

How to Calculate Your Bill – Schedule I

4 Steps to calculating your bill:

1. Determine how much electricity you consumed. Electricity usage is measured in two ways:
 - A. Demand (kW-kilowatts): the rate at which energy is used
 - B. Energy (kWh-kilowatt-hours): the amount of energy used
2. Determine your tariff schedule which includes the tariff at which your usage will be charged. Typical tariff schedules include G, GA, I and OPT.
3. Determine the usage charges. Charges are typically broken down into three categories:
 - A. Basic Facilities charges
 - B. Demand charges (kW-kilowatts)
 - C. Energy charges (kWh-kilowatt-hours)
4. Add taxes and other applicable fees.

Most business bills consist of three categories of charges:

Basic Facilities Charge:


A customer charge is a fixed charge assessed each billing period regardless of a customer's usage.

Demand Charge (expressed as “kW” or “kilowatts”):

When you become a Duke Energy customer, we plan our system based on the maximum electrical usage to be expected from your business. In essence, we do this to reserve capacity for you on the Duke Energy system (including generating plants and transmission and distribution lines) to ensure we have enough resources to serve your business at all times. Demand is how we measure the capacity required and is defined to be the rate at which a customer uses electricity during a specified time period. Demand is based on the “reservation” of these resources and is measured by the highest rate at which a customer uses electricity over a given period of time.

Energy Charge (expressed as “kWh” or “kilowatt-hours”):

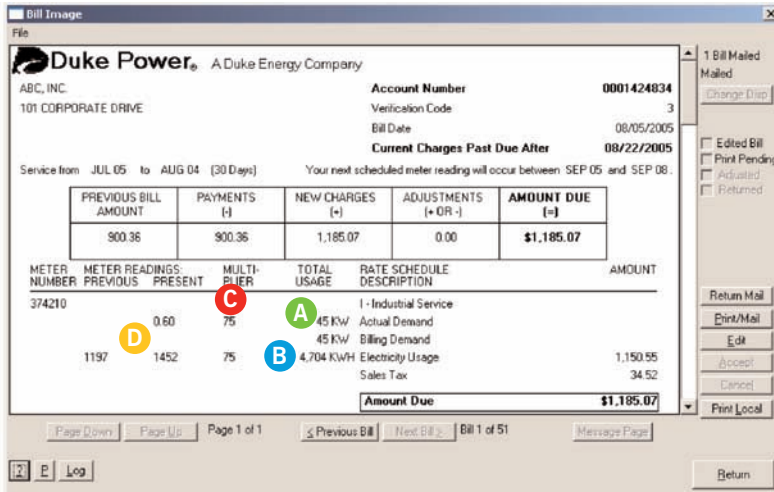
Energy charges are based on the amount of electricity a customer uses during the billing period. In some cases, an electric meter registers only a portion of the kilowatt-hours used, and a meter multiplier must be used to determine the customer's actual kilowatt-hour usage. Any multiplier, if applicable, is shown on your bill.



Demand can be thought of as the speedometer reading in your car. It is the rate at which energy is being consumed.

Energy Usage is like miles driven on the odometer.

Rate Schedule I



PREVIOUS BILL AMOUNT	PAYMENTS (-)	NEW CHARGES (+)	ADJUSTMENTS (+ OR -)	AMOUNT DUE (=)
900.36	900.36	1,185.07	0.00	\$1,185.07

METER NUMBER	METER READINGS PREVIOUS	METER READINGS PRESENT	MULTIPLIER	TOTAL USAGE	RATE SCHEDULE DESCRIPTION	AMOUNT
374210		0.60	75	45 kW	I - Industrial Service Actual Demand	
				45 kW	Billing Demand	
1197	1452	1452	75	4,704 KWH	Electricity Usage	1,150.55
					Sales Tax	34.52
					Amount Due	\$1,185.07

- A Demand
- B Energy (kWh)
- C Meter Multiplier
- D Meter Readings

To determine demand:

1. Billing demand is the highest demand in the last 12 months, 1/2 contract demand or 30kW, whichever is greatest.

To determine usage:

1. Subtract previous meter reading from present meter reading.
2. Usage for this month is determined by multiplying the result from step 1 by the meter multiplier.

Schedule I

Availability Requirements / Limitations / Characteristics

- Schedule I is available for customers that are classified as a manufacturing industry by the US Government as published in the Standard Industry Classification manual.
- At least 50% of the process must be for manufacturing purposes.
- Most customers on Schedule I operate one or two shifts and might not operate on the weekend.

A Schedule I bill can be broken down into three parts:

- **Basic Facilities Charge:** this is a basic customer charge that is assessed every month, regardless of usage.
- **Demand Charge:** this charge is based on the customer’s demand during the billing month. If a customer uses less than 30 kW of demand, no charge is assessed.
- **Energy Charge:** this charge is based on the customer’s usage of energy during the billing month. Energy charges are divided into usage blocks.

E

<u>RATE:</u>	
I. Basic Facilities Charge	\$16.35

E Basic Facilities Charge

F

II. Demand Charge	
For the first 30 KW of Billing Demand per month	No Charge
For all over 30 KW of Billing Demand per month	\$3.45 per KW

F Demand Charge

G

III. Energy Charge	
<u>For the First 125 kWh per KW Billing Demand per Month:</u>	
For the first 3,000 kWh per month	9.6114 cents per kWh
For the next 87,000 kWh per month	5.2940 cents per kWh
For all over 90,000 kWh per month	3.7489 cents per kWh
<u>For the Next 275 kWh per KW Billing Demand per Month:</u>	
For the first 140,000 kWh per month	4.9088 cents per kWh
For all over 140,000 kWh per month	4.4290 cents per kWh
<u>For all Over 400 kWh per KW Billing Demand per Month:</u>	
For all kWh per month	4.2383 cents per kWh

G Energy Charge

Duke Power, A Duke Energy Company
 ABC, INC.
 101 CORPORATE DRIVE

Account Number: 0001424834
 Verification Code: 3
 Bill Date: 08/05/2005
 Current Charges Past Due After: 08/22/2005

Service from JUL 05 to AUG 04 (30 Days) Your next scheduled meter reading will occur between SEP 05 and SEP 08.

PREVIOUS BILL AMOUNT	PAYMENTS (-)	NEW CHARGES (+)	ADJUSTMENTS (+ OR -)	AMOUNT DUE (-)
900.36	900.36	1,185.07	0.00	\$1,185.07

METER NUMBER	METER READINGS PREVIOUS	METER READINGS PRESENT	MULTIPLIER	TOTAL USAGE	RATE SCHEDULE DESCRIPTION	AMOUNT
374210		0.60	75	45 kW	I - Industrial Service Actual Demand	
				45 kW	Billing Demand	1,150.95
1197	1452		75	4,704 kWh	Electricity Usage	
					Sales Tax	34.52
Amount Due						\$1,185.07

Your bill is the total of:

Basic Facilities charge

+

Demand charges

For the first 30 kW of billing demand No charge
 All billing demand over 30 kW \$ 3.45 per kW

+

Energy charges

First 125 kWh/kW Billing Demand

First 3,000 kWh per month 9.6114 ¢ per kWh
 Next 87,000 kWh per month 5.2940 ¢ per kWh
 Over 90,000 kWh per month 3.7489 ¢ per kWh

For the next 275 kWh/kW Billing Demand

First 140,000 kWh per month 4.9088 ¢ per kWh
 Over 140,000 kWh per month 4.4290 ¢ per kWh

All Over 400 kWh/kW Billing Demand

All kWh 4.2383 ¢ per kWh

+

Taxes

+

Any other agreements or charges