

RIDER CP (NC)  
 PURCHASED POWER COST

APPLICABILITY (North Carolina Nantahala Area customers only)

The customer's bill rendered for each month under Schedules SG, LG, S, YL, SL, and FL-N shall include a charge of 2.92 cents per kWh, including revenue-related taxes. This non-fuel energy charge is included in the monthly energy rate stated on the appropriate rate schedules. The demand and energy time-of-use components of this charge as shown below are included in the demand and energy rates of Schedule IT which applies only to non-residential time-of-use customers.

In addition, for all customers served in the former Nantahala Area of Duke Energy Carolinas system the customer's bill for each month shall be adjusted by a charge of 0.1592 cents per kWh, including revenue-related taxes, to reflect an amortization of actual purchased power costs accumulated in the Energy Bank at December 31, 2007. This energy rate is added to the monthly energy charges of all rate schedules applicable to customers served from the former Nantahala Area of Duke Energy Carolinas system in Cherokee, Clay, Graham, Macon, Jackson and Swain counties.

This rate is determined as follows:

	All Schedules (except IT)	Schedule IT Demand	Schedules IT Energy
Factor to recover non-fuel purchased power costs	2.92 cents per kWh	\$10.32 per KW	0.47 cents per kWh
Experience modification factor to reflect amortization of actual purchased power costs accumulated in the Energy Bank at December 31, 2007	0.1592 cents per kWh		0.1592 cents per kWh