

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

Pilot Program Rate Schedule

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.

Voluntary Programs Supporting the Environment and Renewable Energy

The following programs allow customers to make voluntary, tax deductible contributions via the monthly electric bill.

PaCE, Palmetto Clean Energy is a program that allows customers to contribute 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.

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.

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.

Billing Information

Bills are due and payable when rendered and amounts not paid by the 25th 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.



IMPORTANT CUSTOMER INFORMATION — RESIDENTIAL

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.

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 1-800-777-9898 or visit www.duke-energy.com.

Residential Rate Schedules

Residential rates are available for individually metered residences, condominiums, mobile homes and apartments which provide independent and permanent facilities complete for living, sleeping, eating, cooking and sanitation. Separately metered uses at a residence will be served under the general service schedule.

Schedule RS

Category 1 is available to any residence.

Category 2, a lower rate, is available to residences where electric water heating, meeting certain specifications, is used to supply the entire water heating requirement.

Category 3 and Category 4 (with the same water heating requirement as Category 2) are closed and not available to any new structure. These categories remain in effect for structures which qualified before June 29, 1993 and which continue to meet the requirements.

Schedule RE is available to structures where all energy required for water heating, cooking, clothes drying and environmental space conditioning is supplied electrically and where all energy used in the dwelling is recorded through a single meter. Category 1 is available for insulated structures that meet the minimum heat loss limitation specified in the schedule.

Category 2 is closed and not available to new structures after January 1, 2005 unless a building permit was issued by February 1, 2005 and construction completed by September 1, 2005. Category 2 continues to be available to structures which qualified for this category before January 1, 2005 and continue to meet the Category 2 requirements.

Schedule ES is available to structures which meet the Energy Star standards established by the U.S. Department of Energy and Environmental Protection Agency. The customer must have the home

independently certified and must provide Duke Energy a copy of the Energy Star certificate before service can be supplied under this schedule.

Category 1 is available to any Energy Star certified residence.

Category 2 is available for Energy Star certified residence where electric water heating, meeting certain specifications, is used to supply the entire water heating requirement.

Category 3 is available for Energy Star certified residence where all energy required for water heating, cooking, clothes drying and environmental space conditioning is supplied electrically and where all energy used in the dwelling is recorded through a single meter.

Schedule RB is closed and is only available to those customers who the company determined qualified for the rate on November 18, 1991 and who continue to be served on Schedule RB. The rate is not available for any new customer or any new structure.

Schedule RT is an optional time-of-use rate which includes charges which vary according to the time of day, day of the week and season that energy is used. Prices are lower for usage at night, on weekends and other "off-peak" times. This schedule is not generally advantageous to customers using less than 1000 kwh per month.

Schedule WC offers a lower rate for residential electric water heating when Duke Energy controls the operation of the water heater, allowing it to operate during off-peak times. Under this Schedule, electric service to the water heater will be available at least 6 hours out of 24 hours. An installation fee may be required for the necessary control wiring.

Rider LC, Residential Load Control, is an option for customers on Schedules RS and RE. This rider allows credits during the billing months of July - October for customers who allow the company to interrupt service to their central air conditioner when

the company has capacity problems. An installation fee may be required for the necessary control wiring. Water heating load control service is no longer available except for water heating load control customers under contract prior to February 17, 1993 where the control equipment remains operational.

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

Residential 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. The customer must make an application to interconnect, the system must meet the approved Interconnection Standard and be inspected, and the customer must provide liability insurance. Customers with approved systems may select one of the rate options shown below:

Rider SCG, Small Customer Generator is available for residential and nonresidential customers 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 20 kW, whichever is less. Credits for excess energy are paid at the variable rates under the Company's purchased power schedule.

Rider NM, Net metering is available to residential customers served on Schedule RT 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 20 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.