

NC CARBON OFFSET PROGRAM  
RIDER COP-1

AVAILABILITY

Available on a limited and voluntary basis to retail customers receiving concurrent service from the Company 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 the NC GreenPower Program. This Rider is not for temporary service or for resale service.

The provisions of the Schedule with which this Rider is used are modified only as shown herein.

GENERAL PROVISIONS

Each customer may contract with the Company to allow for the purchase Carbon Offsets to be billed to the customer monthly on the basis of a block Carbon Offsets. The customer may change the number of blocks contracted for once during the contract year unless otherwise authorized by the Company.

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 within two years of the purchase.

Customers participating in this program will continue to receive and pay for energy used under the applicable rate schedule. The contracted block(s) provided under this Program shall be charged at the Rate shown below irrespective of the Customer's actual monthly kilowatt-hour usage. Charges under the Rate as set forth below will be used for purchasing, and/or acquiring appropriate Carbon Offsets. Funds collected through this Program will be provided to the NCAEC and distributed as outlined in the NC GreenPower Program Plan as established and maintained by the NCAEC.

DEFINITIONS

Carbon Offsets: For the purposes of this program, Carbon Offsets shall be those purchased by NC GreenPower Program from reliable sources and such projects could include for example reforestation and methane collection and destruction in North Carolina, South Carolina, and Virginia. 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.

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

Month: The term "month" as used in this Program shall be customer's normal bill month for the period between monthly meter readings.

MONTHLY RATE

In addition to all other charges stated in the Monthly Rate of the Schedule with which this Rider is used, the following charge shall also apply to each block Customer purchases:

\$4.00 per block per month

This Rider's Monthly Rate shall be applied to Customer's billing regardless of Customer's actual monthly kilowatt-hour consumption. Customer may change the number of monthly blocks purchased once during each year unless otherwise authorized by Company.

### CONTRACT PERIOD

Each customer shall enter into a contract to purchase a specified number of blocks of Carbon Offsets, on a month to month basis, upon the condition that either party can terminate the contract by giving at least thirty (30) days previous notice of such termination in writing.

### GENERAL

Service rendered under this Rider is subject to the provisions of the Service Regulations of Company on file with the state regulatory commission.

Circumstances and/or actions which may cause the Company to terminate the availability of this Rider include but are not limited to: the retail supply of electric generation is deregulated; Company's participation in the statewide NC GreenPower Program is terminated; the statewide NC GreenPower Program is terminated; or other regulatory and/or legislative action supercedes or contravenes the Rider or the NC GreenPower Program.

Effective for service rendered on and after June 12, 2008  
NCUC Docket No. E-100, Sub 90