

RIDER PTR

PEAK TIME REBATE – RESIDENTIAL PILOT PROGRAM

AVAILABILITY

The Peak Time Rebate (PTR) Program is applicable to residential Customers served under Rates RS and TD-AM. This rider is available only as Company advanced meters with interval recording registers are installed on the customer's premises. The advanced meters must be commissioned, certified, and provide billable quality data. This rider is available to the first five hundred (500) customers that request service under this rider. Eligible customers must receive generation service from Duke Energy Ohio. This rider is not available to customers on income payment plans, budget billing, HEAP, or any other assistance plan. Customers participating in the Power Manager program are not eligible to participate in the PTR Program.

Rider PTR is offered on a pilot basis. The Company reserves the right to modify this rider, subject to approval by the Commission, as information regarding customer participation, load response, costs, and other pertinent information becomes available.

PROGRAM DESCRIPTION

The PTR Program is voluntary and offers residential Customers the opportunity to reduce their electric costs by reducing their electric usage during Company's critical peak load periods (critical peak events).

At its discretion, the Company may call up to ten critical peak periods per year during the calendar months of June, July, August, and September. Participating customers will be notified on the day prior to a critical peak event of the planned event for the next day. Critical peak events will last 8 hours and will begin at noon and end at 8 P.M., and they will not occur on weekends or holidays as recognized by the National Electric Reliability Corporation. The Company may call up to three events per week with no more than two events occurring on consecutive days. A week is defined as the period Sunday through Saturday.

Participating customers may choose to maintain their electric usage levels at previous levels during an event. Customers who do not reduce usage levels during the event will not incur any penalties, and they will be billed for the electricity consumed during the event at the normal tariff rates. No customer's bill will increase as a result of this tariff.

Customers will receive a bill credit of \$0.2800 per kWh of load reduction during the critical peak event. Credits will appear on participating customers' bills. The kWh load reduction is calculated as the difference between the estimated kWh usage that would have occurred during the critical peak event without action by the participant (estimated kWh) and the participant's actual kWh usage during the critical peak event (actual kWh). Credits will be computed and provided on customers' bills within two monthly billing cycles. Bills ordinarily are rendered at monthly intervals. The word "month" shall mean the period of approximately thirty days between monthly bill dates.

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PROGRAM DESCRIPTION (Contd.)

The Company will use the participant's recent historical electricity consumption information for non-event, non-holiday weekdays in establishing the participants' individualized estimated kWh usage for use as a base line to determine the amount of load reduction.

BILLING UNDER STANDARD RATES

Customers served under Rate RS or Rate TD-AM will be billed for all energy used under the terms and conditions and at the rates and charges of the applicable tariff. In addition, Customers will receive credits on their electric bill for participation in the PTR Program as described above in the PROGRAM DESCRIPTION section.

CUSTOMER NOTIFICATION OF CRITICAL PEAK EVENTS

Participating customers will be notified by 8:00 P.M. on the day prior to a critical peak event of the planned event for the next day. The Company will notify customers of critical peak events for the following day via telephone, e-mail, text messaging, or any other means that becomes available. The customer will be required to provide a primary contact method of communication.

Participating customers are responsible for the costs of establishing and maintaining internet service, e-mail service, telephone service, and/or cell phone text messaging service. The Company will provide a mechanism for participants to choose their primary preferred communication channel.

The Company is not liable for any damages or claims resulting from customers' failure to receive notice of a critical peak event, for any reason.

TERM AND CONDITIONS

Except as provided in this Rider PTR, all terms, conditions, rates, and charges outlined in the applicable Rate RS or Rate TD-AM will apply. Participation in the PTR Program will not affect Customers' obligations for electric service under these rates.

Any interruptions or reductions in electric service caused by outages of Company's facilities, other than as provided under the PTR Program, will not be deemed an event period under this PTR Program. Agreements under the PTR Program will in no way affect Customer's or Company's respective obligations regarding the rendering of and payment for electric service under the applicable electric tariff and its applicable rate schedules. It will be Customer's responsibility to monitor and control their demand and energy usage before, during, and after a critical peak event period.

The supplying and billing for service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.

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