

ANNUAL BILLING ADJUSTMENTS
RIDER BA

APPLICABILITY – RATES INCLUDED IN TARIFF CHARGES

The rates shown below are not included in the MONTHLY RATE provision in each schedule identified in the table below:

Billing Adjustment Factors (¢/kWh)*					
Rate Class	Fuel and Fuel-Related Adjustment		DSM and EE Adjustment		Net Adjustment
	Rate ⁽¹⁾	EMF ⁽²⁾	Rate ⁽³⁾	EMF ⁽⁴⁾	
Residential Applicable to Schedules: RES, R-TOUD, R-TOU, & R-TOU-CPP	0.07405 <u>2</u>	1.1930 <u>355</u>	0.676	(0.047)	1.896036
Small General Service Applicable to Schedules: SGS, SGS-TOUE, SGS-TOU-CLR, SGS-TOU-CPP, TSF & TSS	0.187	1.0520 <u>037</u>	0.527 (EE Only) 0.051 (DSM Only)	(0.182) (EE Only) (0.009) (DSM Only)	1.6260 <u>611</u>
Medium General Service Applicable to Schedules: MGS, SGSMGS -TOU, SI, CH-TOUE, GS-TES, APH-TES	(0.10784 <u>7)</u>	1.0920 <u>174</u>	0.527 (EE Only) 0.051 (DSM Only)	(0.182) (EE Only) (0.009) (DSM Only)	1.4620 <u>739</u>
Large General Service Applicable to Schedules: LGS, LGS-TOU, LGS-RTP, HP, LGS-HLF	(0.02662 <u>1)</u>	1.2510 <u>425</u>	0.527 (EE Only) 0.051 (DSM Only)	(0.182) (EE Only) (0.009) (DSM Only)	1.612433
Lighting Applicable to Schedules: ALS, SLS, SLR & SFLS	(0.52067 <u>6)</u>	1.6820 <u>901</u>	0.021 (EE Only) 0.000 (DSM Only)	(0.021) (EE Only) 0.000 (DSM Only)	2.3580 <u>381</u>

* Billing Adjustment Factors, shown above, includes a North Carolina regulatory fee.

Billing Adjustment Factors Description:

- (1) The Fuel and Fuel-Related Adjustment Rate is adjusted annually to reflect incremental changes in the costs of fuel and fuel-related costs from the rates approved in the last general rate case.
- (2) The Fuel and Fuel-Related Adjustment Experience Modification Factor (EMF) is adjusted annually to reflect the difference between reasonable and prudently incurred fuel and fuel-related costs and the fuel and fuel-related revenues realized during a test period under review and shall remain in effect for a fixed 12-month period.

NC Second Revised Leaf No. 601
Effective for service rendered on and after ~~January~~~~December~~ 1, 2024
NCUC Docket No. E-2, Sub ~~4322~~1343, Order dated ~~December 19, 2023~~ _____

- (3) The Demand Side Management (DSM) and Energy Efficiency (EE) Rates are adjusted annually to reflect the costs and incentives associated with DSM and EE measures and programs approved by the North Carolina Utilities Commission.
- (4) The DSM and EE Experience Modification Factors (DSM EMF and EE EMF) are adjusted annually to reflect the difference between reasonable and prudently incurred DSM and EE costs and incentives and DSM and EE revenues realized during the period under review and shall remain in effect for a fixed 12 month period.

The fuel rate included in base tariff rates effective October 1, 2023 are 2.808¢/kWh for RES, 3.097¢/kWh for SGS, 2.580¢/kWh for MGS, 2.138¢/kWh for LGS and 3.376¢/kWh for Lighting, excluding the North Carolina regulatory fee.

Demand Side Management and Energy Efficiency “Opt-Out” Option

North Carolina Utilities Commission Rule R8-69(e) allows commercial customers with annual consumption of 1,000,000 kWh or greater in the billing months of the prior calendar year and all industrial customers to elect to not participate in either or both (1) any utility-offered DSM or (2) any utility-offered EE program and, after written notification to the utility, not be subject to either or both the DSM or EE Rates and EMFs, as applicable and as shown above. For purposes of application of this option, a customer is defined to be a metered account billed under a single application of a Company rate tariff. For commercial accounts, once one account meets the opt-out eligibility requirement, all other accounts billed to the same entity with lesser annual usage located on the same or contiguous properties are also eligible to opt-out in the same manner from paying either or both of the DSM and EE Rates and EMFs.

Following the December bill each year, usage for commercial accounts electing to “opt-out” of the DSM/EE rates shall be reviewed and the customer shall be notified and removed from the “opt-out” option if annual consumption is less than 1,000,000 kWh in the prior twelve months.

APPLICABILITY – RENEWABLE CLEAN ENERGY PORTFOLIO STANDARD CHARGES

The rates shown below are not included in the MONTHLY RATE provision of the applicable schedule used in billing and shall therefore be added to Customer’s monthly bill statement:

Billing Adjustment Factors Per Customer (\$/month)*			
Revenue Class	CREPS Rate ⁽⁵⁾	CREPS EMF ⁽⁶⁾	Net Billing Rate
Residential	\$ <u>1.291.60</u> per month	(\$ <u>0.0708</u>) per month	\$ <u>1.22-52</u> per month
Commercial/ Public Streets and Highways	\$ <u>7.158.83</u> per month	(\$ <u>0.6352</u>) per month	\$ <u>6.528.31</u> per month
Industrial/Public Authority	\$ <u>48.2359.81</u> per month	(\$ <u>4.743.57</u>) per month	\$ <u>43.4956.24</u> per month
<u>Lighting</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>

* Billing Adjustment Factors, shown above, includes a North Carolina regulatory fee.

For purposes of the applicability of the ~~Renewable~~Clean Energy Portfolio Standard (~~R~~CEPS) Billing Adjustment Factors, a “Customer” is defined as all accounts (metered and unmetered) serving the same customer of the same revenue classification located on the same or contiguous properties. ~~The CEPS charge is not applicable to agreements for the Company’s outdoor lighting rate schedules, ALS, SLS, SLR, and SFLS.~~ If a customer has accounts which serve in an auxiliary role to a main account on the same premises, ~~with the same revenue classification,~~ no ~~R~~CEPS charge should apply to the auxiliary accounts, ~~regardless of their revenue classification. Upon written notification from Customer, accounts meeting these criteria shall be coded in the billing system to allow Customer to receive only one monthly REPS charge for all identified accounts.~~

Billing Adjustment Factors Description:

- (5) The ~~REPS-CEPS~~ Rate is adjusted annually to reflect research ~~and development~~ costs and incremental costs incurred to comply with the state’s ~~Renewable-Clean~~ Energy and Energy Efficiency Portfolio Standard (~~REPS~~CEPS).
- (6) The ~~REPS~~ Experience Modification Factor (~~REPS-CEPS~~ EMF) Rate is adjusted annually to recover the difference between reasonable and prudently incurred ~~REPS-CEPS~~ costs and ~~REPS-CEPS~~ revenues realized during the period under review and shall remain in effect for a fixed 12-month period.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

The Fuel and Fuel-Related Adjustment EMF and ~~REPS-CEPS~~ EMF are effective for service rendered through November 30, ~~2024~~2025. The DSM EMF and EE EMF are effective for service rendered through December 31, 2024.

ANNUAL BILLING ADJUSTMENTS
RIDER BA

APPLICABILITY – RATES INCLUDED IN TARIFF CHARGES

The rates shown below are not included in the MONTHLY RATE provision in each schedule identified in the table below:

Billing Adjustment Factors (¢/kWh)*					
Rate Class	Fuel and Fuel-Related Adjustment		DSM and EE Adjustment		Net Adjustment
	Rate ⁽¹⁾	EMF ⁽²⁾	Rate ⁽³⁾	EMF ⁽⁴⁾	
Residential Applicable to Schedules: RES, R-TOUD, R-TOU, & R-TOU-CPP	0.052	0.355	0.676	(0.047)	1.036
Small General Service Applicable to Schedules: SGS, SGS-TOUE, SGS- TOU-CLR, SGS-TOU-CPP, TSF & TSS	0.187	0.037	0.527 (EE Only) 0.051 (DSM Only)	(0.182) (EE Only) (0.009) (DSM Only)	0.611
Medium General Service Applicable to Schedules: MGS, MGS-TOU, SI, CH- TOUE, GS-TES, APH-TES	0.178	0.174	0.527 (EE Only) 0.051 (DSM Only)	(0.182) (EE Only) (0.009) (DSM Only)	0.739
Large General Service Applicable to Schedules: LGS, LGS-TOU, LGS-RTP, HP, LGS-HLF	0.621	0.425	0.527 (EE Only) 0.051 (DSM Only)	(0.182) (EE Only) (0.009) (DSM Only)	1.433
Lighting Applicable to Schedules: ALS, SLS, SLR & SFLS	(0.520)	0.901	0.021 (EE Only) 0.000 (DSM Only)	(0.021) (EE Only) 0.000 (DSM Only)	0.381

* Billing Adjustment Factors, shown above, includes a North Carolina regulatory fee.

Billing Adjustment Factors Description:

- (1) The Fuel and Fuel-Related Adjustment Rate is adjusted annually to reflect incremental changes in the costs of fuel and fuel-related costs from the rates approved in the last general rate case.
- (2) The Fuel and Fuel-Related Adjustment Experience Modification Factor (EMF) is adjusted annually to reflect the difference between reasonable and prudently incurred fuel and fuel-related costs and the fuel and fuel-related revenues realized during a test period under review and shall remain in effect for a fixed 12-month period.

- (3) The Demand Side Management (DSM) and Energy Efficiency (EE) Rates are adjusted annually to reflect the costs and incentives associated with DSM and EE measures and programs approved by the North Carolina Utilities Commission.
- (4) The DSM and EE Experience Modification Factors (DSM EMF and EE EMF) are adjusted annually to reflect the difference between reasonable and prudently incurred DSM and EE costs and incentives and DSM and EE revenues realized during the period under review and shall remain in effect for a fixed 12 month period.

The fuel rate included in base tariff rates effective October 1, 2023 are 2.808¢/kWh for RES, 3.097¢/kWh for SGS, 2.580¢/kWh for MGS, 2.138¢/kWh for LGS and 3.376¢/kWh for Lighting, excluding the North Carolina regulatory fee.

Demand Side Management and Energy Efficiency “Opt-Out” Option

North Carolina Utilities Commission Rule R8-69(e) allows commercial customers with annual consumption of 1,000,000 kWh or greater in the billing months of the prior calendar year and all industrial customers to elect to not participate in either or both (1) any utility-offered DSM or (2) any utility-offered EE program and, after written notification to the utility, not be subject to either or both the DSM or EE Rates and EMFs, as applicable and as shown above. For purposes of application of this option, a customer is defined to be a metered account billed under a single application of a Company rate tariff. For commercial accounts, once one account meets the opt-out eligibility requirement, all other accounts billed to the same entity with lesser annual usage located on the same or contiguous properties are also eligible to opt-out in the same manner from paying either or both of the DSM and EE Rates and EMFs.

Following the December bill each year, usage for commercial accounts electing to “opt-out” of the DSM/EE rates shall be reviewed and the customer shall be notified and removed from the “opt-out” option if annual consumption is less than 1,000,000 kWh in the prior twelve months.

APPLICABILITY – CLEAN ENERGY PORTFOLIO STANDARD CHARGES

The rates shown below are not included in the MONTHLY RATE provision of the applicable schedule used in billing and shall therefore be added to Customer’s monthly bill statement:

Billing Adjustment Factors Per Customer (\$/month)*			
Revenue Class	CEPS Rate ⁽⁵⁾	CEPS EMF ⁽⁶⁾	Net Billing Rate
Residential	\$ 1.60 per month	(\$0.08) per month	\$ 1.52 per month
Commercial	\$ 8.83 per month	(\$0.52) per month	\$ 8.31 per month
Industrial/Public Authority	\$ 59.81 per month	(\$3.57) per month	\$56.24 per month
Lighting	Not applicable	Not applicable	Not applicable

* Billing Adjustment Factors, shown above, includes a North Carolina regulatory fee.

For purposes of the applicability of the Clean Energy Portfolio Standard (CEPS) Billing Adjustment Factors, a “Customer” is defined as all accounts (metered and unmetered) serving the same customer of the same revenue classification located on the same or contiguous properties. The CEPS charge is not applicable to

agreements for the Company's outdoor lighting rate schedules, ALS, SLS, SLR, and SFLS. If a customer has accounts which serve in an auxiliary role to a main account on the same premises, with the same revenue classification, no CEPS charge should apply to the auxiliary accounts.

Billing Adjustment Factors Description:

- (5) The CEPS Rate is adjusted annually to reflect research costs and incremental costs incurred to comply with the state's Clean Energy and Energy Efficiency Portfolio Standard (CEPS).
- (6) The CEPS Experience Modification Factor (CEPS EMF) Rate is adjusted annually to recover the difference between reasonable and prudently incurred CEPS costs and CEPS revenues realized during the period under review and shall remain in effect for a fixed 12-month period.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

The Fuel and Fuel-Related Adjustment EMF and CEPS EMF are effective for service rendered through November 30, 2025. The DSM EMF and EE EMF are effective for service rendered through December 31, 2024.