

Rider PV, Photovoltaic System Pilot, closed to new customers but remains in effect for customers who made application for the rider before December 31, 2005.

Voluntary Programs Supporting the Environment and Renewable Energy

NC GreenPower is a program which allows customers to contribute toward the purchase of energy produced from renewable resources such as wind, solar and biomass.

NC Renewable Energy allows customers to contribute toward the purchase of a wide variety of energy resources. Both programs are administered by the NC GreenPower Corporation, a subsidiary of Advanced Energy Corporation. Customers may purchase 100 kilowatt-hour blocks of energy each month.

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.

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.

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 percent late payment charge. Checks returned by the bank for good and sufficient reasons will be charged a \$20.00 returned check fee.

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.

Reconnect Fee

If an account is disconnected for nonpayment, or for violation of regulations, the customer will be charged a reconnect fee as follows:

Regular Hours Fee

If reconnection is requested during normal business hours (8:00 a.m. - 5:00 p.m.) Monday through Friday, a \$25.00 fee plus sales tax must be paid before service can be restored.

After Hours

If reconnection is requested after normal business hours Monday through Friday, a \$75.00 fee plus sales tax must be paid before service can be restored.



IMPORTANT CUSTOMER INFORMATION — NONRESIDENTIAL

DUKE ENERGY

NORTH 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 are 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.

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 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.

OPT-G (General Service) and **OPT-I** (Industrial Service) are time of use rates 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-G and OPT-I are 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 HP 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 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 TS is available only to governmental authorities for traffic and safety signals.

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.

Schedule MP, Multiple Premises, is a pilot and is closed to new customers after January 1, 2008.

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, offers a monthly credit to a limited number of nonresidential customers who agree to reduce their load to a specified level when the company faces challenges in meeting electric demands. 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.

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. The rates and riders shown below are available for customers who comply with the Commission-approved Interconnection Procedures.

Rider SCG, Small Customer Generator is available for nonresidential customers on Schedules G, GA, I and OPT 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.

Rider NM, Net metering is available to non-residential 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-N and **PP-H**, Purchased Power rates are 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.