SCHEDULE SG (NC)
SMALL GENERAL SERVICE

APPLICABILITY (North Carolina Nantahala Area only)
This schedule is closed and not available to new customers or locations not served on this schedule prior to January 1, 2008, in the former Duke Energy Carolinas Nantahala Area and shall remain in effect for customers under continually effective agreements made prior to January 1, 2008.

This Schedule is applicable to the entire requirements on the customer's premises for electric service of one standard character delivered at one point from Company's existing facilities of suitable capacity and character. Service will be metered through a single watt-hour meter at the delivered voltage.

CHARACTER OF SERVICE
Alternating current, approximately 60 cycles, single-phase, three-phase or combined single- and three-phase at one standard voltage described in Company's Rules and Regulations.

RATE:
The Rate for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".

MONTHLY RATE

Basic Customer Charge $ 6.40 for single-phase service
$ 12.80 for three-phase service

		General Service	Industrial Service
Energy Charge*	For the first 500 kWh plus 100 kWh for each kW over 10 kW of demand	9.9793¢/kWh	9.9852¢/kWh
	For the next 1,900 kWh	7.5293¢/kWh	7.5352¢/kWh
	For all additional kWh	6.5193¢/kWh	6.5252¢/kWh

* there is an additional charge of 0.1592¢/kWh added to energy charges above.

MINIMUM MONTHLY BILL
The minimum monthly bill will be the Basic Customer Charge plus $3.45 per kW of demand over 10 kW, but not less than $14.90.

APPROVED FUEL CHARGE ADJUSTMENTS
The Company's approved fuel charge adjustments, if any, pursuant to North Carolina General Statute 62-133.2, will apply to all service supplied under this Schedule. The currently approved adjustments are included in the Rate above.

ENERGY EFFICIENCY ADJUSTMENT RIDER
The Company's Energy Efficiency Adjustment Rider is applicable to all service supplied under this schedule and is included in the energy charges of the Rate.

DEMAND
Demand is the average kilowatts during the 15-minute period of greatest use during the month as determined by Company's meter. Demand will be determined when monthly consumption exceeds 3,000 kWh or demand established by test exceeds 10 kW.

POWER FACTOR CORRECTION
When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company will correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

PAYMENT
Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the 15th day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service in accordance with Rule R12-8 of the Rules and Regulations of the North Carolina Utilities Commission. In addition, any bill not paid on or before the expiration of 25 days from the date of the bill is subject to an additional charge of one percent (1%) per month as provided in Rule R12-9 of the Rules and Regulations of the North Carolina Utilities Commission.

CONTRACT TERM
Service hereunder shall be for an initial term of one year or such longer term as may be required by the Company.