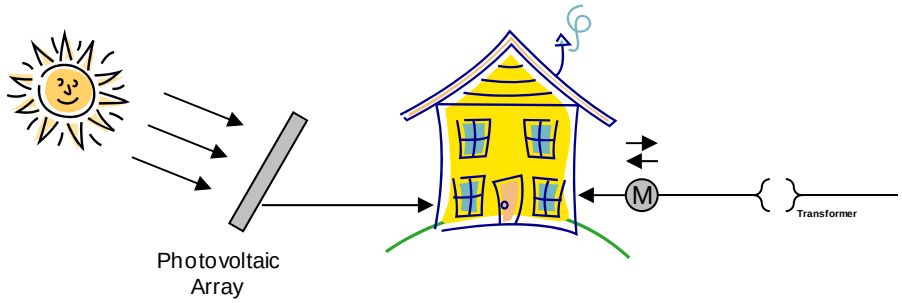
Duke Energy Carolinas
Configuration Options for South Carolina

There are two ways to configure your renewable energy system in South Carolina. These configurations are available for solar photovoltaic, wind, micro-hydroelectric, and other renewable sources of generation. Duke Energy Carolinas offers a "net metering" option or a "sell-all" option. Choose the configuration option that best suits your project.

1) *Rider NM(SC) Net Metering*

#1 - Rider NM Application – bi-directional meter

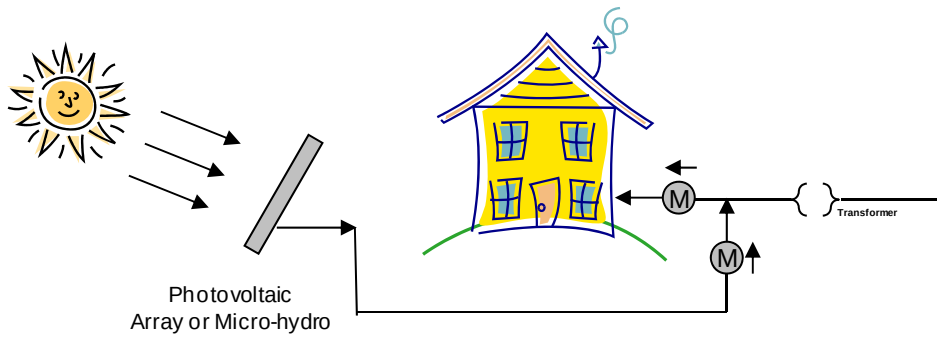


Electricity that is produced serves customer loads first.
Excess electricity that is delivered to the grid is netted against monthly usage. Monthly excess generation is carried over to next month until June 1.
Customer buys additional electricity from the grid as needed.

- Allows generation facilities to be operated electrically in parallel with home or business.
- "Net metering" option where electricity that is produced is used to offset purchases from the grid. Excess electricity delivered to the grid during the month is netted against that month's usage. Any net monthly excess electricity is carried over and netted against the next month's usage until June 1 of each year.
- Residential Customers
  - Must be receiving service under one of the Company's residential schedules.
  - May not be receiving service under Schedule WC or Power Manager
  - Nameplate rating of customer's installed generation system and equipment must not exceed the estimated maximum monthly kilowatt (KW) demand of the residence or 20 KW, whichever is less.
- Non-residential Customers
  - Must be receiving service under one of the Company's general service or industrial rate schedules that does not otherwise provide for parallel operation of a customer generator.
  - Nameplate rating of the Customer's installed generation system and equipment must not exceed Customer's Contract Demand or 100 KW, whichever is less.
  - The Contract Demand shall be the maximum demand to be delivered under normal conditions to the Customer excluding output from the Customer's installed electric energy system
- *Rider NM(SC)* also provides for standby service to serve your electrical needs when your generator isn't running or is experiencing problems.
- Existing electric meter may be replaced with a bi-directional meter capable of measuring two-way flow of electricity.

2) *Purchased Power Schedule PP*

#2 – Purchased Power Rate Schedule Option – buy all/sell all metering



All energy that is produced and delivered to the grid is sold to Duke on Schedule PP(SC).
Energy that is produced may be eligible for SC PACE credits.
Customer buys entire electricity needs through separate transaction.

- Purchased power rate *Schedule PP(SC)* is for customers whose generating facilities are *Qualifying Facilities* under PURPA (combined heat and power systems and renewables projects such as solar, wind, hydroelectric, etc.) who wish to sell all of their electrical production to the grid and continue to buy any electricity that their home or business needs through a separate agreement.
- This "buy-all/sell-all" arrangement requires the installation of another metered delivery point to measure the electricity the generator produces separately from the electricity that the home or business consumes.
- *Schedule PP(SC)* accounts require a monthly account administration fee of $6.23 and a minimum monthly facilities charge of $8.03 to help offset the costs of the additional delivery and metering.

You may download these and other rate schedules directly from the Duke Energy website at www.duke-energy.com.

South Carolina

"Net metering" option

Rider NM(SC) Net Metering

http://www.duke-energy.com/pdfs/SCRiderNM.pdf

"Sell-all" option

Schedule PP(SC) South Carolina Purchased Power

http://www.duke-energy.com/pdfs/SCSchedulePP.pdf