

RIDER TD (NC)
TRANSFORMATION DISCOUNT
(Pilot)

AVAILABILITY (North Carolina only)

Available only to customers only for initial permanent service to a new establishment after February 1, 2012 where the Customer owns the step-down transformation and all other facilities beyond the transformation which the Company would normally provide, other than Company metering equipment. This Rider is a pilot for two years.

GENERAL PROVISIONS

To qualify for the Transmission Service Discount, the Customer must take service at 115 kV or less from the transmission line that serves the Customer.

To qualify for the Distribution Service Discount, the Customer must take service from the distribution line of 4160 V or higher from which the customer receives service. The distribution service source must be from a general distribution line of 4160 V or higher, and not from a transmission to distribution substation built primarily for the Customer's use.

The Delivery Point is defined as the connection point to the high-side transformer bushing or the load-side of the metering facilities if no transformation is installed. The Company shall either install high-side metering equipment, or low-side metering equipment compensated for Customer-owned transformer and line losses, at the Company's option.

The Company shall have the right to install high-side protection equipment to ensure the reliability of the transmission system. The cost for such equipment and all other facilities which the Company provides in excess of that which the Company would have provided to meet the Customer's Contract Demand, shall be considered Extra Facilities as set forth in Leaf M of the Company's Service Regulations.

If it becomes impractical to continue to offer the then current delivery voltage, due to changes to the Company's system, the Customer shall be responsible for all costs of the conversion beyond the Delivery Point, other than Company owned-metering equipment. In such case, the Company reserves the right to provide service at one of its available voltages. The Company shall have the right to require that the Customer design and install its equipment in a manner that does not adversely impact service to the Customer or any other customer.

The Transformation Discount is subject to change if changes in the use of the Company's facilities result in a reclassification of either transformers or lines.

RATE

The charge per kW of Billing Demand will be reduced in accordance with the provisions and in the amounts as shown below for Transmission and Distribution Service

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| | <u>Transmission Service</u> | <u>Distribution Service</u> |
| Discount per kW of Billing Demand per month | \$.75 | \$.50 |