

RIDER CO
NC GREENPOWER CARBON OFFSET PROGRAM

I. APPLICABILITY & AVAILABILITY

This Rider is available on a limited and voluntary basis, in conjunction with any of the Company's rate schedules for the purchase of electricity, to Customers who contract for a block(s) of Carbon Offsets provided through the NC GreenPower Program administered by the North Carolina Advanced Energy Corporation (NCAEC). The maximum number of customers served under this program shall be determined by the Carbon Offsets available for purchase through Program. This Rider is not applicable to Customers receiving temporary service.

II. MONTHLY RATE

In addition to all other charges of the rate schedule with which this Rider is used, the following charge shall also apply to each block of Carbon Offsets the Customer purchases:

\$4.00 per block of Carbon Offsets.

This Rider's monthly rate shall be billed regardless of the Customer's actual monthly kilowatt-hour consumption.

While taking service under this Rider, the Customer can change the number of blocks of Carbon Offsets purchased once during any consecutive twelve-month period unless otherwise authorized by the Company.

III. DEFINITIONS

1. block(s) of Carbon Offsets

For the purpose of this tariff, a block shall be defined as 500 pounds of Carbon Offsets.

2. Carbon Offsets:

For purposes of this tariff, Carbon Offsets shall be those purchased by NC GreenPower from reliable sources through the NC GreenPower Program. Priority will be given to the participating utility service territories in NC, SC and VA for acquiring resources; however, if no acceptable projects are available, other regions will be considered.

IV. MODIFICATION OF RATES AND OTHER PROVISIONS HEREUNDER

Filed 5-13-2008
Electric-North Carolina

Effective for bills rendered on and after
August 12, 2008.

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The provisions of this Rider, including the rates for the purchase of a block(s) of Carbon Offsets, are subject to modification at any time in the manner prescribed by law, and when so modified, shall supersede the rates and provisions hereof.

Carbon Offsets will be purchased or otherwise acquired to meet the expected blocks contracted for during each calendar year with an appropriate true-up of the delivery of the blocks to the purchase of blocks in accordance with the NC GreenPower Program. The actual amount of Carbon Offsets provided under this tariff during any specific month may vary from the number of blocks customers have purchased.

V. TERM OF CONTRACT

The term of contract shall be such as may be mutually agreed upon but for not less than one month. After the initial period, Customer or Company may terminate service under this Rider by giving the other party at least thirty (30) days prior written notice. Notwithstanding the above, Company reserves the right to terminate service under this Rider upon thirty (30) days prior written notice if the NC GreenPower Program is terminated, or other legislative action supercedes this Rider or the NC GreenPower Program.