



IMPORTANT CUSTOMER INFORMATION — NONRESIDENTIAL

DUKE ENERGY

SOUTH CAROLINA

Brief descriptions of Duke Energy's rate schedules are included within this brochure to make you aware of the schedules available for various categories of use. The rate schedule is shown on your billing statement for each type of service you are receiving for that account.

Duke Energy's customer service representatives are available 24 hours a day to all residential, industrial and general service customers to assist in determining the most appropriate rate schedule.

If you have made changes, or plan to make changes in your heating and/or water heating system, or if you have made other changes that significantly affect your usage characteristics, please contact us. Since the customer is responsible for his or her own equipment and usage, it is the customer's responsibility to notify Duke Energy of such changes that might result in a different rate being applied. We want to ensure you are served on the most favorable rate and to ensure we have the proper facilities installed to meet your service needs.

In addition, we will be happy to assist you with questions regarding your service, rate schedule or billing statement.

If you would like a copy of a complete rate schedule or have questions about the application of rates, please contact Duke Energy at 1-800-653-5307 or visit www.duke-energy.com.

Rider NM, Net metering is available to nonresidential customers served on Schedule OPT where a photovoltaic, wind-powered, micro-hydro or biomass-fueled generation offsets a portion of the customer's electrical requirements provided by the Company. The system must not exceed the customer's load or 100 kW, whichever is less. Credits for excess energy may apply to succeeding month's energy charges, but any credit balance on June 1 is donated to the Company.

Schedule PP, Purchased Power is available to customer generators who wish to sell the entire output of their generator to the Company, including those who wish to take all of their electrical requirements under a standard rate.

Schedule PG is available to nonresidential establishments which are served under contracts allowing generating facilities to be interconnected with the Company's system.

Pilot Program Rate Schedules

Schedule EV-X, Electric Vehicle Service, is a pilot available to a limited number of customers on a residential rate schedule or on Schedules G, GA, I, or OPT. Pricing under this schedule encourages the charging of electric vehicles during "off-peak" times. Electric vehicles served under this schedule must be licensed for operation on public streets and highways.

Schedule MP, Multiple Premises, is a pilot available to a limited number of nonresidential customers. This schedule is a time-of-use rate which is designed to allow customers with multiple premises served on non-contiguous property to aggregate loads for billing purposes.

Lighting

The company offers all-night outdoor lighting service for a monthly fee that covers installation and maintenance under the following schedules.

Schedule OL is available to residential and nonresidential customers for lighting of private outdoor areas.

Schedule FL is available, at the company's option, for all-night outdoor flood lighting service.

Schedule PL is available only to governmental authorities for lighting streets and other public places.

Effective October 1, 2007, mercury vapor luminaires are not available for new installations.

The Company will continue to maintain existing mercury vapor luminaires as long as lamps and/or alternative ballasts are available. If the luminaire cannot be repaired, the customer will be provided another available luminaire of a comparable size, at the price for the new luminaire.

Voluntary Program Supporting the Environment and Renewable Energy

PaCE, Palmetto Clean Energy is a program that allows customers to make voluntary, tax deductible contributions via the monthly electric bill, toward the purchase of energy from renewable resources, by purchasing 100 kWh blocks of energy.

Carolinas Carbon Offset Program allows customers to contribute toward the purchase of carbon offsets. Each block purchased represents 500 pounds of carbon offsets.

Billing Information

Bills are due and payable when rendered and amounts not paid by the 15th day after the date of the bill shall be subject to a 1.5 percent late payment charge. Checks returned by the bank for good and sufficient reasons will be charged a \$20.00 returned check fee. If power is disconnected for nonpayment, a \$15.00 reconnection fee must be paid before power can be restored.

In addition to obtaining customer information directly from its customers, Duke Energy, like many businesses, may receive and verify information from a consumer credit reporting agency.

Nonresidential Rate Schedules

Schedules G and GA are available to the individual customer who does not qualify for a residential or industrial rate schedule.

Schedule G is available to any general service customer. Schedule GA requires environmental space conditioning which must be supplied electrically, and through the same meter, as all other electric energy used in the establishment. For most qualifying customers, Schedule GA produces a lower bill than Schedule G on an annual basis.

Schedule I is the industrial service schedule available to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification (SIC) Manual, provided that more than 50 percent of the electric usage is for manufacturing purposes. Where the company has verified that all environmental space conditioning is supplied electrically, an alternate billing demand provision applies, which results in a lower bill on an annual basis.

Schedule OPT is a time-of-use rate available to all nonresidential customers. Charges vary according to the time of day, day of the week and season that energy is used. Prices are lower during "off-peak" hours and on weekends. OPT is more likely to be advantageous to customers with a high load factor or other customers who have a significant portion of their usage occurring during "off-peak" hours.

Other rates and riders applicable to nonresidential customers

Schedule DIV, Industrial Diversity, is available to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification (SIC) Manual, where 75 percent of the energy is used for manufacturing purposes, and where the customer manufactures a product distinctly different from that of existing customers. The customer must have a minimum of 10 megawatts (mw) of new load, served by the company's transmission system, and must maintain an annual load factor of at least 50 percent.

Schedule, HP-X is available, at the Company's option, to a limited number of customers. This schedule offers day-ahead hourly prices which reflect the Company's projected

production costs, applicable to incremental load above an established baseline. HP-X requires a contract demand of at least 1000 kilowatts (kW).

Schedule BC is available for single-phase temporary service for construction purposes provided the establishment will receive permanent service upon completion.

Schedule W is available to the customer who also receives service on Schedule G or I. On this schedule, energy use is limited to that for water heating purposes other than space heating. Water heaters must be of the insulated storage type.

Schedule 9 is available for cotton gins.

Schedule TS is available only to governmental authorities for traffic and safety signals.

Rider SG offers a payment to customers with standby generators who contract with the company to operate their standby generator when the company requests.

Rider IS, Interruptible Service, is available to a limited number of nonresidential customers. Rider IS offers a monthly credit to customers who agree to reduce their load to a specified level when the company has capacity problems. The maximum interruptible contract demand for all customers on the system is limited to 1100 mw. Based on this limit, the availability of Rider IS to new customers has been suspended.

Riders EC and ER are economic development riders for establishments not classified as Retail Trade or Public Administration by the Standard Industrial Classification Manual. The customer must make an application and receive approval for these Riders before taking service. The customer must make a minimum amount of capital investment or add a minimum number of employees per kilowatt of load to qualify. The customer must also affirm that availability of the Rider was a factor in siting the load on the Duke Energy Carolinas' system.

Rider EC is available to new or existing establishments on Schedule G, GA, I, or OPT for additional load of at least 1000 kW and provides billing credits for 4 years of a 10 year contract.

Rider ER is available to existing establishments on Schedules G, GA, I, or OPT for additional load of at least 500 kW in an establishment which has been dormant for at least 6 months and provides billing credits for one year of a 5 year contract.

Schedules GT and IT are closed and not available to any new customer or any new structure. Schedules GT and IT are available to those customers served on the rates prior to October 8, 1985, and who continue to be served on Schedule GT or IT.

Schedule GB is closed and not available to any new customer or any new structure. Schedule GB is available only to those customers who the company determined qualified for the rate on December 1, 1981, and who continue to be served on Schedule GB.

Remote Meter Reading and Usage Data Service. Under this program, customers pay a monthly fee for remote meter reading and interval load data, and have the option of receiving a detailed analysis of energy usage.

Options for Customer Generators

Nonresidential customers who have photovoltaic, wind, or other types of generators who wish to interconnect and operate in parallel with Duke Energy's system must meet certain requirements. Rider SCG, Rider NM and Schedule PP are available for customers who meet the Small Customer Interconnection Standard. These customers must make an application to interconnect, the system must meet the approved Interconnection Standard and be inspected, and the customer must provide liability insurance. Nonresidential customers who do not meet the Interconnection Standard may be served on Schedule PP or PG. The various rates for customer generators who wish to interconnect are shown below:

Rider SCG, Small Customer Generator is available for nonresidential customers on Schedules G, GA and I where the customer's generator offsets a portion of the electrical requirements provided by the Company. The system must not exceed the customer's load or 100 kW, whichever is less. Credits for excess energy are paid at the variable rates under the Company's purchased power schedule.