



Welcome to Surge Protection Service.

Help protect your appliances
from power surges.

Important program
terms and conditions
are inside. Please file
for future reference.



Thank you for choosing the peace
of mind of Surge Protection.

This valuable service helps block damaging power
surges at the meter – before they enter your home.

If you have questions about your Surge
Protection, call our 24/7 hotline:

888.999.8856



Your coverage

Your Surge Protection helps block damaging power surges at the meter, protecting major appliances like refrigerators, HVAC equipment and washers and dryers. It's a level of protection, and peace of mind, that goes beyond plug-in devices.

If our surge protector fails as a result of a power surge and your appliance is damaged by that power surge, we will repair or replace your damaged appliance or reimburse you at fair market value. See terms and conditions for additional warranty information and coverage limitations.

** In some cases, we will install a hard-wired protector in place of a meter-base protector. The protection and limitations of the hard-wired protector are the same as described above for the meter-base protector.*



What's not covered by our meter-based protectors

Our meter-base device provides the first line of protection against surges entering your home on the power line.

It does not provide the second line of defense necessary to fully protect electronic equipment against small surges that may enter your home through phone lines, cable or power lines. Plug-in protectors are needed to fully safeguard these sensitive electronics.

Therefore, electronics such as computers, TVs, phones, DVD players, home-networking systems, home theater components and electronic appliance controls are not covered by our meter-base protector. See terms and conditions for additional warranty information and coverage limitations.

Some equipment cannot be sufficiently protected by our meter-base protector or plug-in protectors, as surges can enter through the ground rather than the power lines. Examples include outdoor pumps, irrigation systems, electronic pet fences and electric entrance gates. Additionally, alarm (as well as intercom) systems cannot be covered under our warranty since they require specialized protection.

It is best to contact the manufacturer when attempting to protect these types of devices.



Frequently asked questions

What is a surge?

Surges are split-second increases in electrical energy that travel along electrical, telephone and cable lines. Surges are most frequently caused by lightning – even lightning strikes that occur miles away. However, electric motors in major appliances and power tools can also cause power surges.

Will the meter-base protector protect all of my equipment?

No, not by itself. Surges can enter your home by phone line or cable as well as electrical lines. The meter-base protector offers protection from surges through the electrical lines, but a small portion of a powerful surge can pass through the meter-base protector. This “let through” voltage will not harm most major appliances (dishwashers, washing machines, dryers, refrigerators, etc.), but it can damage sensitive electronics such as computers or home theaters. For these electronic components a second line of defense – our plug-in protectors – is required to provide maximum protection from surges through phone, satellite, cable or electrical lines.

Will the meter-base protector protect my home from a direct lightning strike?

Nothing can protect your home from a direct lightning strike, but the odds of a direct strike are rare. The vast majority of lightning damage occurs from strikes in the surrounding area, not from direct strikes. These nearby strikes may send surges into your home through cable, phone or electrical lines. Duke Energy Progress' surge protection equipment is designed to protect against these common surges and strikes from all points of entry.

Does Duke Energy Progress offer any surge protection for plug-in electric vehicles (PEVs)?

Although Duke Energy Progress' meter-base device will provide a level of protection to PEV charging units, at this time those items, as well as the vehicle, are not covered under any warranty. Duke Energy Progress currently does not offer surge protection devices for stand-alone, remotely located, PEV charging units. However, such devices are available on the market and a licensed electrical contractor may be able to install one upon request.

Why are Duke Energy Progress' plug-in protectors superior to others on the market?

Duke Energy Progress' plug-in protectors offer:

- Up to six times the protection of some competitive plug-in strips
- Indicator lights that let you know they're still functioning properly
- Built-in safeguards; if damaged by a surge, our plug-in protectors automatically disconnect power to your equipment to prevent damage
- Protection available for electrical lines as well as phone, cable and satellite lines

What about protection for my electronics connected to phone, cable or satellite lines?

These electronics are unique in that they have two or more sources of entry for a surge. It is critical that plug-in protectors safeguard these lines as well. Our multi-utility protectors offer both standard electrical protection and the necessary phone, cable or satellite protection.

Will plug-in protectors provide sufficient protection by themselves?

No. Plug-in protectors are designed as a second line of defense behind the meter-base protector. They cannot handle large power surges alone. A plug-in protector is designed to instantly block any surge that may not be stopped by the meter-base protector. The two lines of defense are designed to work together to provide maximum protection.

How do I know if my protectors are still working?

Both our meter-base protector and plug-in protectors have indicator lights that let you know whether they are functioning properly. If these lights are not illuminated, be sure to call us for no-cost replacement.

Will surge protectors keep electronics from blinking?

Blinking electronics are caused by power interruptions, not electrical surges. Surge protection equipment will not reduce or prevent power interruptions.

If I have damage caused by a surge, how do I process the claim?

Just call us. No need for you to track down the manufacturer or negotiate with an unknown company. We'll assess the damage and work with you directly to settle the claim.

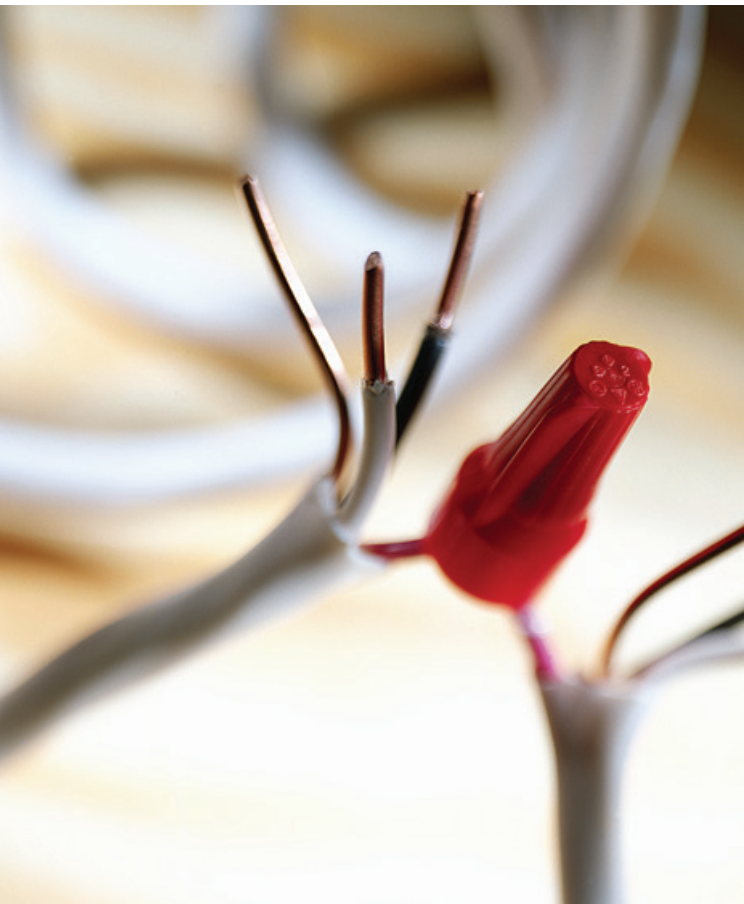
More home protection plans

There's never a good time for something to break at home. Whether it's as simple as a blown circuit or as serious as a leaking water heater, we can help.

As a Duke Energy customer, you're eligible to take advantage of additional home protection plans that shield you against the unexpected expense and hassle of home repairs.

- Protection you can trust
- Pre-qualified contractors
- Experts right to your door

**For more information, call 888.999.8856
or visit duke-energy.com**



Surge Service Terms and Conditions

Residential Surge Protection Service (the “Surge Protection Service” and the “Service”) is offered by Duke Energy Progress to qualified residential customers. Participation in the Surge Protection Service is voluntary and occurs at the request of the account holder or any authorized user listed on your account.

As used in this Surge Protection Service agreement (the “Agreement”), the terms “Duke Energy Progress,” “we,” “us” and “our” mean Duke Energy Progress. “You” and “your” mean the customer. “Device” shall mean our meter-base protector or hard-wired service entrance protector. “Plug-in Protectors” shall mean any and all surge protection equipment into which you plug your appliances or electronics. “Supplier” shall mean the manufacturer or distributor of the “Device” or “Plug-in Protectors.”

Ownership

During the term of this Agreement, you agree that you are not the owner of the Device. You agree that you are a lessee of the Device and upon any termination of this Agreement you shall allow us prompt access to your dwelling to reclaim our Device. You agree not to remove, alter or tamper with our Device. You are the owner of the Plug-in Protectors, which you can take with you and use in any future residence.

Term of agreement

The Service is offered for an initial term of twenty-four (24) months. The Service shall be automatically renewed on a month-to-month basis until you notify us that you elect to discontinue the service.

Privacy law

Your enrollment in Surge Protection Service means that you are consenting to and authorizing Duke Energy Progress to share your name, address, phone number and amounts you pay or owe for the service with our approved contractors in order to provide service to you.

Termination of service

Termination by you

You may cancel within twenty (20) days of your original order for the Service and receive a full refund or credit to your account for fees paid. Termination by you after the first 20 days of your original order, but prior to the end of the initial 24-month term, will result in an early termination fee of \$60 assessed to you. After the initial 24-month term, you may cancel at any time without incurring any termination fees by writing or calling us.

Termination by us

We may discontinue the Service at any time with or without notice to you. Should we elect to discontinue the Service after the first twenty-four (24) months, you would be entitled to a refund of any unearned payments made to us. Termination by us within the first twenty-four (24) months of Service shall entitle you to a full refund of any installation fee paid to us.

Billing, payment and late fees

Billing

For Duke Energy Progress electric service customers, all charges for the Service will be included on your monthly electric bill. If you are not our electric service customer, all charges for Service will be made available to you through separate billing arrangements.

Payment

Payment is due by the bill due date. Your first payment for Service will be confirmation of your acceptance of these terms and conditions.

Late payment

Past-due balances are subject to a 1 percent late payment charge. Your failure to make payment by the due date may result in termination of the Service and may require you to pay the fees and amounts described under “Termination by you.”

How we apply your Duke Energy Progress payment

For electric service customers, our regulated payment application process applies past-due payments first to past-due regulated charges (including electric service and lighting), then to past-due nonregulated charges (including Surge Protection Service). Once those are paid in full, the remaining payment is applied to your current regulated charges and finally to your current nonregulated charges.

Therefore, to ensure continuous Service and protection, you must pay in full and on time. Please note the Surge Protection Service is a nonregulated service and your electric services may not be terminated for failure to pay nonregulated charges.

Surge Protection Service is not regulated or sanctioned by the North Carolina Utilities Commission or the South Carolina Public Service Commission. Customers who purchase Surge Protection Service will not receive preferential or special treatment from their utility company and customers are not required to buy it in order to receive safe, reliable electric service. NC Lic # 26317/04-U, SC Lic # M96950.

Duke Energy Progress (DEP) offers optional, market-based products and services that are separate from the regulated services provided by DEP. These services are not regulated by the North Carolina Utilities Commission or the Public Service Commission of South Carolina. These products and services may be available from other competitive sources.

The Customer authorizes DEP to use any data associated with the Customer Accounts residing in any DEP files, systems or databases for the purpose of offering and providing energy-related products or services to the Customer. DEP will provide this data on a nondiscriminatory basis to any other person or entity upon the Customer's authorization.

Limitation of liability and customer's indemnification

You expressly agree to indemnify and hold us harmless from and against any and all liability for loss, damage to property or injury or death to persons in any manner directly or indirectly connected with the Service or use of the Device, Plug-in Protectors or other surge protection equipment, unless such loss, damage, injury or death is the direct result of our gross negligence.

If you are a residential renter or tenant, you agree that you have obtained and provided to us the property owner's authorization for your participation in the Surge Protection Service and your installation of any Device or Plug-in Protectors at the rental property. You agree that you will indemnify and hold us harmless from and against any claims by the property owner or landlord or for any failure by you to obtain the property owner or landlord's authorization, including any and all liability for loss, damage to property (including property of the property owner or landlord) or injury or death to persons in any manner directly or indirectly connected with the Service or use of

the Device, Plug-in Protectors or other surge protection equipment, unless such loss, damage, injury or death is the direct result of our gross negligence.

Under no circumstance shall we be liable for indirect, consequential, incidental, special, exemplary or punitive damages. Our obligations under this Agreement are backed by our full faith and credit. Except for the limited surge-related warranty as detailed herein, under no circumstances shall our total liability under this Agreement exceed the sum of all payments made by you to us under this Agreement. This Section shall survive the termination of this Agreement.

Limited warranty and claims

During the term of this Agreement, we will correct any problems associated with the installation of the Device, and we will replace any defective or malfunctioning Device. Plug-in Protectors will be repaired or replaced for 10 years. THE CORRECTION OF INSTALLATION PROBLEMS OR THE REPLACEMENT OF SUCH DEFECTIVE OR MALFUNCTIONING ITEMS IS YOUR SOLE AND EXCLUSIVE REMEDY UNDER THIS WARRANTY, AND WE EXPRESSLY DISCLAIM ANY AND ALL OTHER WARRANTIES INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHETHER EXPRESS OR IMPLIED. WE ARE NOT LIABLE FOR CONSEQUENTIAL OR SECONDARY DAMAGE, WHICH INCLUDES PROPERTY DAMAGE OR PERSONAL INJURY.

Additional warranties are provided by the Supplier as follows: If the Device and/or Plug-in Protectors fail and your appliances or electronics are damaged as a result of that failure, the Supplier will repair, replace or pay for the damaged equipment based on fair market value. The Device warranty covers motors and compressors in major appliances, but does not cover microprocessors or other electronic components. The Device and Plug-in Protectors warranty does not cover and does not provide surge protection for any plug-in electric vehicles ("PEV") or for any PEV charging stations or for any vehicle plugged into a PEV charging station. Neither Duke Energy Progress nor the Supplier assumes any liability for, and neither Duke Energy Progress nor the Supplier shall be liable for, any damage to any PEV charging station or for any vehicle plugged into any PEV charging station. Duke Energy Progress currently does not offer surge protection devices for any stand-alone, remotely located PEV charging stations. Such devices may be available on the market and a licensed electrical contractor may be able to install one for you upon your request, and at your own expense. No

Supplier warranties apply unless the Device or Plug-in Protector fails due to surge-related conditions. The Device and/or Plug-In Protector warranties do not cover non-surge-related conditions, such as sustained high voltage that results from open neutral conditions. The Supplier warranty is secondary to any applicable warranties, service contracts or other insurance policies held by the homeowner. THE REPAIR OR THE REPLACEMENT OF SUCH DAMAGED ITEMS IS YOUR SOLE AND EXCLUSIVE REMEDY UNDER THIS WARRANTY, AND WE EXPRESSLY DISCLAIM ANY AND ALL OTHER WARRANTIES INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHETHER EXPRESS OR IMPLIED. WE ARE NOT LIABLE FOR CONSEQUENTIAL OR SECONDARY DAMAGE, WHICH INCLUDES PROPERTY DAMAGE OR PERSONAL INJURY.

OUR OBLIGATIONS UNDER THIS AGREEMENT ARE BACKED BY OUR FULL FAITH AND CREDIT. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Nonwaiver and governing law

Our failure to insist on performance of any of the terms and conditions herein; failure to exercise any right or privilege; or waiver of any breach of this Agreement shall not thereafter waive any of our rights or privileges under this Agreement or at law. Any waiver of any specific breach shall be effective only if given expressly by us to you in writing. This Agreement shall be governed by and construed in accordance with the laws of the state of North Carolina, as if performed wholly within the state and without giving effect to the principles of conflict of law.

For more information about all the powerful ways Duke Energy Progress can help you, please visit duke-energy.com/progress or call 888.999.8856.

Surge Protection Service is not regulated or sanctioned by the North Carolina Utilities Commission or the South Carolina Public Service Commission. Customers who purchase Surge Protection Service will not receive preferential or special treatment from Duke Energy Progress and customers are not required to buy it in order to continue to receive safe, reliable electric service from Duke Energy Progress. NC Lic # 26317/04-U , SC Lic # M96950.

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The Customer authorizes DEP to use any data associated with the Customer Accounts residing in any DEP files, systems, or databases for the purpose of offering and providing energy-related products or services to the Customer. DEP will provide this data on a non-discriminatory basis to any other person or entity upon the Customer's authorization.