

CURTAILABLE LOAD
RIDER NO. 58H

AVAILABILITY

This Rider is available on a voluntary basis in conjunction with Company's Large General Service and Large General Service (Time-of-Use) Schedules for electric service used by a nonresidential customer provided Customer contracts for not less than 1,000 kW which is subject to be curtailed under the provisions of this Rider. This Rider is not available for short-term or temporary service or for new applications after August 3, 2009.

The provisions of the Large General Service and Large General Service (Time-of-Use) Schedules are modified only as shown herein.

MONTHLY RATE

The Monthly Rate shall be an amount computed under the Large General Service or Large General Service (Time-of-Use) Schedule for the Billing Demand and the kilowatt-hours used during the current month, less a discount of \$4.20 per kW of Billing Demand in excess of Firm Demand. When this Rider is used in conjunction with a Time-of-Use Schedule, the Billing Demand used in determining the appropriate discount shall be the on-peak Billing Demand.

DEFINITIONS

1. FIRM DEMAND

The Firm Demand shall be the kW of demand specified in the Service Agreement to which Customer shall reduce his requirement at the time specified by Company. Company at all times will endeavor to make available to Customer the Firm Demand specified in the Service Agreement.

2. CURTAILABLE DEMANDS

Curtable Demands shall be the kW of demand registered or computed by or from Company's metering facilities during each 15-minute interval in the current billing month less the Firm Demand but not less than zero.

3. CONTRACT DEMAND

The Contract Demand shall be the maximum kW of demand Customer requires Company to supply for the operation of Customer's facility. When this Rider is used in conjunction with the applicable standby or generation service rider, standby service shall not be substituted for curtable load. Contract Demand is subject to curtailment to the Firm Demand level.

4. CURTAILABLE PERIOD

The Curtailable Period shall be an eight-hour period unless Company specifies a shorter period at the time the Customer is notified. Customer shall be given a minimum of 30-minutes notice before requested curtailment is to take place. At the time Customer is notified to reduce his requirements, he will be advised whether the Curtailable Period is a Capacity Level 1 or Capacity Level 2 Curtailment Period. Company will normally specify a Capacity Level 2 Curtailment Period when, in Company's opinion, 1) adequate capacity and reserves are not available to meet anticipated customer requirements, and 2) firm energy purchases are not anticipated to be available to meet the demand for the curtailment period. Company will normally specify a Capacity Level 1 Curtailment Period when, in Company's opinion, 1) adequate capacity and reserves are not available to meet anticipated customer requirements, and 2) energy purchases are anticipated to be available to meet the demand for the curtailment period. Company's determination as to the nature of the Curtailment, either Level 1 or Level 2, shall be binding on Customer. Company shall use reasonable diligence to notify Customer of an impending Curtailable Period and having used reasonable diligence shall not be liable to Customer should Customer not receive notification. The number of hours curtailable in any 24-hour period shall be no more than eight hours. The total hours of Capacity Curtailment shall be no more than 400 hours annually regardless of whether the Customer actually curtails during all Curtailable Periods.

USE OF CURTAILABLE DEMAND DURING A CAPACITY CURTAILMENT PERIOD

1. DURING A LEVEL 2 CAPACITY CURTAILMENT PERIOD

For the maximum Curtailable Demand registered or computed by or from Company's metering facilities, during a Level 2 Capacity Curtailment Period, Customer's monthly bill will be increased subject to the following:

- a. During the initial 12 months of service under this Rider, Customer who has contracted to curtail shall pay the discount per kW. This value will be increased by 10% for the computation of the second Use of Curtailable Demand and by 20% for all subsequent Use of Curtailable Demand in the same billing month.
- b. During all other times, Customer who has contracted to curtail shall pay as follows:
 - (1) If the Curtailable Demand during the current billing month is greater than the highest Curtailable Demand during the preceding 11 months, Customer shall pay the discount per kW, times the number of billing months elapsed since the initial month of Customer's Contract Period, the twelfth month Customer received service under this Rider, or 12 months, whichever is less. This value will be increased by 10% for the computation of the second Use of Curtailable Demand in the same billing month or in any billing month thereafter and by 20% for all subsequent Use of Curtailable Demand until the end of the Contract Period. Customer shall receive credit for the accumulated Use of Curtailable Demand During a Capacity Curtailment Period payments made during the preceding months elapsed since the initial month of Customer's Contract Period, the thirteenth month Customer received service under this Rider, or 11 months, whichever is less.

- (2) If the Curtailable Demand during the current billing month is less than or equal to the highest Curtailable Demand during the preceding 11 months, Customer shall pay the discount per kW, times the number of billing months elapsed since the last month in which Customer's Curtailable Demand equaled or exceeded the Curtailable Demand in the current month, not to exceed 12 months. This value will be increased by 10% for the computation of the second Use of Curtailable Demand in the same billing month or in any billing month thereafter and by 20% for all subsequent Use of Curtailable Demand until the end of the Contract Period. Customer shall receive credit for the accumulated Use of Curtailable Demand During a Capacity Curtailment Period payments made during the elapsed months between the current month and the last month in which Customer's Curtailable Demand exceeded the Curtailable Demand in the current month, not to exceed 11 months.

Use of Curtailable Demand during a Level 1 Capacity Curtailment period will not be used for purposes of calculating charges for use of Curtailable Demand during a Level 2 Capacity Curtailment Period.

2. DURING A LEVEL 1 CAPACITY CURTAILMENT PERIOD

For use of Curtailable Demand during a Level 1 Capacity Curtailment Period, the Customer shall pay to Company, \$2.10 per kWh for all kilowatt-hours attributable to all Curtailable Demands during the Level 1 Capacity Curtailment Period(s) of the current billing month plus the applicable kilowatt-hour charge(s) in the rate schedule with which this Rider is used.

MINIMUM NUMBER OF KILOWATT-HOURS

The minimum number of kilowatt-hours attributable to all Curtailable Demands shall not be less than 50 kWh per kW of the maximum Curtailable Demand during the current billing month. For use with the Large General Service (Time-of-Use) Schedule, kilowatt-hours billed under this provision in excess of those registered shall be billed at the off-peak kilowatt-hour charge.

CONTRACT PERIOD

The Contract Period shall be on a monthly basis for the first 12 months service is provided under this Rider and can be terminated by either party by giving written notice to the other party. Following the initial 12 months of service under this Rider, the Contract Period will automatically extend for an additional five-year period, with successive extension periods of two years thereafter, unless terminated by either party at the end of any Contract Period by giving to the other party not less than sixty (60) days written notice prior to the end of the Contract Period.

The difference between the Contract Demand and the Firm Demand as specified in the Service Agreement is subject to adjustment at the end of the first 12 months of service under this Rider. Thereafter, the difference between the Contract Demand and the Firm Demand shall only be reduced at the end of each 12-month period provided such reduction does not exceed 20% of the difference contained in the Service Agreement either: (1) at the beginning of the thirteenth month service was provided under this Rider; or (2) at the beginning of the preceding automatic extension of the Contract Period, whichever is later.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

GENERAL

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

Supersedes Rider No. 58D
Effective for service rendered on and after August 3, 2009
NCUC Docket No. E-2, Sub 651