract with the Customers, the Company, at the election of the Customer, shall make reasonable efforts to enter into a new purchased power agreement with another renewable energy supplier or to provide renewable energy from a Duke Energy Carolinas facility as soon as practicable with the cost of the renewable energy to the Customer revised accordingly.

This Rider is for retail service, in conjunction with the electric service agreement for the customer served at retail by the Company, in consideration of the Customer's retail purchase commitment under this Rider having induced a specified and agreed upon commitment by the Company to purchase or invest in a specified renewable energy resource.

The Company will retire the RECs associated with the energy procured for the participating customer upon receipt of payment from the Customer.

RATE

CHARGES

- I. The rate for service supplied to the customer shall be the applicable time of use rate schedule including the Basic Facilities Charge, On-Peak Demand Charge, Economy Demand Charge, On-Peak Energy Charge, Off-Peak Energy Charge, and all applicable Riders, plus
- II. Charges for the total cost of the renewable energy and RECs produced by the Company or procured under a PPA as a result of the Customer's election, during the previous billing period, determined on an hourly basis, plus
- III. Rider GS Administrative Charge of \$500.00 per month plus .02¢/kWh of renewable energy produced or procured as a result of the Customer's election during the previous billing period

CREDITS

- I. Bill credits for renewable energy shall be based on a ¢/kWh rate equal to the avoided capacity and energy expense during the term in which the renewable energy supplier delivers renewable energy to the Company or the Company supplies renewable energy from a dedicated asset, applied to the actual renewable kWh procured or produced. The amount of the bill credits shall be determined at the sole discretion of the Company consistent with applicable North Carolina and federal law and regulation, including 18 C.F.R. § 292, using the Company's avoided cost model to determine the avoided capacity and energy fixed over the term the term in which the renewable energy supplier delivers to the Company. In the event that the credits for avoided capacity and energy, as calculated above, exceed the cost of the renewable energy and RECs produced or procured by the Company, on a ¢/kWh basis, such credits shall be limited to a ¢/kWh amount equal to the ¢/kWh cost of the renewable energy and RECs produced or procured by the Company. The Company shall allow the Customer to review the proposed bill credit prior to the Customer's election to participate in this Rider. Upon review of the proposed bill credit, the Customer may elect to proceed with or cancel its application to participate.

All terms and conditions of the rate schedule applicable to the individual Customer shall apply to the service supplied to the Customer except as modified by this Rider.

CONTRACT PERIOD

Each Customer shall enter into a contract for service under this Rider for a term and with terms and conditions consistent with the term and terms and conditions of the contract with the renewable energy supplier, or as agreed upon between Company and Customer in the case of renewable energy produced from a Duke Energy Carolinas facility, but, in either case the contract will not be for less than 3 years and not more than 15 years. If the Customer requests an amendment to or termination of the service agreement, or defaults on the service agreement before the expiration of the term of the agreement, the Customer shall pay to the Company an early termination charge equal to the full amount due under the termination and damages provisions set forth in the PPA(s). Such termination charge may be adjusted if and to the extent a successor customer requests service under this Rider and fully assumes the obligation for the purchase of renewable energy prior to the effective date of the contract amendment or termination; provided, however, Company will not utilize or change utilization of its assets and positions to minimize Customer's costs due to such early termination.

APPLICABILITY (North Carolina Only)

All service supplied under the Company's rate schedules is subject to a decrement per kilowatt-hour as set forth below. This decrement is not included in the Rate Schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

This adjustment reduces rates for excess deferred income taxes associated with House Bill 998, An Act to Simplify the North Carolina Tax Structure and to Reduce Individual and Business Tax Rates. This adjustment also includes a credit for deferred revenue associated with The Federal Tax Cut and Jobs Act that reduced corporate federal income tax rates from 35% to 21% effective January 1, 2018. This rider shall remain in effect for twenty-four (24) months and shall terminate and no longer be applicable for service on and after June 1, 2023.

MONTHLY RATE

Effective for service rendered on and after October 1, 2021, the decremental rate for the appropriate rate class, including revenue-related taxes and regulatory fees, shall be as shown in the following table:

Rate Class	Applicable Schedules	Billing Rate (¢/kWh)
Residential	RS, RE, ES, RT, RSTC, RETC	(0.1894)
General Service	SGS, BC, LGS, TS, OPT-V, OPT-E, HP, PG, S, SGSTC	(0.1132)
Industrial Service	I, OPT-V, OPT-E, HP, PG	(0.0886)
Lighting	OL, PL, NL	(0.4875)

APPLICABILITY (North Carolina Only)

All service supplied under the Company's rate schedules is subject to a decrement per kilowatt-hour as set forth below. This decrement is not included in the Rate Schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

This adjustment reduces rates for savings realized with The Federal Tax Cuts and Jobs Act that reduced corporate federal income tax rates from 35% to 21% effective January 2018. These federal savings reflect a credit for excess deferred income taxes resulting from that change. This rider shall remain in effect for sixty (60) months and shall terminate and no longer be applicable for service on and after June 1, 2026.

MONTHLY RATE

Effective for service rendered on and after October 1, 2021, the decremental rate for the appropriate rate class, including revenue-related taxes and regulatory fees, shall be as shown in the following table:

Rate Class	Applicable Schedules	Billing Rate (¢/kWh)
Residential	RS, RE, ES, RT, RS-CPP, RSTC, RETC	(0.4842)
General Service	SGS, BC, LGS, TS, OPT-V, OPT-E, HP, PG, S, SGSTC	(0.2893)
Industrial Service	I, OPT-V, OPT-E, HP, PG	(0.2264)
Lighting	OL, PL, NL	(1.2461)

**RIDER STS (NC)
STORM SECURITIZATION**

APPLICABILITY (North Carolina Only)

All service supplied under the Company's rate schedules is subject to approved storm cost recovery adjustments, an increment per kilowatt hour as set forth below. This increment is not included in the Rate Schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

The Storm Recovery Charge shall be paid by all existing or future retail customers receiving transmission or distribution service, or both, from Company or its successor or assignees under Commission-approved rate schedules or under special contracts, even if the customer elects to purchase electricity from alternative electric suppliers following a fundamental change in regulation of public utilities in this State.

STORM RECOVERY CHARGE

The Storm Recovery Charge applicable to the Energy Charge under the Company's various rate schedules was approved in a financing order issued to the Company by the North Carolina Utilities Commission and will be adjusted at least semi-annually to ensure timely payment of principal, interest and financing costs of storm recovery bonds from the effective date of the Storm Recovery Charge until the storm recovery bonds have been paid in full or legally discharged and the financing costs have been fully recovered. As approved by the Commission, a Special Purpose Entity (SPE), wholly owned by Company, has been created and is the owner of the storm recovery property which includes all rights to impose, bill, charge, collect, and receive the relevant Storm Recovery Charge and to obtain periodic adjustment to such charges. Company, as servicer, shall act as SPE's collection agent for the relevant Storm Recovery Charge.

MONTHLY RATE

Effective for service rendered on and after January 1, 2023, the incremental rate for the appropriate class, including revenue-related taxes and regulatory fees, shall be as shown in the following table:

Rate Class	Applicable Schedules	Billing Rate (¢/kWh)
Residential	ES, RE, RETC, RS, RSTC, RT	0.0438
General Service	BC, HP, LGS, OPT-E, OPT-V, PG, S, SGS, SGSTC, TS	0.0144
Industrial	HP, I, OPT-E, OPT-V, PG	0.0077
Lighting	NL, OL, PL	0.1595

RIDER SCR (NC)
STORM COST RECOVERY RIDER

APPLICABILITY (North Carolina Only)

This adjustment reflects the creation of a storm recovery rider as established in Docket No. E-7, Sub 1214. The storm recovery rider will be initially set at \$0. Should the Company not file a petition for a financing order to securitize its storm recovery costs deemed reasonable and prudent by the North Carolina Utilities Commission, or is otherwise unable to recover its storm recovery costs deemed reasonable and prudent, using the financing tool created by Senate Bill 559, An Act to Permit Financing for Certain Storm Recovery Costs, Duke Energy is permitted to request recovery of the reasonable and prudent storm costs by filing a petition with the North Carolina Utilities Commission requesting an adjustment to the storm recovery rider.

All service supplied under the Company's rate schedules is subject to approved storm cost recovery adjustments, an increment per kilowatt-hour as set forth below. This increment is not included in the Rate Schedules of the Company and therefore, must be applied to the bill as calculated under the applicable rate.

Effective for service rendered on and after June 1, 2021, the applicable kilowatt-hour rider increment including revenue-related taxes and regulatory fees is 0.0000¢ per kilowatt-hour.

RIDER GSA GREEN SOURCE ADVANTAGE (NC)

AVAILABILITY

This Green Source Advantage Program (“GSA Program” or “Program”) is available to nonresidential customers meeting the eligibility criteria specified herein and receiving concurrent service on another rate schedule, excluding service under outdoor lighting schedules, who elect to direct the Company to procure renewable energy on the Customer’s behalf pursuant to the terms of the GSA Program, as approved by the Commission. Eligibility for the Program is limited under N.C. Gen. Stat. § 62-159.2 to the University of North Carolina (“UNC”) system, major military installations, and nonresidential customers with a minimum Maximum Annual Peak Demand of 1,000 kW or an aggregated Maximum Annual Peak Demand at multiple service locations of 5,000 kW (collectively, “Eligible GSA Customers” or “Customer”). The Program is also limited to a combined total of 600 MW of renewable energy facilities between the Duke Energy Carolinas and Duke Energy Progress service territories (“Maximum GSA Program Capacity”). Of the 600 MW of Maximum GSA Program Capacity available under the Program, 250 MW shall be reserved exclusively for use by the UNC system, and 100 MW shall be reserved exclusively for use by major military installations in North Carolina (together, the “Reserved Capacity”). Pursuant to Section 11.19.(f1) of Session Law 2021-180, the total 350 MW of Reserved Capacity shall also be made available and reserved for an “eligible customer” defined as a customer of an electric utility that locates a new manufacturing facility at a project site that is subject to agreement with the Department of Commerce pursuant to Section 11.19.(d) of Session Law 2021-180. The remaining 250 MW shall be reserved for use by Eligible GSA Customers in either Duke Energy Carolinas or Duke Energy Progress service territories on a first-come, first-served basis. Any Reserved Capacity that is not subscribed by the UNC system or major military installations by August 5, 2022 shall be solely reserved for an eligible customer pursuant to Section 11.19.(f1) of Session Law 2021-180 through January 1, 2028. This Rider and the Program shall remain open to Eligible GSA Customers pursuant to the Program’s terms and conditions, as approved by the Commission, for a period of five years following initial Program approval of August 5, 2019 and shall remain open to an “eligible customer” pursuant to Section 11.19.(f1) of Session Law 2021-180 until January 1, 2028.

DIRECTED PROCUREMENT OF GSA FACILITIES

The Program allows Eligible GSA Customers to direct the Company to procure renewable energy that will be used to supply all customers and allows the Customer to obtain the renewable energy certificates (“RECs”) generated by a GSA Facility (“GSA Facility”). A GSA Facility must be a new renewable energy facility located in the Duke Energy Carolinas service territory in either North Carolina or South Carolina with supply that will be dedicated to the Program by the facility owner (“Renewable Supplier”) and used to serve all customers.

Customers seeking to participate in the Program shall have the option to either (1) request affiliates of Duke Energy Carolinas to develop a facility or (2) identify and propose to the Company a GSA Facility developed by another Renewable Supplier. The Renewable Supplier will enter into a power purchase agreement (“GSA PPA”) with the Company. The Customer will negotiate price terms directly with a Renewable Supplier. As described below, the Renewable Supplier shall transfer RECs directly to the Customer through a separate contractual arrangement.

APPLICATION PROCESS AND GSA SERVICE AGREEMENT

To participate in the GSA Program, a Customer must submit an application to the Company requesting an annual amount of renewable capacity to be developed or procured on the Customer’s behalf. The Customer may apply for the Company to develop or procure renewable generation capacity up to 125% of the Customer’s aggregate Maximum Annual Peak Demand at eligible Customer service location(s) within Duke Energy Carolinas’ North Carolina service territory. An eligible customer under Session Law 2021-180 is authorized to subscribe to a capacity amount of remaining Reserved Capacity sufficient to produce on an annual basis one hundred percent (100%) of the eligible customer’s actual annual electricity usage or reasonably projected annual electricity usage over the immediately subsequent annual period, up to the total Reserved Capacity available at the time of subscription and not to exceed 350 MW.

The Customer’s application will designate the Renewable Supplier selected by the Customer. The application shall also identify the requested Bill Credit option and contract term (two, five, ten, fifteen, or twenty years for a Customer electing Administratively

RIDER GSA GREEN SOURCE ADVANTAGE (NC)

Established Avoided Cost Bill Credit or any number of years up to the 20 year limit for a Customer electing the Hourly Marginal Avoided Cost Bill Credit). All Customer applications shall be accompanied by the payment of a \$2,000 nonrefundable application fee. Program reservations will be accepted on a “first-come-first-served” basis based upon the date and time of receipt of the Customer’s completed application and application fee. Subsequent applications will be held until earlier applications are resolved and will not be rejected until the Company’s Maximum GSA Program Capacity is satisfied. The \$2,000 application fee will be refunded to the Customer only in the event that the Customer’s application is rejected due to insufficient GSA Program Capacity.

A Customer submitting an application shall also be required to deliver, at the time of application, a standard-form term sheet executed by the Customer and Renewable Supplier, which shall identify the Renewable Supplier and provide information about the proposed GSA Facility and other information as requested by the Company and identified in the term sheet.

The GSA Service Agreement shall include the general terms and conditions applicable under this Rider and shall specify the rates and charges applicable under the GSA Program for the contract term. The Customer must execute and return the GSA Service Agreement within 30 days of delivery by the Company and the Renewable Supplier must execute and return the GSA PPA within 30 days of delivery by the Company. Failure to timely execute and return the GSA Service Agreement or GSA PPA will result in termination of the Customer’s application and GSA capacity reservation, which would then require the Customer to start the Program enrollment process anew in order to participate in the Program.

GSA PPA RATES AND TERMS

The GSA PPA delivered to a Renewable Supplier selected to provide a GSA Facility shall include delivery of energy and capacity. The GSA PPA contract price shall be equal to the applicable Bill Credit selected by the Customer.

RENEWABLE ENERGY CREDITS

The Renewable Supplier is required to register the Renewable Facility with NC-RETS pursuant to Commission Rule R8-66 or another REC tracking system to facilitate the issuance of RECs. The Renewable Supplier shall transfer all RECs to the Customer pursuant to the GSA Service Agreement, and the GSA Service Agreement shall include an attestation by the Customer that the RECs generated by the designated GSA Facility will be transferred by the Renewable Supplier to the applicable tracking account identified by the GSA Customer. The Renewable Supplier shall be solely responsible for procuring, delivering, and transferring RECs to the Customer.

MONTHLY RATE

An amount computed under the GSA Customer’s primary rate schedule and any other applicable riders plus the sum of the (1) the GSA Product Charge, (2) the GSA Bill Credit, and (3) the GSA Administrative Charge.

1. GSA Product Charge – The GSA Product Charge shall be equal to the Negotiated Price. The monthly GSA Product Charge shall be determined by multiplying the Negotiated Price times the energy produced by the GSA Facility in the prior billing month.

GSA Bill Credit – The GSA Bill Credit shall, as elected by the Customer and designated in the GSA Service Agreement, be either (1) the avoided cost bill credit (“Administratively Established Avoided Cost Bill Credit”) or (2) the hourly rate bill credit (“Hourly Marginal Avoided Cost Bill Credit”).

Administratively Established Avoided Cost Bill Credit:

The Administratively Established Avoided Cost Bill Credit shall be equal to the fixed levelized avoided energy and capacity rate calculated using the methodology approved pursuant to N.C. Gen. Stat. § 62-156(c) calculated over a period of 2 years (for contract terms of 2 years) or 5 years (for contract terms of 5 years or more). In the case of contract terms longer than 5 years, the Administratively Established Avoided Cost Bill Credit will be

RIDER GSA
GREEN SOURCE ADVANTAGE (NC)

recalculated every five (5) years using the then approved methodology. If the Administratively Established Avoided Cost Bill Credit is designated in the GSA Service Agreement as the applicable bill credit, the Monthly GSA Bill Credit shall be determined by multiplying the applicable Administratively Established Avoided Cost Bill Credit times the energy produced in the applicable hours by the GSA Facility in the prior billing month.

Hourly Marginal Avoided Cost Bill Credit:

The Hourly Marginal Avoided Cost Bill Credit applicable to each hour shall be equal to the following:

Hourly Rate = (Hourly Energy Charges + Rationing Charges).

- i. Hourly Energy Charge = Expected marginal production cost, and other directly-related costs.
- ii. Rationing Charge = marginal capacity cost during hours with generation constraint.
- iii. The Hourly Rate will not, under any circumstance, be lower than zero.

If the Hourly Marginal Avoided Cost Bill Credit is designated in the GSA Service Agreement as the applicable bill credit, the Monthly Bill Credit shall be determined by multiplying the applicable Hourly Marginal Avoided Cost Bill Credit times the energy produced by the GSA Facility in the applicable hours in the prior billing month.

2. GSA Administrative Charge – the applicable monthly administrative charge shall be \$375 per Customer Account, plus an additional \$50 charge per additional account billed.

GENERAL PROVISIONS

For the avoidance of doubt, the Company (1) shall not be liable to the Customer in the event that a GSA Facility fails to produce energy as required under a GSA PPA or as otherwise consistent with the Customer's expectations and (2) shall have no obligation under any circumstance to supply RECs to the Customer. The GSA Facility shall be a system resource and energy produced and delivered under the GSA PPA shall not be directly delivered to the GSA Customer.

AVAILABILITY (North Carolina Only)

This Rider is available to a customer installing and operating a solar photovoltaic (PV) electric generating system who meets the eligibility requirements of and participates in Net Metering Rider NM. The system may either be owned by the Customer or by a lessor and leased to the Customer. Customer may not simultaneously receive service under this Rider and Company's Purchased Power Schedule PP or participate as a generation resource in NC GreenPower or other voluntary renewable resource power market.

New participation under the Rider shall be limited to no greater than 10,000 kilowatts (kW) per year of installed capacity starting in January 1, 2018 and ending December 31, 2022. Non-residential installations shall not exceed 5,000 kW in a calendar year. 2,500 kW of the capacity for non-residential installations shall be set aside for use by nonprofit organizations with 50 kW of the 2,500 kW set aside for use by the NC GreenPower Solar Schools Pilot or a similar program. A nonprofit organization is defined as an organization or association recognized by the Department of Revenue as tax exempt pursuant to G.S. 105-130.11(a) or any bona fide branch, chapter or affiliate of that organization. If in any application period a portion of the incentives goes unsubscribed, the Company may roll excess incentives over into a subsequent application period's allocation. Any unsubscribed capacity, regardless of any set aside requirement, available at January 1, 2023 shall be available to any customer meeting the rider qualifications.

For years 2021 and 2022, applications will be accepted within six-month application periods which shall open on the first Wednesday in January and July. For 2021, the application periods shall open on January 6, 2021 and July 7, 2021. For 2022, the application periods shall open on January 5, 2022 and July 6, 2022. For 2021 and 2022, application periods shall end on the last day of the sixth month: June 30 or December 31. Available annual capacity will be allocated evenly (50%) between the bi-annual application periods.

Applications will be accepted and selected through a lottery system beginning with the July 2021 application period. Under the lottery system, the Company will accept applications for one week, beginning at 9:00 am on the first day of the application period and ending at 9:00 am on the eighth day. During this period the Company will review submissions for eligibility and work with customers to resolve issues with their application. Eligible applications will be entered into the lottery. If there is any doubt as to an application's eligibility, it would be placed in the lottery, but the outstanding issue with the application will be resolved before communicating rebate status after the lottery. Applications will be assigned a place in line at random using an analytical software. Applications will then receive a rebate allocation or be placed on a waiting list based on capacity allocation rules of the Program. The Company will send emails to customers informing them of their placement and post the waitlist to the website no later than three weeks after the opening date of the application period. If the participation limit for a specific customer class is not reached in the lottery allocation, the Company will reopen the application process for any group that has capacity available.

Customers will be notified on the Company's website if the bi-annual participation limits are achieved. The website shall be updated weekly until such time as residential and non-residential participation limits have been reached; after which the website shall be updated monthly. All waitlisted applications will be rejected and cancelled at the end of each application period. Applications may be submitted no earlier than the first day of the application period, and are applicable to both new installations and installations completed within 90 days of the application period. Due to the modification of the January 2021 enrollment opening date, waitlisted residential and commercial systems installed between October 6, 2020, and January 6, 2021, shall be eligible to submit an application for the July 2021 program enrollment. This Rider shall be available to new applicants until the later of December 31, 2022 or when the 10,000 kW annual capacity limit is achieved for all program years.

APPLICATION REQUIREMENTS

Customer must complete and submit an application on the Company's website requesting service under the Program in accordance with the lottery system rules outlined in the Availability section. Submission of such an application, however, does not guarantee a rebate; rebates will be allocated randomly within the pool of eligible applications per the lottery system and capacity allocation rules of the Program. The application will state the nameplate capacity in alternating current (AC) of the solar PV electric generating system for which the rebate is sought.

The Customer may apply prior to installation of the generating system; in which case a written guarantee will be provided reserving the rebate. The Customer must complete the installation by the applicable deadline below.

For the January 2021 application window: Residential customers must complete installation by December 31, 2021. Non-residential and non-profit customers with a project under 20 kW must complete installation no later than 365 days from the date the rebate reservation was obtained. All other non-residential and non-profit customers must complete installation no later than 365 days from the date of an executed interconnection agreement by the Company.

Beginning with the July 2021 application window: Residential and non-residential customers with a project under 20 kW who obtain a rebate reservation in the July application window must complete installation by December 15 of the same year. Residential and non-residential customers with a project under 20 kW who obtain a rebate reservation in the January application window must complete installation by June 15 of the same year. Non-profit customers with a project under 20 kW must complete installation no later than 365 days from the date the rebate reservation was obtained. All other non-residential and non-profit customers must complete installation no later than 365 days from the date the rebate reservation was obtained or the date of an executed interconnection agreement by the Company, whichever is later.

If a residential customer receives a rebate reservation but does not complete installation by the deadline (June 15 for the January application window and December 15 for the July application window), then the customer's application and rebate eligibility will be canceled, and the resulting unused rebate capacity will be reallocated to customers on the waitlist. Waitlisted customers who are allocated unused capacity pursuant to this provision must complete installation by the deadline of the following application period.

To receive a rebate payment, the Customer must first submit a Certificate of Completion indicating that the installation is complete, and the Company must confirm that billing under an eligible rate schedule and Rider NM has commenced. The installation shall be subject to inspection and verification at any time, upon request by Company.

SOLAR REBATE PAYMENT

The Customer shall receive a one-time Solar Rebate Payment based upon the AC nameplate rating of Customer's solar PV electric generating system. The incentive shall be limited not to exceed 10 kW_{AC} for residential solar installations and 100 kW_{AC} for non-residential solar installations. Pursuant to Net Metering Rider NM, the Customer's total installed capacity shall not be limited by the maximum rebate capacities.

Non-residential Customer Solar Rebate Payment: \$0.30 per watt¹

Residential Customer Solar Rebate Payment: \$0.40 per watt¹

Non-Profit customers shall receive a one-time Solar Rebate Payment of \$0.75 per watt times the AC nameplate rating of the Customer's solar PV electric generating system.

¹ Payments effective beginning with the July 2021 program enrollment

RENEWABLE ENERGY CERTIFICATES (GREEN TAGS)

For any customer receiving service under a non-time of use demand rate schedule, any renewable energy credits (RECs) shall be retained by the Company.

CONTRACT PERIOD

The Contract Period for service under this Rider shall be ten (10) years from the date of initial participation. If the system is removed, rendered inoperable, the agreement for electric service is terminated, or electric service is discontinued under rate schedule as prescribed in availability section of this Rider prior to 120 months, an early termination charge may apply unless the termination is for good cause. Good cause includes any act or circumstance, resulting in early termination, which is beyond the control of the Customer.

If within ninety (90) days of electric service termination a new customer takes over the site and elects electric service and assumes the Customer's obligations under this Rider, including but not limited to continued electric service under an eligible rate schedule and Rider NM, the termination charges will be waived.

An early termination charge shall equal to one minus the number of months since initial participation divided by one hundred and twenty (120) multiplied by the rebate payment amount.

Early Termination Calculation: $(1 - (\# \text{ of Participating Months} / 120)) * \text{Rebate Payment Amount}$

Company reserves the right to terminate service under this Rider at any time upon written notice to Customer in the event that Customer intentionally violates any of the terms or conditions of this Rider, or operates the generating system in a manner which is detrimental to Company and/or its customers and fails to correct such operation. Company may also terminate service under this Rider and request repayment of Solar Rebate Payment if Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the solar PV electric generating system during the Contract Period.

METERING REQUIREMENTS

The Customer grants the Company the right, at the Company's cost, to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation. Customer must provide access and designate a location on the load side of the Company's billing meter for Company to furnish, install, own and maintain metering with capability to record 100% of Customer's generator output. All metering shall be at a location that is readily accessible by Company.

GENERAL

Customer shall comply with all applicable standards and requirements for interconnecting generation with electric power systems. Company agrees to comply with all state registration and reporting requirements associated with RECs while Customer receives service under this Rider. The terms, conditions and provision of this Rider are subject to change upon approval by the state regulatory commission.

Company decisions may be appealed by the Customer contacting or filing an informal complaint with the Public Staff of the North Carolina Utilities Commission (Public Staff) or by filing a formal complaint with the North Carolina Utilities Commission. The Public Staff may be contacted by e-mail at Consumer.Services@psncuc.nc.gov or by telephone at 866-380-9816.

REMOTE METER READING AND USAGE DATA SERVICE (NC)

AVAILABILITY (North Carolina Only)

Remote meter reading and usage data service are available for establishments receiving service on a Duke Energy Carolinas retail rate schedule. This service is available for purposes including, but not limited to summary billing, customer selected meter reading dates, inaccessible meters, and customer requested usage data.

RATE

- | | |
|-------------------------|--|
| A. Remote Meter Reading | \$25.00 per meter per month |
| | \$20.00 per communication line per month |

The Company will provide a metering device that will allow remote meter reading. When used for billing purposes, such meters will be read each month at intervals of approximately thirty (30) days. For customers served under this program prior to March 17, 2009 who provide a dedicated telephone line, the communication line charge above will not apply until such time as a meter change is required. When the meter is changed, the Company will provide the communication line at the rate set forth above and the customer may discontinue the dedicated telephone line.

- ### B. Remote Meter Reading and Usage Data Services

The Company will provide a communication line and metering device that will allow remote meter reading, and will provide usage data to the Customer, using internet based technology, or other methods as available and utilized at the Company's discretion, under one of the following options based on frequency of the data provided.

- | | | |
|----|--|--|
| 1. | Monthly Data | \$45.00 per meter per month for the meter and communication line, plus
\$ 5.00 per month per meter for data |
| 2. | Next Business Day Data | \$45.00 per meter per month for the meter and communication line, plus
\$10.00 per month per meter for data |
| 3. | Remote Meter Reading and Usage Data Service – Real-Time Data | |

$$\text{Monthly Service Payment} = \text{Levelized Capital Cost} + \text{Expenses}$$

Where:

Levelized Capital Cost is equal to the present value of all estimated capital related cash flows for a period corresponding to the depreciable life of the equipment, adjusted to a pre-tax amount and converted to a uniform monthly payment. The estimated capital cash flows shall include installed cost of equipment, salvage value, contingency allowances, property taxes, adjustment to reflect supporting investment of general plant nature, and income tax impacts.

Expenses shall equal the present value of estimated expenses associated with the support and maintenance of the equipment, adjusted to a pre-tax amount and converted to a uniform monthly payment for a period corresponding to the depreciable life of the equipment. The estimated expenses shall include administrative and general expenses, expenses for labor and materials related to operations and maintenance, third party expenses for operations and maintenance, warranties, insurance, annual costs associated with energy information storage and retrieval, other costs related to the operation and support of the equipment installation and income tax impacts.

The after-tax cost of capital from the Company's most recent general rate case will be used to convert present values to uniform monthly payments.

Charges for remote metering and a communication line will not apply under this program when the Company, at its own option, has determined that remote metering facilities are necessary for the Company's own use. These charges, as well as charges for data if applicable, will not apply under this program when provided under another rate schedule or rider.

Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fourth Revised Leaf No. 320
Superseding North Carolina Third Revised Leaf No. 320

REMOTE METER READING AND USAGE DATA SERVICE (NC)

PAYMENT

Bills for this service 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. 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

The original term of this contract shall be three (3) years; however, the Company may offer or require an agreement under Option B.3. with an original term of up to ten (10) years. All contracts under this program shall continue 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 thirty (30) days previous notice of such termination in writing. In the event of early termination of a contract under this program, the Customer will be required to pay the Company a termination charge which shall be the net present value of monthly charge, less the monthly ongoing costs for the communications, for the remainder of the term of contract. However, if any successor customer has requested service at the premises under this program prior to the effective date of the termination, the termination charge will be waived or reduced based on the contract term of the successor customer.

DISTRIBUTION LINE EXTENSION PLAN North Carolina

I. APPLICABILITY (North Carolina Only)

This Plan is applicable to distribution line extensions to provide new permanent service installations to serve retail customers, and for the conversion of overhead distribution facilities to underground distribution facilities

At the determination of the Company, in those areas where it is physically or economically infeasible, or impractical, to place facilities above-ground due to structural or geographical congestion or load density, the Company may place its facilities underground at its own option and expense.

II. DEFINITIONS

“Company” means Duke Energy Carolinas, LLC or any agent authorized to act on behalf of Duke Energy Carolinas, LLC.

“Customer” means the builder, developer, contractor, property owner or other entity requesting electrical facilities to be installed under this Plan.

“Distribution” refers to electrical facilities typically operating at 24 kV or below. In limited areas, the Company’s Distribution system operates at 34 kV.

“Overhead facilities” means an electrical distribution system having all components installed above ground level.

“Underground facilities” means an electrical distribution system having some or all components installed below ground level.

“Standard design” means the most cost effective and reliable design using the Company’s current engineering design and construction practices which will meet the electrical service requirements of the Customer. The “standard design” which is most cost effective may be facilities installed either overhead or underground.

“Secondary /service facilities” refers to equipment necessary to provide distribution secondary voltage from the low side of the Company’s transformer to the point of delivery. Secondary facilities refers to equipment installed off-site or up to the last structure on-site and service facilities refers to equipment installed on-site or from the last structure to the point of delivery.

“Construction cost” is the Company’s estimated installed cost of constructing all necessary facilities to the point(s) of delivery, including but not limited to the cost of materials, labor, transportation, stores, tax, engineering, overheads and general expenses, exclusive of any abnormal installation costs.

“Contribution in aid of construction” (“CIAC”) is a charge for the installed cost of facilities in excess of those provided without charge, based on standard design and paid to the Company by the Customer. Contributions in aid of construction may include the income tax effects to the Company of such contributions and be subject to applicable state sales tax.

“Normal point of delivery” for overhead residential service is on the outside wall of the end of the building nearest to the source of the Company’s facilities entering the property where the Company’s conductors meet the Customer’s conductors at the drip loop before the weatherhead. The normal point of delivery for all other customers shall be at a location designated by the Company.

“Real estate development” means a planned residential development consisting of four or more contiguous lots or service to a commercial or industrial development, manufactured home park, apartment complex, planned area development, or other similar type development, properly recorded with the appropriate County registry, where permanent electric service will be provided to four or more customers.

“Idle Facilities” are those facilities for which installation is requested, but in the Company’s judgment are associated with a Real estate development that is not likely to be occupied within a reasonable period of time,

III. COST ESTIMATES

For the purpose of determining the amount of any charges required from the Customer under the provisions of this Plan, estimates of the cost of the Company’s facilities shall be made in accordance with the Company’s current engineering and

DISTRIBUTION LINE EXTENSION PLAN

North Carolina

construction practices and shall be based on the appropriate conductor and transformer capacity required for the electrical load specified by the Customer.

If a detailed engineering study is necessary to determine the estimated cost of the requested installation, the Customer requesting the study shall pay the estimated cost to perform the detailed engineering study prior to the commencement of the study.

- If the Customer accepts and implements the results of the study, the cost of the study will be credited against any charge required from the Customer under this plan or refunded to the extent that a contribution in aid of construction is not required.
- If the Customer does not agree to proceed with the installation of facilities and pay any applicable contribution in aid of construction within one year of the date of the study, the cost paid for the study shall not be refunded to the Customer.

IV. EXTENSIONS FOR NEW INSTALLATIONS RECEIVING PERMANENT SERVICE

Facilities of a standard design will be provided pursuant to the Company's Service Regulations. When the investment required to provide the requested facilities does not produce sufficient revenue to support the investment, the Company will require a contribution in aid of construction if applicable as follows:

1. RESIDENTIAL SECONDARY/SERVICE FACILITIES EXTENSIONS

Residential secondary/service facilities of a standard design provided for service under a residential rate schedule:

Overhead secondary/service facilities to the normal point of delivery.	No Charge
Underground secondary/service facilities to the normal point of delivery service from an overhead and/or underground source.	No Charge

2. NONRESIDENTIAL SERVICE SECONDARY/SERVICE FACILITIES EXTENSIONS

Nonresidential secondary/service facilities of a standard design provided for service under a nonresidential rate schedule:

For the first 500 feet of overhead and/or underground secondary/service facilities to the normal point of delivery served from an overhead or underground source	No Charge
For all over 500 feet of overhead and/or underground secondary/service facilities to the normal point of delivery served from an underground source.	Installed cost of the requested facilities in excess of 500 feet less applicable revenue credits* (See VI. Revenue Credits)

3. PRIMARY FACILITIES EXTENSIONS

Primary facilities extensions of a standard design:

Primary facilities	Installed cost of the requested facilities less applicable revenue credits* (See VI. Revenue Credits)
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* A contribution in aid of construction will not be charged when, in the Company's sole determination, the resulting charge is less than the administrative cost of billing and collection.

4. ADDITIONAL CHARGES

In addition to applicable costs under paragraphs IV. 1, 2 or 3 above, if the Customer requests a design other than the Company's standard design, or if the Owner requests a delivery point other than the normal point of delivery, any resulting additional expenses shall be paid to the Company by the Customer. Customers requesting either a standard or a nonstandard design may also be subject to additional charges based on circumstances set forth under VII. General Provisions

DISTRIBUTION LINE EXTENSION PLAN North Carolina

V. CONVERSION TO UNDERGROUND

The Company may, at its option, replace an existing overhead distribution system with an underground system in an existing residential development or other area under the following terms and conditions:

1. The Company shall place facilities underground by an agreement with the requesting persons which provides for payment of a nonrefundable, contribution-in-aid-of-construction as follows:
 - a. When the existing overhead distribution system is not adequate to supply the customer's load due to added electrical load, the contribution in aid of construction shall be equal to the cost difference between comparable overhead and underground facilities.
 - b. When the existing overhead distribution system is adequate to supply the customer's load, the contribution in aid of construction shall be equal to the cost of comparable underground facilities, less any salvage value of the overhead system.
2. Preliminary engineering studies are necessary to determine the approximate costs of replacing overhead with underground facilities under the provisions set forth in paragraph III. Cost Estimates.
3. The Company need not replace existing overhead systems with underground facilities, except individual services from pole to residence, unless at least one block or 1,000 feet of front lot line is involved, whichever is less.
4. All customers served directly from the specific section of line or in the area to be replaced with underground facilities shall agree to the conditions outlined for replacement of overhead facilities.
5. Customers shall arrange the wiring of their structures to receive underground service at meter locations which allow unimpeded installation of the underground service facilities.

VI. REVENUE CREDITS

A credit based on expected revenue as outlined below will be applied to any required contribution in aid of construction under paragraph IV. and paragraph V. Revenue credits shall not apply to nonstandard design or any other charges set forth under paragraph VII. General Provisions.

For initial service to an individually metered single family residence or permanently installed manufactured home, under paragraph IV.

The Contribution in Aid of Construction, if any, shall be the installed cost less the expected revenue over the initial five (5) years following installation, but not less than zero.

For initial service to permanent multi-family or other residential developments under paragraph IV.

The Contribution in Aid of Construction, if any, cost shall be the installed cost less the expected revenue over the initial three (3) years following installation, but not less than zero

For initial service to all nonresidential customers under paragraph IV.

The Contribution in Aid of Construction, if any, shall be the installed cost less the expected revenue over the initial three (3) years following installation, but not less than zero.

VII. GENERAL PROVISIONS

1. Prior to the installation of overhead or underground facilities, the customer must provide satisfactory right of way for the installation of service pursuant to the Company's Service Regulations.
2. In areas established as underground served by the Company due to the presence of existing or proposed underground facilities, or where there are other requirements placed on the Company's installation (e.g. municipal ordinances or recorded development restrictions), the Customer must agree to receive underground service and, payment for such costs under this Plan shall be made to the Company by the Customer.

DISTRIBUTION LINE EXTENSION PLAN
North Carolina

3. Facilities associated with an underground distribution system, other than the conductors, may be installed above or below ground level as determined solely by the Company in accord with the current construction design practices of the Company.
4. Prior to the installation of the underground distribution system by the Company, the property boundaries the final grade levels of the electrical facilities routes shall be established by the Customer. If (a) the property boundaries or the final grade levels of the electrical facilities routes change after the installation of facilities has begun, or (b) the installation of electrical facilities is required by the Customer before property boundaries or final grade levels are established, or (c) conduit, where required is improperly installed, and therefore any of these conditions results in additional expenses to the Company, payment for such costs shall be paid to the Company by the Customer.
5. The Customer shall coordinate the site development process with the installation of underground electrical facilities to permit unimpeded installation of underground facilities at proper depths and before streets, curbs, or other obstructions are installed, and to eliminate dig-ins to the underground electrical facilities after installation. If streets, curbs or other obstacles are present prior to installation of underground facilities, resulting in additional expenses to the Company, payment for such costs shall be paid to the Company by the Customer.
6. The Customer shall remove all obstructions from the route along which the Company's facilities are to be installed and provide notification to the Company when the site is ready for the installation of primary and/or secondary/service facilities. If Company personnel arrive at the site prepared to begin or continue installation and the site is not ready, payment of any additional costs shall be paid to the Company by the Customer.
7. If existing sidewalks, or other man-made obstructions, result in additional costs, payment for such costs shall be made the Company by the Customer by the owner.
8. Actual costs brought about in connection with the compliance of special requirements, if any, of municipalities, State and Federal agencies or departments or other agencies shall be paid to the Company by the Customer.
9. The Company will make, or adjust, charges to the Customer to collect the actual additional costs to the Company due to adverse conditions, including but not limited to the following: (a) the composition of the land where the facilities are to be installed, (b) the property is encumbered in any way such that standard construction equipment cannot be used (c) special equipment and materials are needed for stream crossing structures or concrete structures; (d), dynamite or other rock breaking measures are required, or (e) if abrupt changes in final grade levels exceed a slope ratio of one (1)when measured within three (3) feet of the trench.
10. Prior to the installation of facilities, payments required from the Customer under the provisions of this Plan shall be paid in full or under payment terms acceptable to the Company.
11. The Company shall exercise care in the utilization of its underground equipment during construction, but the Customer shall be responsible for the protection of shrubs, trees, and grass sod, or any other foliage or property located within the right of way. The Customer shall be responsible for all such items and for reseeding or resodding the trench cover. The Customer shall provide continuing and unimpeded access to the Company for the operation, maintenance and replacement of the Company facilities. Shrubs, trees, or any other obstacle which would hinder the access of the Company at any time shall not be placed within ten feet of transformer or cabinet openings which would hinder the access of the Company at any time.
12. The Company shall not be responsible for repair or replacement of underground facilities owned by others that are damaged during installation of the Company facilities if such facilities were not properly identified and marked by the Customer prior to construction.
13. Underground conductors to provide standard service to Company-owned outdoor lighting will be furnished under the applicable rate schedule on file with and approved by the Commission; however, the Customer shall pay the Company for any additional costs as set forth in the General Provisions of this Plan.

DISTRIBUTION LINE EXTENSION PLAN
North Carolina

14. The Company will provide and coordinate underground service facilities with other requested facilities which are supplied under the Extra Facilities provision of the Company's Service Regulations.
15. The Company may, in its discretion, limit installation of the Company's electrical facilities which serve a real estate development to that area which, in the Company's opinion, is likely to be occupied within a reasonable period of time, in order to avoid excess investment in idle facilities. The Customer may request installation of facilities in the additional area(s) by paying the applicable cost under this Plan for the development as a whole plus an Idle Facilities Deposit. In lieu of such deposit and solely at the Company's option, an approved alternative financial instrument may be used as security. The Idle Facilities Deposit will be based on the cost to install facilities for the area(s) deemed not likely to be occupied in a reasonable time less applicable costs under this Plan. Idle Facilities deposits will be reviewed annually by the Company and will be refunded, based on the pro-rata portion of the Company's idle facilities needed to serve Customer during the preceding 12 months. Any deposit held by the Company for five years or more shall not be refunded.
16. In areas where the Company's standard design requires that underground conductors be placed in concrete-encased duct systems, typically designated downtown areas, the Company will bear the expense of the concrete-encased duct system on public easements. Where the design to meet the owner's request requires the concrete-encased duct system to be extended onto private property, the owner will provide, or will make payment to the Company for, the appropriate concrete-encased duct system to the Company's specification.

Service Regulations (NC)
Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fourth Revised Leaf A
Superseding North Carolina Third Revised Leaf A

Foreword

The Service Regulations of the Company are filed with the Commission having jurisdiction over public utilities. The regulations are presented here and are incorporated by reference in each contract or agreement for electric service.

Definitions

Duke Energy Carolinas is referred to herein as the “Company” and the user and prospective user is referred to as the “Customer” or “Consumer,” these terms to be considered as synonymous. The North Carolina Utilities Commission is referred to as the “Commission.”

I.

Agreement

Electric service will be supplied under (a) the Company’s standard form of application, service agreement, or contract, (b) the applicable rate schedule or schedules, and (c) these service regulations, unless otherwise specified in any particular rate schedule or contract on file with and approved by the Commission. The Company shall not be required to supply service unless and until such agreement is executed by the Customer and the Company. It is understood and agreed that no promise, statement or representation by an agent, employee or other person shall be binding upon the Company unless it is in writing and attached to and made a part of the agreement. However, when the requested supply of electricity is for residential use, or for nonresidential use under contracts of two thousand kilowatts (2000 KW) or less, and no additional charges are involved, the Customer’s application or agreement may be verbal. When the application or agreement is verbal, the Company’s applicable rate schedules, riders, and these Service Regulations will be effective in the same manner as if the Company’s standard form of application or agreement had been signed by the Customer and accepted by the Company. A verbal service agreement shall be presumed when there is no written application by a Customer, if electricity supplied by the Company is used by the Customer or on the Customer’s premises.

Cancellation of Agreement for Nonresidential Service at Customer’s Request

Unless otherwise provided in the rate schedule and/or rider(s) under which the Customer is served, if the Customer requests an amendment to or termination of the agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company as an early termination charge the lower of:

- (a) The net present value of the monthly minimum bills, including, but not limited to, basic facilities, demand, and extra facilities charges, for the remaining term under the agreement less the expected net present value of the monthly minimum bills for the initial term of contract of any successor customer who has applied for 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.

or

- (b) The loss due to early retirement (“LDER”) of all transmission and distribution facilities specifically installed by the Company in order to provide the Customer with electric service under the agreement that will not be utilized by any successor customer who has applied for service at the premises prior to the effective date of the contract amendment or termination. The LDER amount shall be calculated as the installed cost of such facilities less accumulated depreciation, less any salvage value, plus removal cost, provided, however, this amount shall not be less than zero.

Service Regulations (NC)
Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifth Revised Leaf Aa
Superseding North Carolina Fourth Revised Leaf Aa

Agreement Personal

The rights of the Customer under the agreement are personal and shall not be transferred or assigned by the Customer without the written consent of the Company.

Service Used In Advance

If service is used by the Customer before the application or agreement is completed, the service shall be governed by these regulations and the appropriate rate schedule. The Company may discontinue service at any time upon failure or refusal of the Customer to complete the application or agreement and pay in full the amount due for the service to that date.

Vacated Premises

The Customer will notify the Company before quitting or vacating the premises served under the agreement, and will pay upon presentation, all bills due, including any early termination charges, under all agreements.

II.

Deposit

Since an accumulation of unpaid bills would tend toward higher rates for all customers, the Company may require a deposit before beginning service or before reestablishing service or in the event of a material change of circumstances as allowed by the Rules and Regulations of the Commission. The amount of the deposit and the interest paid on deposits will be in accordance with the Rules and Regulations of the Commission. The Company may require an increase or allow a decrease in the deposit if changes occur in the amount of bills rendered to the Customer. The Company may refund a deposit at any time. When service is discontinued, the Company will refund the deposit plus any accumulated interest, less any unpaid bills.

Connection Charge

When the Company first supplies electricity under a metered rate schedule, the Customer shall pay the Company a connection charge of \$10.51. This charge shall become a part of the first bill rendered to Customer for electricity supplied at such premises. The connection charge applies to any new service set up which requires reading the meter, installing a meter, connecting a meter or installing new facilities. The charge does not apply to outdoor lighting rates schedules and does not apply to meter changes due to a change in rate schedule.

Service Regulations (NC)
Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Third Revised Leaf B
Superseding North Carolina Second Revised Leaf B

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III.

Customer's Wiring and Equipment

Equipment which will operate in one location may not operate in another location due to difference in voltage, phase, or frequency of electric service. The Customer shall give the Company notice and shall determine type of service available at the premises before wiring or purchasing equipment. The Company may specify the voltage and type of electric service to be furnished, and may also specify the location of the meter and the point where the service connection shall be made.

All the Customer's wiring and equipment must be installed and maintained in accordance with the requirements of the local municipal and state authorities; otherwise, the Company may refuse to connect service or may discontinue service to the Customer. The Customer shall keep in repair all such wiring and equipment to the point of connection with the facilities of the Company.

Changes in Customer's Wiring and Equipment

The Customer shall not use any equipment, appliance or device, or permit the continuation of any condition which tends to create any hazard or otherwise adversely affect the Company's service to the Customer or other customers, without written consent of the Company. When polyphase service is used by any customer, the Customer shall control the use of service so that the load will be maintained in reasonable electrical balance between the phases at the point of delivery.

The Customer shall give the Company reasonable notice in writing of any anticipated increase in demand exceeding 20 KW or ten percent (10%) of the former demand, whichever is greater. The notice shall state the approximate increase and the date required. If the Company determines the unexpired term of the agreement is sufficient to justify the additional investment required, the Company will endeavor to provide additional capacity for any increase requested by the Customer within ninety (90) days of said notice.

The Company will extend its facilities and change the point of delivery only when the investment required is warranted by the anticipated revenue and when the extension is permissible and feasible.

IV.

Access to Customer's Premises

The Company shall at all reasonable times have the right of ingress to and egress from the premises of the Customer for any and all purposes connected with the delivery of service, or the exercise of any and all rights under the agreement.

V.

Right of Way

The Customer shall at all times furnish the Company a satisfactory and lawful right of way easement over his premises for the construction, maintenance and operation of the Company's lines and apparatus necessary or incidental to the furnishing of service. The Customer shall also furnish satisfactory shelter for meters and other apparatus of the Company installed on the premises, except where the Company elects to install such equipment outdoors.

The Company may change the location of the right of way upon request of the Customer, and may require the Customer to pay the cost of the change. The change will not be made where it will interfere with or jeopardize the Company's service, either to the Customer requesting the change, or to any other customer or customers. All privileges of the Company related to the original location shall apply to the new location.

The obligation of the Company to supply service is dependent upon the Company securing and retaining all necessary rights-of-way, privileges, franchises or permits, for the delivery of such service and the Company shall not be liable to the Customer for any failure to deliver service because of the Company's inability to secure or retain such rights-of-way, privileges, franchises, or permits.

With respect right of way maintenance procedures, the Company shall, upon request, provide the customer written information concerning its methods for maintaining right-of-way clearances.

Service Regulations (NC)
Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Sixth Revised Leaf C
Superseding North Carolina Fifth Revised Leaf C

VI.

Transmission, Distribution, and Service Facilities

The Company's transmission, distribution, and service facilities will be installed above ground on poles, towers, or other fixtures or underground. The Company will require a contribution in aid of construction when the investment required to provide the requested facilities does not produce sufficient revenue to support the investment. Distribution facilities will be installed in accordance with the Company's Distribution Line Extension Plan and the Company's Service Regulations, as approved by the Commission.

For installation of facilities made in the former Duke Energy Carolinas Nantahala Area prior to January 1, 2008, any minimum revenue guarantee contract shall remain in effect until its expiration date.

Service connections will be made as follows:

1. Where both the Company's lines and the Customer's entrance conductors are above ground, and where the service requires a transformer of 500 KVA or less:

The Company will extend its service conductors to the Customer's building, terminating them on the outside of the building at a location to be provided by the Customer and satisfactory to the Company for this purpose. The location must be of sufficient height to satisfy the requirements of the National Electric Safety Code and of applicable local codes, and the strength of the structure at the point of termination must be satisfactory to the Company.

The Customer will provide, install and own all self-contained meter sockets and current transformer enclosures, or the Customer may choose to provide and own a meter / switch enclosure (more commonly known as a house power panel). The Company will utilize and provide service through the Customer's meter / switch enclosure. The Company shall have exclusive control of and access to the metering installation under the following conditions:

- a. The meter / switch enclosure shall be in accordance with the Company's specifications.
 - b. The wiring and connections are approved by the Company.
 - c. The Customer agrees to allow the Company to open and inspect the meter / switch enclosure at any time.
 - d. The Customer agrees to notify the Company and obtain permission before altering or performing maintenance inside the metering section of the meter / switch enclosure.
2. Where both the Company's lines and the Customer's entrance conductors are below ground, or when one is above ground and the other is below ground, or where the size of the Customer's demand or any unusual character of the Customer's location requires the service agreement between the Company and the Customer to be made on one of the Company's long-form Electric Power Contracts, the Company will make the necessary connections from its service conductors to the Customer's entrance conductors as in Section 1 above if applicable, or as in Section 3 below if applicable. If neither Section 1 nor Section 3 is applicable, the connection shall be at a point to be agreed upon by the Company and the Customer.
 3. When, in the Company's opinion, an individual transformer installation is necessary to serve the Customer's demand and such demand exceeds the capacity of a pole-type transformer installation, the Company may require the Customer to provide suitable outdoor space on his premises to accommodate a ground-type transformer installation. If the Customer is unable to provide outdoor space for a ground-type transformer installation, then the Company may require the Customer to provide a transformer vault on his premises.
 - a. When the Customer provides space for a ground-type, substation installation using overhead conductors, the Point of Delivery will be at a location determined by the Company. The Company may require the Customer to provide at the Point of Delivery, main disconnecting switches which shall control all of the Customer's load other than the fire pump circuit, if any.

Service Regulations (NC)
Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Sixth Revised Leaf D
Superseding North Carolina Fifth Revised Leaf D

- b. When the customer provides space for a ground-type, pad mounted transformer installation using underground conductors, the Company will provide and install the transformer. The Customer will provide and install, to the Company's specifications, the concrete pad for the transformer installation. The point of connection with the Customer's entrance conductors will be at the secondary voltage terminals of the Company's transformer.
 - c. When the Customer provides a transformer vault, the vault shall be constructed in accordance with the Company's specifications, and shall meet the requirements of the National Electrical Safety Code and other applicable safety codes and ordinances. The location of the vault shall meet the Company's requirements for accessibility and ventilation. The Company will provide and install the transformers and necessary associated equipment including circuit breakers, switches, supporting structures for equipment, primary cable and secondary cable to the point of connection with the Customer's entrance conductors. The point of connection shall be 12 inches inside one of the walls of a submersible vault or will be at the secondary terminals of the transformer or the secondary bus in a dry vault. The Company will coordinate the transformer vault installation with its Distribution Line Extension Plan for the installation of the primary cable from the Customer's vault to the Company's existing distribution facilities.
4. With respect to any service, after a service installation has been made, it may be changed by the Company upon request of the Customer. The Customer must pay the cost of the change unless anticipated additional revenue resulting from new or increased load made possible by the change in the service is sufficient to support the investment to change the facilities. When the requested change results in incremental revenue to the Company, the cost of the change will be reduced by the expected additional revenue over the initial three (3) years following the change for distribution facilities and one (1) year following the change for transmission facilities. The change will not be made where it will interfere with or jeopardize the Company's service either to the Customer desiring the change or to any other customer or customers. A service change includes, but is not limited to, an upgrade in the facilities required to serve the customer, a change in the voltage or the delivery point, any relocation of facilities, or removal of facilities. Changes involving the conversion of overhead facilities to underground facilities are described in the Company's Distribution Line Extension Plan. The customer will not be charged (1) for temporary disconnection and later reconnection of a service line during normal business hours to allow a tree to be cut or to allow electrical work; (2) for removal of a service line during normal business hours; or (3) to move a service line from one meter base to another essentially in the same location. Additionally, the customer will not be charged for removal of facilities on the customer's premises that are not currently used and useful, where there is no expectation that the facilities will be used and useful in the foreseeable future, so long as (a) the original term of the contract has been fulfilled, and (b) removal of the facilities would not result in loss of service rights to another utility.

Ownership of Equipment

All conductors and conduits, inside work and equipment, switches, fuses, and circuit breakers, from the point of connection with the Company's service shall be installed and maintained by and at the expense of the Customer. All equipment furnished by the Company shall be and remain the property of the Company.

VII.

Meters

The Company will furnish all necessary meters. When a delivery point is changed from one location to another, all expenses in connection with relocation of the meter shall be paid by the Customer. The Company shall have the right, at its option, and at its own expense, to place demand meters, volt meters or other instruments on the premises of the Customer for the purpose of making tests with respect to the Customer's service.

Location of Meter

Meters for all residential service, and for all other service to the extent practicable, shall be located out-of-doors on the Customer's structure at a place which is suitable to the Customer, but which meets all of the Company's requirements for reading, testing, and servicing accessibility, and for safety.

Where it is not practicable, in the Company's opinion, to locate the meter and any associated apparatus out-of-doors, the Customer shall provide a suitable indoor location which meets all of the Company's requirements for reading, testing, and servicing accessibility, and for safety.

Failure or Inaccuracy of Meter

In case of the failure or inaccuracy of a meter, the Customer's bill, for the appropriate portion of the period of such failure or inaccuracy, shall be calculated to correct for billing error as provided in the Rules and Regulations of the Commission.

Meter Tests

The Company will test the meter serving the Customer's premises under the provisions provided for in the Rules and Regulations of the North Carolina Utilities Commission. When the customer requests a meter test on a more frequent basis than that provided for in the Commission's rules, a charge of \$40 will be made to the Customer for self-contained meters, and \$55 for all other meters.

Service Regulations (NC)
Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifth Revised Leaf E
Superseding North Carolina Fourth Revised Leaf E

VIII.

Meter Reading

Meters will be read and bills rendered monthly. Meter readings may be obtained manually on the customer's premises, or remotely using radio frequency or other automated meter reading technology. Billing statements will show the readings of the meter at the beginning and end of the billing period, except; however, when interval load data is used to determine the bill under certain rate schedules or riders, only the billing units may be shown.

Meters with a constant of one may be read to the nearest 10 kilowatt hours except in the case of initial or final bills. For purposes of establishing billing demand and minimum bills, the nearest whole KW may be used.

Bills Due Where No Notice Received

The Company will endeavor to deliver to the Customer, by US mail, electronic mail, or messenger, a monthly statement of the amount due the Company by the Customer.

All bills are due and payable on the date of the bill, during regular business hours, at the office of the Company. Bills for residential and nonresidential service are past due and delinquent on the twenty-fifth (25th) day after the date of the bill.

Failure to receive a statement which has been properly mailed or hand-delivered will not entitle the Customer to any delay in paying the amount due beyond the date when the bill is due and payable.

The word "month" as used herein, and as used in the rate schedules of the Company means the period of time between the regular meter readings by the Company. Readings are taken each month at intervals of approximately thirty (30) days.

Bills rendered for periods of less than 26 or more than 34 days and all initial and final bills rendered on a Customer's account will be prorated on the basis of a normal 30-day billing period; however, if an initial and final bill occur within the same billing month, no such proration will be made. Customers enrolled in a billing cycle period of 35 days prior to April 1, 2021, may, upon request to the Company, retain such billing cycle period. In such cases, bills rendered for periods of less than 26 days or more than 35 days and all initial and final bills will be prorated on the basis of a 30-day billing period, unless an initial and final bill occur within the same billing month. A new customer installation must adhere to the billing cycle period such customer is currently enrolled in or the Company's standard billing period of 26-34 days.

Where Meter Is Not Read

If, for any reason, a meter is not read at the regular reading time, the Company may estimate the amount of service used, and make any adjustment which may be necessary in the bill rendered when the meter is next read. Or, the Company may render the Customer a bill for a minimum charge, and credit the Customer for this charge when the meter is read and bills computed for thirty (30) day intervals.

Offsets Against Bills

No claim or demand which the Customer may have against the Company shall be set off or counterclaimed against the payment of any sum of money due the Company by the Customer for services rendered. All such sums shall be paid in accordance with the agreement regardless of any claim or demand.

Adjustment of Billing Errors

In case of a billing error, the Customer's bill, for the appropriate portion of the period of such billing error, shall be calculated to correct for billing error as provided in the Rules and Regulations of the Commission.

IX.

Responsibility Beyond Delivery Point

It is understood and agreed that the Company is merely a furnisher of electricity, deliverable at the point where it passes from the Company's wires to the service wires of the Customer, or through a divisional switch separating the Customer's wires and equipment from the Company's wires and equipment. The Company shall not be responsible for any damage or injury to the buildings, motors, apparatus, or other property of the Customer due to lightning, defects in wiring or other electrical installations, defective equipment or other cause not due to the negligence of the Company. The Company shall not be in any way responsible for the transmission, use or control of the electricity beyond the delivery point, and shall not be liable for any damage or injury to any person or property whatsoever, or death of any person or persons arising, accruing or resulting in any manner, from the receiving or use of said electricity.

Interference With Company Property

The Customer shall not interfere with, or alter the Company's meters, seals, or other property, or permit the same to be done by others than the Company's authorized agent or employee. Damage caused or permitted by the Customer to said property shall be paid for by the Customer. When unauthorized use of electric service is discovered, the Company may discontinue service and the Customer shall be required to pay for the estimated unauthorized usage, the costs of inspection, investigation, and reconnection before service is restored.

Service Regulations (NC)
Duke Energy Carolinas, LLC

Electricity No. 4
North Carolina Fifth Revised Leaf F
Superseding North Carolina Fourth Revised Leaf F

X.

Resale Service

This contract is made and electricity is sold and delivered upon the express condition that electricity supplied by the Company shall be for the Customer's use only and the Customer shall not directly or indirectly sell or resell, assign, or otherwise dispose of the electricity or any part thereof, on a metered or unmetered basis to any person, firm or corporation except, (1) as provided for in G.S. 62-110(h) regarding resale of electricity by landlords to residential tenants where the landlord has a separate lease for each bedroom in the unit, and where such landlord has complied with the requirements in Chapter 22 of the Rules and Regulations of the Commission, or (2) as may be exempt from regulation under G.S. 62-3(23)(d) and (h).

Under no circumstances will the Company supply electricity for resale in competition with the Company.

Customer Generation and Foreign Electricity

The Customer shall not use the Company's electric service in parallel with other electric service, nor shall other electric service be introduced on the premises of the Customer for use in conjunction with or as a supplement to the Company's electric service, without the written consent of the Company. Non-utility owned generation systems may be allowed to interconnect pursuant to the North Carolina Interconnection Procedures, Forms, and Agreements for State-Jurisdictional Generator Interconnections (hereinafter "Interconnection Procedures") as approved by the North Carolina Utilities Commission, and upon entering into a contract for such service under an applicable rate schedule and/or rider.

XI.

Service Interruptions

The Company does not guarantee continuous service. It shall use reasonable diligence at all times to provide uninterrupted service, and to remove the cause or causes in the event of failure, interruption, reduction or suspension of service, but the Company shall not be liable for any loss or damage to a customer or customers resulting from such failure, interruption, single-phase condition, reduction or suspension of service which is due to any accident or other cause beyond its control, or to any of the following:

1. An emergency action due to an adverse condition or disturbance on the system of the Company, or on any other system directly or indirectly interconnected with it, which requires automatic or manual interruption of the supply of electricity to some customers or areas in order to limit the extent or damage of the adverse condition or disturbance, or to prevent damage to generating or transmission facilities, or to expedite restoration of service, or to effect a reduction in service to compensate for an emergency condition on an interconnected system.
2. An Act of God, or the public enemy, or insurrection, riot, civil disorder, fire, or earthquake, or an order from Federal, State, Municipal, County or other public authority.
3. Making necessary adjustments to, changes in, or repairs on its lines, substations, and facilities, and in cases where, in its opinion, the continuance of service to Customers' premises would endanger persons or property.
4. It is expressly understood and agreed that the Company does not contract to furnish power for pumping water for extinguishing fires. In the event that the Customer shall use said electric power, or any part thereof, for pumping water to be used for extinguishing fires, the Consumer shall, at all times, keep on hand, or otherwise provide for, an adequate reserve supply of water so that it shall not be necessary to pump water by means of said electric power during a fire. It is expressly understood and agreed that the Company shall not, in any event, be liable to the Consumer, nor to any of the inhabitants of any municipal consumer nor to any person, firm or corporation for any loss or injury of or to property or person by fire or fires occasioned by, or resulting directly or indirectly from the failure of any pump, pumping apparatus or appliances to operate, whether said failure shall be due to the act or omission of the Company or otherwise. It is the intention of the parties hereto that the Company shall not, in any event, be liable for any loss or damage occasioned by fire or fires which may be caused by, or result from the failure of the Company to supply electric power to operate such or any pump or pumping apparatus or appliances.

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Electricity No. 4
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XII.

Suspension, Denial or Discontinuance of Service

The Company, subject to the rules of the Commission, shall have the right to suspend its service for repairs or other necessary work on its lines, or system. In addition, the Company shall have the right to deny, suspend, or discontinue its service for any of the following reasons, provided the applicable statute of limitations is not exceeded and provided that the Company shall not suspend, deny or discontinue residential service for failure to pay outstanding bills for nonresidential service:

1. If a customer misrepresents his or her identity in a written or verbal agreement for service or receives service using another person's identity, except when a landlord as Customer provides electricity to a tenant as the user of the service in accordance with the "Provision of Electric Service By Landlord As Customer" section of these Service Regulations.
2. For violation by the Customer of any terms or conditions of the agreement between the Company and the Customer, or violation of any of these service regulations which are a part of the agreement.
3. For the reason that the Customer's use of the Company's service is detrimental to the service of other Customers.
4. For the reason that the Customer's use of the Company's service conflicts with, or violates orders, applicable ordinances or laws of the state or any subdivision thereof, or of the Commission having regulatory powers.
5. For the reason that wiring, equipment, appliance or device is installed or in use on the Customer's premises which permits the electricity to be used without passing through the Company's meter, or which prevents or interferes with the measuring of electricity by the Company's meter.
6. For the nonpayment of any bill, when due, for service rendered by the Company in the Customer's name at any location.
7. Upon failure or refusal of the Customer to make, restore or increase a deposit as required by the Company.
8. For the reason that the Company learns that at the time of application for service, a member of the household or business at the service location is indebted to the Company for service previously rendered in any area served by the Company.
9. For the reason of a past due and unpaid balance for service rendered by the Company in the name of another person who resides with the Customer after service has been provided to the Customer's household, but only if one or more of the following apply:
 - a. The Customer and the person were members of the same household at a different location when the unpaid balance for service was incurred.
 - b. The person was a member of the Customer's current household when the service was established, and the person had an unpaid balance for service at that time.
 - c. The person is or becomes responsible for the bill for the service to the Customer.
10. For the reason of a delinquent account for service rendered by the Company in the name of any other person who will reside in the Customer's household after the Customer receives the service, but only if one or more of the following apply:
 - a. The Customer and the person were members of the same household at a different location when the unpaid balance for service was incurred.
 - b. The person was a member of the Customer's current household when the service was established, and the person had an unpaid balance for service at that time.
11. For the reason that a Customer as landlord provides electricity to a tenant as user of the service in violation of the "Provision of Electric Service By Landlord As Customer" section of these Service Regulations.

Provision of Electric Service by Landlord as Customer

1. For rental properties served on a nonresidential rate schedule and for rental properties which are condominiums, manufactured home, or are houses served under a residential rate schedule with just one dwelling unit and having one lease per residential dwelling unit, a customer who is either a landlord or property manager may provide electricity to a tenant as an amenity included in the rent so long as the landlord or property manager does not impose any variable rental charges based upon the electric usage by the tenant or any other additional fees or charges related to the provision of electric service and otherwise complies with applicable law related to the provision of electric service under these circumstances. In this circumstance, the bill for electric service in the name of the landlord or property manager shall be issued to the landlord's mailing address and not the service address.
 - a. Upon the Company's request, the landlord or property manager shall provide a copy of the lease agreement with the tenant or other documentation to confirm the rental arrangement complies with this service regulation.
 - b. The landlord or property manager shall provide the tenant with notice that the tenant may request that the landlord or property manager authorize the tenant to receive a copy of any disconnection notice as provided for in NCUC Rule R12-11 (n).
2. For residential rental properties with multiple dwelling units within a building and individual leases per dwelling unit, the landlord or property manager must either:
 - a. Provide individual meters for each dwelling unit, with the utility accounts in the name of the tenants (customers) in compliance with the prohibition on master meters as provide in N. C. General Statutes 143-151.42; or
 - b. Qualify for an exception to N. C. G. S. 143-151.42. Exceptions may include a Commission ordered exemption, such as energy efficient central HVAC units, or buildings with construction permits issued prior to September 1, 1977, or landlord resale of electric service in compliance with N.C. G. S. 62-110(h).

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Removal of Equipment

In the event of discontinuance of service or expiration of contract, then it shall be lawful for the Company to remove its meters, apparatus, appliances, fixtures, or other property.

Waiver of Default

Any delay or omission on the part of the Company to exercise its right to discontinue or suspend service, or the acceptance of any part of any amount due, shall not be deemed a waiver by the Company of such right so long as any default in whole or in part or breach of contract on the part of the Customer shall continue, and whenever and as often as any default or breach of contract shall occur.

Reconnect Fee

In case of discontinuance of service for any reason except repairs or other necessary work by the Company, the Customer shall pay the Company a reconnect charge before service will be restored as follows:

If payment is received, or other arrangements made for reconnection, during normal business hours (8:00 a.m. and 5:00 p.m., Monday through Friday), the fee shall be \$9.25.

If reconnection is requested and / or payment is received after normal business hours (8:00 a.m. and 5:00 p.m., Monday through Friday), the fee shall be \$10.58.

Returned Payment Charge

When a check, electronic check, bank draft, debit card or credit card tendered for payment of a Customer's account, is subsequently returned by a financial institution due to a failure of the issuer's financial institution to honor the payment for good and sufficient reason, a \$5.00 fee will be charged the Customer for each such returned payment. The Company, at its option for good cause, may refuse to accept a check, electronic check, debit card, or credit card tendered as payment on a Customer's account.

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XIII.

Unavoidable Cessation of Consumption

In the event the Customer's premises is destroyed by fire, natural disaster, or other casualty, or the operation of its plant is shut down because of strike, fire, natural disaster, or other cause beyond the Customer's control, making a complete cessation of service, then upon written notice by the Customer to the Company within thirty (30) days thereafter, advising that the Customer intends to resume service as soon as possible, any minimum charge, or guarantee for which the Customer may be liable will be waived during the period of such cessation, and the contract shall be extended for a corresponding period. Otherwise, the agreement for service shall immediately terminate. When service has ceased under the described conditions, the Company shall have the right to (1) waive the collection of a deposit to reestablish service, (2) waive temporary service charges for temporary facilities or for reestablishment of service when such charges do not exceed a reasonable amount, (3) waive the collection of area lighting charges due to early termination of contract, and (4) waive the collection of a reconnection fee.

XIV.

Copies

Schedules of rates, riders, copies of service regulations and information on right of way maintenance practices are available from the Company and from the Company's website. Forms of agreements and contracts are also available upon request.

XV.

Changes

All agreements and contracts for service between the Company and its customers, including the rate schedules, riders, other programs and these Service Regulations, are subject to such changes and modifications from time to time as approved by the Commission or otherwise imposed by lawful authority.

XVI.

Types of Service

The types of service supplied and the schedules applicable thereto are as follows:

1. Residential Service

The residential rate schedules are applicable to an individual residence, condominium, townhome, individually metered apartment, or, in accordance with the terms of Section XVI.2.a, a manufactured home, mobile home, or tiny home. The residential rate schedules shall be applicable to only one meter serving an individual residence.

The residential rate schedules are available for a single dwelling unit providing independent living facilities complete for living, sleeping, eating, cooking and sanitation. To qualify for a residential rate schedule, the dwelling unit must be connected to water and sewer facilities and labeled as a structure which can be used as a residential dwelling. If the structure does not meet the requirements of a residential dwelling unit, service will be provided on one of the general service rate schedules.

Outbuildings, garages, swimming pools, water pumps, and other uses which form a part of the general living establishment on the same property with a residence may be connected to the residential service meter, or they may be separately metered; such separately metered services shall be served on one of the general service rate schedules.

Individual meters shall be installed by the Company for each individual residence, condominium, manufactured home, housekeeping apartment, or housekeeping unit for which a permit was issued or construction started after September 1, 1977, in accordance with North Carolina General Statute 143-151.42 which prohibits master metering. Exceptions must be approved by the Commission.

Residential service to two or more residences on the same property or to a residence or residences sub-divided into two or more individual housekeeping units may not be supplied through one meter on a residential rate schedule except as provided below:

Block Billing Under Residential Rate Schedules

- a. If, for any reason, the wiring is so arranged by the Customer that rewiring for individual meters is not feasible, but a single meter must be used for two or more residences or units, then for billing purposes through this single meter, the Basic Facilities Charge and each kWh block of the rate schedule shall be multiplied by the number of residence units served.
- b. Condominium units which were served as apartments through a single meter on a general service rate schedule before December 1, 1979, may continue to be served through one meter on a residential schedule; however, the Basic Facilities Charge and each kWh block of the rate schedule shall be multiplied by the number of residence units served.

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2. Service to Manufactured, Mobile, and Tiny Home Parks, Recreational Parks, Portable Structures

a. Manufactured, Mobile, and Tiny Home Parks

Each space designated for the parking of manufactured homes, mobile homes, or tiny homes will be served through a separate meter for billing. Homes in manufactured, mobile, and/or tiny home parks that meet the requirements for a residential dwelling in Section XVI.1 above will be billed in accordance with the applicable residential rate schedule. Service connections will be the same as set forth in these Service Regulations VI.1.

Energy used by the manufactured, mobile, or tiny home park in its office, service buildings, area lighting, water pumps, and other purposes connected with the operation of the park, including spaces designated for the overnight parking of homes in transit or awaiting assignment to separately metered spaces available within the park, may be served through a single meter, and will be billed in accordance with the applicable general service rate schedule.

b. Recreational Parks, Campgrounds and Marinas

Service to recreational parks, campgrounds and marinas may be supplied to each establishment at one delivery point, and energy used in its offices, service buildings, area lights, water pumps, individual service outlets at campsites and boat slips, and other purposes connected with its operation, will be billed through one meter in accordance with the applicable general service rate schedule.

Where a portable structure (travel trailer, camper, motor home, water craft etc.) occupies and remains at an individual site in a recreation park, marina or campground under a lease arrangement for twelve (12) months or longer and meets the requirements for a residential dwelling in Section XVI.1, the Company may, at its option, provide an individual delivery and meter the service at the structure. The service will be billed in accordance with the applicable residential rate schedule. Service connections will be the same as set forth in these Service Regulations VI.1.

c. Locations other than Manufactured Home Parks, Recreational Parks, Campgrounds or Marinas

Service will be provided as set forth in these Service Regulations, XVI (15) Temporary Service, except that if the Customer presents satisfactory evidence of meeting the requirements for a residential dwelling in Section XVI.1 and owns the property or, if rented, under a lease arrangement for twelve (12) months or longer, service will be provided under a residential rate schedule. Service connections will be the same as set forth in these Service Regulations VI.1.

3. Residential Service to Group Facilities

Facilities designed to provide residential care or a group home in a residential structure for up to and including nine adults or children (excluding houseparent or caregiver) may be served on a residential rate schedule provided the facility is a single housekeeping unit and energy is used only by equipment which would normally be found in a residence. If the facility has a separate housekeeping unit for the caregiver, commercial cooking or laundry equipment, vending machines, or other equipment not normally found in a residence the facility will be served on a general service rate schedule.

4. Professional Offices or Business Activities in Residences

For residences involving some business, professional, or other gainful activity, a residential rate schedule will be permitted only where:

- a. the electric energy used in connection with such activity is less than 15% of the total energy use; and
- b. the electric energy is used only by equipment which would normally be used in a residence.

Conspicuous business soliciting devices about the premises may be *prima facie* evidence that 15% or more of total electric energy use is for the business activity.

If all of the foregoing conditions cannot be met, the entire premises shall be classified as nonresidential and an appropriate nonresidential rate schedule shall be applied.

The Customer may, at his option, provide separate circuits so that the residential uses can be metered separately and billed under a residential schedule and the other uses under a general service schedule.

For residences in which a Day Nursery is operated, a residential rate schedule will be permitted provided:

- a. The operator and the operator's family, if any, live there.
- b. The nursery requires no extra electrical equipment or space in addition to that normally required for the operator's family.
- c. There are no conspicuous business soliciting devices about the premises.

If all of the foregoing conditions cannot be met, then the facility will be served on a general service rate schedule.

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5. Farm and Rural Service

The residential rate schedules are available for service through one meter to the Customer's personal farm residence, and for the usual farm uses outside the dwelling unit, but not for commercial operations selling at retail, or for non-farming operations, or for the processing, preparing, or distributing of products not indigenous to that farm.

The residential farm service customer may, at his option, elect to take the entire service under one of the general service rate schedules, or he may provide separate circuits so that the residential dwelling unit, together with the usual farm uses outside the dwelling unit, can be metered and served under a residential rate schedule, and the other uses under a general service rate schedule.

6. General Service

General Service rate schedules are available to the individual customer for any purpose other than those excluded by the availability paragraph of the schedules, and they shall apply to the following:

- a. Customers engaging in retail trade or personal service directly with the public such as hotels, motels, boarding houses; ("Boarding House" is defined as an establishment making a business of providing rooms and / or meals to the public in much the same manner as hotels and restaurants; or which has a license for operating such an establishment. This does not include homes taking in a small number of roomers and / or boarders, where the homeowner does not depend on the revenue there from as a principal source of income.)
- b. Hospitals, nursing homes, institutional care facilities;
- c. Office buildings, stores, shops, restaurants, service stations, and other commercial establishments;
- d. Schools, dormitories, churches, and other nonresidential customers, and other non-industrial customers;
- e. Energy used in a multi-family residential structure (other than the individual housekeeping units), such as hall lighting, laundry facilities, recreational facilities, etc.
- f. Miscellaneous services with individual meters serving well pumps, signs, customer-owned lighting, garages, etc.

General Service rate schedules continue to be available for master-metered apartments constructed prior to September 1, 1977, (or after September 1, 1977 with Commission approval) where the establishment consists of:

- a. one or more buildings, each three (3) or less stories in height, of three (3) or more individual apartment living units per building, located on contiguous premises and under single ownership, or
- b. a single building, under single ownership, four (4) or more stories in height, containing three (3) or more individual housekeeping units,

provided there is no submetering, resale, conjunctional, or sub-billing, or separate charge to tenants for electricity by the landlord, nor any form of variable rental charge based upon the electric usage by any tenant.

Notwithstanding a. above, 10% or less of the total number of living units being served through the single meter may be of two units per building, but no single-family units which may be among the buildings in the establishment can be served through the single meter. The number of buildings and apartment units to be served through a single meter may not be greater than the number for which the developer has secured a construction loan or permanent mortgage as of the date of the contract, and proof of such commitment may be required. Additional units to be built on the original premises or on an adjoining premises, must be contracted for separately and served through a separate meter and served on the applicable general service rate schedule.

Upon mutual agreement by the Customer and the Company, service will be rendered through a single meter to multiple delivery points, with the Company owning the distribution facilities between the meter and the several delivery points as set forth under the Extra Facilities section of these Service Regulations.

Service through a single meter billed on a general service schedule is available only for general building use and residential use. Any tenant who could otherwise qualify for any of the Company's rate schedules other than residential must be served separately by the Company.

The landlord must enter into a contract with the Company for each establishment qualifying for the single meter general service rate schedule in a. or b. above, and the contract shall specify the number of buildings and the number of stories and apartment units within each building in the establishment, the total contract demand of the establishment, and the names of streets, roads, or other boundaries of the contiguous premises within which each establishment is located.

Service will normally be supplied separately to each establishment as determined by the Company.

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7. **Industrial Service**
The industrial service rate schedule is available to customers classified as “Manufacturing Industries” by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric usage of such establishment is for its manufacturing processes.
8. **Outdoor Lighting Service**
Customer-owned outdoor lighting service may be connected to the residential, general service, or industrial service meter or it may be separately metered. Such separately metered services shall be served on the general service schedule. Where the Company owns and operates the lighting equipment, service will be provided under Schedule OL or NL.
9. **Seasonal Service**
Where the Customer’s use of energy is seasonal, generally it will be to his advantage to keep his premises connected to the Company’s lines throughout the year. Under certain rate schedules, the Customer may elect to contract for an annual minimum charge, rather than a monthly minimum charge, as outlined in the applicable schedules. The Company will disconnect the service for a period of inactivity upon request, but will make a disconnect charge of \$15.00 if the service has been connected less than 6 months.
10. **Government and Municipal Service**
The regular general service rate schedules are available for government and municipal service to facilities such as offices and schools. Schedule PL is available to governmental entities for street and public area lighting. Schedule TS is available to governmental entities for traffic and safety signals.
11. **Time of Use Service**
Time of Use rates are optional and are available to residential and nonresidential customers.
12. **Power Manager and PowerShare**
These optional riders offer credits for contracting customers who provide a source of capacity to the Company when the Company requests interruption of service.
13. **Breakdown and Standby Service**
The Company does not supply breakdown or standby service, and service under its rate schedules may 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, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.
14. **Net Metering**
Net metering is available under Riders NM and SCG for installed customer 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.

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15. Temporary Service

Temporary service for construction of buildings or other establishments which will receive permanent electric service from the Company's lines when completed will be provided under Schedule BC if single-phase service is supplied. Three phase service will be supplied under the applicable general service schedule.

As to temporary service for construction projects which will not result in permanent electric service, vehicles or structures designed or used to provide mobility and/or nonpermanent living accommodations (including, but not limited to, boats, campers, motor homes, chassis mounted tiny homes or recreational vehicles), rock crushers, asphalt plants, mobile classrooms, carnivals, fairs, and other nonpermanent installations, the Customer agrees to pay the actual cost of connection and disconnection. The 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. A deposit may be required equal to the estimated cost of connection and disconnection plus the estimated billing on the applicable rate schedule for the period involved, with said deposit to be returned if the contract period is fulfilled.

16. Special Provisions

- a. Service to x-ray, magnetic resonating image, welding, material shredding/recycling and other equipment that may create voltage disturbances on the Company's system may be operated by the Customer through the regular service meter when such operation will not adversely affect the Company's system or the quality of service to neighboring customers.

- (1) If, however, the use of such equipment causes voltage fluctuations detrimental to the service of the Customer, any other customer(s) or the Company's system, the Company shall provide the Customer with notice of the voltage disturbance and an opportunity to consult with the Company to assist in identifying a cost effective solution. As a solution, the Company may:

- a. Set a separate transformer for the exclusive use of the Customer, and extend a separate service to the Customer's premises. This service shall be metered, and shall be billed on the applicable rate schedule. In addition, the Customer shall be billed 30 cents per month per KVA for the separate transformer.

OR

- b. Provide facilities on the Company's side of the delivery point for the exclusive use of the Customer necessary to eliminate the disturbance. Such facilities which are in addition to those necessary for delivery of service at one point, through one meter, at one voltage shall be billed in accordance with the Extra Facilities provisions of Leaf M of these Service Regulations.

In lieu of providing the facilities described in Subsection a.(1)(a) or a.(1)(b) above, the Company may require the Customer to either discontinue the operation of the equipment or install the necessary protective apparatus to eliminate the disturbance to any other customer(s) or the Company's system. Nothing in this Section shall limit the Company's rights to deny, discontinue or suspend its service pursuant to Leaf G, Section XII these Service Regulations.

- (2) If the Company in its discretion determines that the installation of extra facilities or any associated equipment on the Company's side of the delivery point is impossible, infeasible or operationally unsatisfactory, and the Customer demonstrates that only available protective apparatus that it could install on its side of the delivery point to eliminate the disturbance constitutes an emerging technology, the Company and the Customer may agree to jointly implement the emerging technology. The Company may contribute up to 50% of the total cost to implement the emerging technology. The Customer shall enter into a new electric service agreement with the Company which shall have a minimum original term of 5 years. Any early termination fee shall include reimbursement of the Company's contribution on a pro-rata basis. The agreement may include provisions regarding the operating characteristics of the Customer's equipment and performance of the protective apparatus. If the emerging technology protective apparatus does not eliminate the disturbance to any other customer(s) or the Company's system, Section a. (1) above shall apply.

For the purposes of this Section a. (2), "emerging technology" shall include uniquely designed equipment that has not yet been successfully implemented at three or more comparable facilities in the United States. The Company shall make the final determination as to what constitutes "emerging technology".

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Special Provisions (continued)

- b. Selection of Rate Schedule For certain classes of service, optional schedules are available which result in lower average prices to customers because of their usage characteristics. Since this use is under the control of the Customer, the amount of saving, if any, is also under his control and the choice of schedules, therefore, lies with him.

Upon request, investigation will be made and assistance will be given to the Customer in selecting the rate which is most favorable to his condition and to determine whether the rate under which he is being billed is the most advantageous. The Company does not guarantee that each customer will be served under the most favorable rate at all times, and will not be responsible for notifying the Customer of the most advantageous rate. Not more than one change from one optional rate to another will be made within any twelve (12) month period for any customer. In addition, when a Customer selects an optional rate with seasonal or time of use pricing, the Company reserve the right to restrict rate changes to once annually, on the anniversary date of the agreement for the optional rate. When a change is made from an optional rate to another, no refund will be made of the difference in charges under different rates applicable to the same class of service.

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- c. Extra Facilities. At the request of the Customer, the Company will furnish, install, own and maintain facilities which are in addition to those necessary for delivery of service at one point, through one meter, at one voltage, in accordance with the applicable rate schedule, such additional facilities to be furnished under an "Extra Facilities Clause" added to and made a part of the Company's standard form of contract and containing the following provisions:
- 1) Service shall be used solely by the contracting Customer in a single enterprise located entirely on a single, contiguous premises, and there shall be no exemption from any of the other provisions of these Service Regulations.
 - 2) "Extra Facilities" shall consist of such of the following as may be required: voltage regulators, circuit breakers, duplicate service, transformers, substations, connecting lines, off-site facilities or other equipment installed for the use of the contracting Customer, other than facilities which the Company would furnish to the Customer without cost under its standard form of contract.
 - 3) The facility to be supplied shall be Company standard overhead transmission or distribution, or transmission and distribution, equipment to be installed only on the Company side of the point of delivery.
 - 4) A monthly "Extra Facilities Charge" equal to 1.0% of the installed cost of the facilities, but not less than \$25, shall be billed to the Customer in addition to the billing for energy, or for demand plus energy, in accordance with the applicable rate schedule. In lieu of the monthly charge above, at the Company's option, the Customer may elect to be billed under an alternative payment option to the 1.0% per month. The alternative payment option will be calculated such that the net present value of the payments made by the Customer under the alternative payment option will be equal to the net present value of the 1.0% per month payment option. Under such payment option the payment must be renewed after each thirty-four (34) year period.
 - 5) The "installed cost of extra facilities" shall be the original cost of material used, including spare equipment, if any, plus applicable labor, transportation, stores, tax, engineering and general expenses, all estimated if not known. The original cost of materials used is the current market price of the equipment at the time the equipment is installed, whether said equipment is new or out of inventory.
 - 6) "Extra Facilities" shall include the installed cost of extra meters and associated equipment necessary to record demand and energy at the voltage delivered to the Customer. Upon mutual agreement between the Customer and the Company, demand and energy may be metered at primary voltage, without compensation for transformer loss, and without inclusion of any part of the metering cost as an extra facility. When extra facilities furnished include a voltage regulator, metering equipment shall be installed on the Company side of the regulator, or if this is not feasible, the meter shall be compensated so as to include registration of the regulator losses.
 - 7) When the extra facilities requested by the Customer consist of those required to furnish service at either more than one delivery point on the premises or at more than one voltage, or both, the installed cost of the extra facilities to be used in the computation of the Extra Facilities Charge shall be the difference between the installed cost of the facilities made necessary by the Customer's request, and the installed cost of the facilities which the Company would furnish without cost to the Customer under its standard form of contract.
 - 8) The Company shall have the option of refusing requests for extra facilities if, on its own determination, the requested facilities are not feasible, or may adversely affect the Company's service to other customers.
 - 9) Contracts containing the Extra Facilities clause shall have a minimum original term of 5 years to continue from year to year thereafter, but the Company may require the payment of removal costs in contracts with original terms of 10 years or less, and may require advance payment of the Extra Facilities Charge for a period equal to one-half the original term of the contract.
 - 10) Customers from whom the Company may be furnishing extra facilities under contracts made prior to September 1, 1962 shall be exempted from all provisions of this Extra Facilities Clause except 1) until such time as their contracts may expire, or are terminated by the Customer, or are terminated by the Company for reasons not related to the furnishing of extra facilities
 - 11) In the event that an existing extra facility must be modified or replaced, whether or not such modification or replacement is requested by the affected extra facility Customer, then the installed cost of extra facilities on which the monthly Extra Facilities Charge is based shall be the installed cost of existing equipment, plus the installed cost of new additions, less the installed cost of equipment removed. The installed cost of existing equipment shall be the same installed cost used for said equipment immediately prior to the modification or replacement. The installed cost of new additions shall be the current market price of said new additions at the time the new additions are installed. The installed cost of equipment removed shall be the same installed cost used for said equipment immediately prior to removal.