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September 1, 2010

**VIA ELECTRONIC FILING**

Jocelyn Boyd, Chief Clerk / Administrator  
Public Service Commission of South Carolina  
Post Office Drawer 11649  
Columbia, South Carolina 29211

**Re: Duke Energy Carolinas, LLC's Application for Approval  
of Rider EE Vintage 2**

Dear Jocelyn:

On behalf of Duke Energy Carolinas, LLC we enclose for filing the Company's request for approval of Rider EE Vintage 2. The Commission approved revised Rider EE rates for Vintage 1 in Order No. 2010-79. Duke Energy Carolinas seeks approval of its Rider EE Vintage 2 which would start January 1, 2011, and end December 31, 2011. By copy of this letter we are providing the request to the Office of Regulatory Staff. Should you have any questions, please contact me.

Yours truly,

ROBINSON, MCFADDEN & MOORE, P.C.

Frank R. Ellerbe, III

FRE/bds  
Enclosure

cc/enc: Dan F. Arnett, ORS Chief of Staff (via email & U.S. Mail)  
Shannon B. Hudson, ORS Staff Attorney (via email)  
Timika Shafeek-Horton, Associate General Counsel (via email)

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

|                                    |   |                               |
|------------------------------------|---|-------------------------------|
| In re:                             | ) |                               |
|                                    | ) |                               |
| Application of                     | ) |                               |
| Duke Energy Carolinas, LLC         | ) | <b>DUKE ENERGY CAROLINAS,</b> |
| For Approval of Rider EE Vintage 2 | ) | <b>LLC'S APPLICATION</b>      |
|                                    | ) |                               |

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In accordance with the Public Service Commission of South Carolina’s (the “Commission”) Order No. 2010-79 in Docket No. 2009-226-E (“Order”) and the settlement agreement by and among Duke Energy Carolinas, LLC (“the Company”), the South Carolina Office of Regulatory Staff (“ORS”), South Carolina Energy Users Committee (“SCEUC”), and the Southern Environmental Law Center (“SELC”), the Company hereby requests that the Commission approve its application to update its Rider EE. The updated rider will reflect revised estimates of revenue requirements for the Company’s energy efficiency (“EE”) and demand side management (“DSM”) programs and is designed (a) to collect a level of revenue equal to 75% of the Company’s estimated avoided capacity costs applicable to DSM programs and 55% of the net present value (“NPV”) of the estimated avoided capacity and energy costs applicable to EE programs, and (b) to recover lost revenues for EE programs only. The proposed rider also includes a component to recover South Carolina’s retail share of costs associated with the Company’s Interruptible Service and Stand-By Generation programs (“Existing DSM Programs”).

In support of its application, the Company states as follows:

1. The Company's recovery mechanism employs a vintage year concept. A vintage year is the twelve month period in which a specific DSM or EE measure is installed for an individual participant or a group of participants.<sup>1</sup> Vintage 2 starts January 1, 2011 and ends December 31, 2011.
2. Per the Commission's Order, revenues to be collected under the proposed rider are based on achieving 85% of the avoided costs savings target for Vintage 2.
3. The cost to be recovered under the proposed Vintage 2 Rider is \$17,652,774 from residential customers and \$9,441,363 from non-residential customers. The various components comprising this amount are located in Exhibits 1-6 of this application.
4. Based on the total costs to be recovered under the proposed Vintage 2 Rider, the billing factors applicable to South Carolina's jurisdictional electric customers for the billing period January 1, 2011 through December 31, 2011 would be as follows:

| <b>Billing Factors</b>                             | <b>¢/kWh</b> |
|--|--------------|
| Residential Rider EE                               | 0.2697       |
| Non-Residential Rider EE Vintage 1 participant     | 0.0011       |
| Non-Residential Rider EE Vintage 2 EE participant  | 0.0401       |
| Non-Residential Rider EE Vintage 2 DSM participant | 0.0596       |

The billing factors reflect the Company's estimate of the impact of customers who will elect not to participate in Vintage 2.<sup>2</sup>

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<sup>1</sup> Vintage 1 is an exception in terms of length. Vintage 1 is an 11-month period beginning February 2010 and ending December 2010.

<sup>2</sup> Vintage 1 opt out impacts are used to estimate Vintage 2 participation because the enrollment period for Vintage 2 has not yet occurred.

5. In its settlement testimony in Docket No. 2009-226-E, the Company estimated the Vintage 2 Rider to be 0.2471 cents per kWh for residential customers and 0.0705 cents per kWh for non-residential customers. The increase in the proposed rider is due primarily to the Company's estimate of the impact of customers who will not participate in Vintage 2. Because the Company had no reasonable basis for estimating the number of customers who would choose to opt out, for purposes of its original estimate of the amount of the Vintage 2 Rider, the Company assumed all customers would choose to participate.
6. The proposed Vintage 2 Rider includes the updates and changes to the rider as listed below:
  - a. Update of avoided cost revenue requirements to reflect current information related to participation and information related to the kW and kWh savings for the EE and DSM programs that will be offered in Vintage 2.
  - b. Update of the lost revenues (for Vintage 2 and for the second year of lost revenues for Vintage 1) to reflect current SC retail rates and to reflect the primary rate schedules for which kWh savings are being achieved.
  - c. Update of the projected South Carolina retail kWh sales used in the rate per kWh computation to reflect the Summer 2010 sales forecast and estimated impacts of opt-out elections.
7. Billing factors separated to reflect customer participation in EE programs, DSM programs, or both EE and DSM programs for Vintage 2. The Company proposes use of the tariff sheet in Exhibit 7.

Based on the foregoing, the Company respectfully requests that the Commission grant its application seeking approval of its Vintage 2 Rider EE as described herein and in the attached exhibits. Additionally, the Company requests that in accordance with S.C. Code Ann. §58-27-870(F), the Commission allow the proposed rate to be put into effect without notice and hearing. The proposed rate does not require a determination of the entire rate structure and overall rate of return, and will facilitate an orderly rate administration.

Dated this 1st day of September 2010.

Robinson McFadden & Moore, PC



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Attorneys for Duke Energy Carolinas, LLC

**Duke Energy Carolinas**  
Rider EE Vintage 2  
Calculation of EE Rider Amounts (cents per kWh)

Residential billing factor = (Save-A-Watt Residential Rev. Req. + Existing DSM Program Residential Rev Req.)/Projected SC Residential retail kWh sales, where:

|   |                          | Vintage 2 Total SC<br>Retail Costs |
|---|--------------------------|------------------------------------|
| 1 EE Avoided Cost Component   | Exhibit 2, Line 11 * 85% | \$ 7,566,592                       |
| 2 DSM Avoided Cost Component  | Exhibit 2, Line 19* 85%  | \$ 2,973,775                       |
| 3 Residential Avoided Cost Revenue Requirement                      | Line 1 + Line 2          | \$ 10,540,368                      |
| 4 Gross Receipts Tax and Regulatory Fee Factor                      |                          | 1.004581                           |
| 5 Adjusted Residential Avoided Cost Revenue Requirement             | Line 3 * Line 4          | \$ 10,588,653                      |
| 6 Total Lost Revenues   | Exhibit 2, Line 12 * 85% | \$ 6,246,923                       |
| 7 Residential Save-A-Watt Revenue Requirement                       | Line 5 + Line 6          | \$ 16,835,576                      |
| 8 Residential Existing DSM Program Revenue Requirement              | Exhibit 3, Line 3        | \$ 813,472                         |
| 9 Gross Receipts Tax and Regulatory Fee Factor                      |                          | 1.004581                           |
| 10 Adjusted Residential Existing DSM Revenue Requirement            | Line 8 * Line 9          | \$ 817,198                         |
| 11 Total Residential SAW & Existing DSM Program Revenue Requirement | Line 7 + Line 10         | \$ 17,652,774                      |
| 12 Projected SC Residential Sales (kWh) for rate period             | Exhibit 2, Line 1        | 6,546,452,004                      |
| 13 Residential Rider EE (cents per kWh)                             | (Line 11 / Line 12) *100 | 0.2697                             |

Non-Residential billing factor = (Save-A-Watt Non-residential Reev Req. + Existing DSM Program Non-Res Rev. Req)/Projected SC Non-Residential retail kWh sales, where:

|  |   | Vintage 2 Total SC<br>Retail Costs | Vintage 1 EE<br>Participant Non-<br>Residential Rider EE<br>(cents per kWh) | Vintage 2 EE<br>Participant Non-<br>Residential Rider EE<br>(cents per kWh) | Vintage 2 DSM<br>Participant Non-<br>Residential Rider EE<br>(cents per kWh) |
|--|---|------------------------------------|---|---|--|
| 1 EE Avoided Cost Component  | Exhibit 2, Line 13 * 85%                      | \$ 3,740,837                       |   | \$ 3,740,837  |  |
| 2 DSM Avoided Cost Component   | Exhibit 2, Line 20 * 85%                      | \$ 4,222,591                       |   |   | \$ 4,222,591   |
| 3 Non-Residential Avoided Cost Revenue Requirement                                     | Line 1 + Line 2                               | \$ 7,963,428                       |   |   |  |
| 4 Gross Receipts Tax and Regulatory Fee Factor   |   | 1.004581                           |   | 1.00458   | 1.00458  |
| 5 Adjusted Non-Residential Avoided Cost Revenue Requirement                            | Line 3 * Line 4                               | \$ 7,999,909                       |   |   |  |
| 6 Lost Revenues Vintage 1  | Exhibit 2, Line 14, V1 * 85%                  | \$ 104,749                         | \$ 104,749  |   |  |
| 7 Lost Revenues Vintage 2  | Exhibit 2, Line 14, V2 *85%                   | \$ 176,331                         |   | \$ 176,331  |  |
| 8 Total Lost Revenues  | Line 6 + Line 7                               | \$ 281,080                         |   |   |  |
| 9 Non-Residential Save-A-Watt Revenue Requirement                                      | Line 5 + Line 8                               | \$ 8,280,989                       |   |   |  |
| 10 Non-Residential Existing DSM Program Revenue Requirement                            | Exhibit 3, Line 3                             | \$ 1,155,083                       |   |   | \$ 1,155,083   |
| 11 Gross Receipts Tax and Regulatory Fee Factor  |   | 1.004581                           |   |   |  |
| 12 Adjusted Non-Residential Existing DSM Revenue Requirement                           | Line 10 * Line 11                             | \$ 1,160,375                       |   |   |  |
| 13 Total Non-Residential SAW & Existing DSM Program Revenue Requirement                | Line 9 + Line 12                              | \$ 9,441,363                       |   |   |  |
| 10 Projected Vintage 1 EE Participants SC Non-Residential Sales (kWh) for rate period  | Exhibit 2, Line 2 less Opt Out                |                                    | 9,800,193,917   |   |  |
| 11 Projected Vintage 2 EE Participants SC Non-Residential Sales (kWh) for rate period  | Exhibit 2, Line 2 less Opt Out                |                                    |   | 9,800,193,917   |  |
| 12 Projected Vintage 2 DSM Participants SC Non-Residential Sales (kWh) for rate period | Exhibit 2, Line 2 less Opt Out                |                                    |   |   | 9,056,959,677  |
| 13 Vintage 1 EE participant Non-Residential Rider EE (cents per kWh)                   | (Line 6/ Line 10) *100                        |                                    | 0.0011  |   |  |
| 14 Vintage 2 EE participant Non-Residential Rider EE (cents per kWh)                   | ((Line 1 * Line 4)+ Line 7/ Line 11) *100     |                                    |   | 0.0401  |  |
| 15 Vintage 2 DSM participant Non-Residential Rider EE (cents per kWh)                  | ((Line 2 + Line 10) * Line 4) / Line 12) *100 |                                    |   |   | 0.0596   |

Duke Energy Carolinas  
Rider EE Vintage 2

Save-A-Watt Revenue Requirement Support Data

|  |                   | 2011                          | Opt Out Source: Exhibit 6 (See footnote on Exhibit) |                     |                      |
|--|-------------------|-------------------------------|---|---------------------|----------------------|
|  |                   |                               | Opt Out Sales - EE                                  | Opt Out Sales - DSM | Opt Out Sales - Both |
| SC Only kWh (excluding Greenwood)                                |                   |                               |   |                     |                      |
| 1 Residential  | Exhibit 4         | 6,546,452,004                 | N/A   | N/A                 | N/A                  |
| 2 Non-Residential  | Exhibit 4         | 14,030,364,470                | 547,396,565   | 1,290,630,805       | 3,682,773,988        |
|  |                   | 20,576,816,474                |   |                     |                      |
| Allocation 1 to state based on kWh sales                         |                   |                               |   |                     |                      |
| 3 SC Retail  | Exhibit 4         | 26.9337804%                   |   |                     |                      |
| Allocation 2 to state based on peak demand                       |                   |                               |   |                     |                      |
| 4 SC Retail  | Exhibit 4         | 26.1085193%                   |   |                     |                      |
| Allocation 3 SC res vs. non-res peak demand                      |                   |                               |   |                     |                      |
| 5 SC Residential   | Exhibit 4         | 41.3232886%                   |   |                     |                      |
| 6 Non-Residential  | Exhibit 4         | 58.6767114%                   |   |                     |                      |
| <b>System Revenue Requirement for Energy Efficiency Programs</b> |                   |                               |   |                     |                      |
|  |                   | 2011                          | Vintage 1      Vintage 2                            |                     |                      |
| 7 Residential Avoided Costs - EE                                 | Exhibit 5         | \$ 33,050,961                 |   |                     |                      |
| 8 Residential Lost Revenues - EE                                 | Exhibit 5         | \$ 27,286,630                 |   |                     |                      |
| 9 Non-Residential Avoided Costs - EE                             | Exhibit 5         | \$ 16,340,018                 |   |                     |                      |
| 10 Non-Residential Lost Revenues - EE                            | Exhibit 5         | \$ 1,227,760                  | \$ 457,543  | \$ 770,217          |                      |
| Total EE   |                   | \$ 77,905,369                 |   |                     |                      |
| Allocation of Total EE to SC Retail                              |                   | Sum (Line 7:Line 10) * Line 3 |   |                     |                      |
|  |                   | \$ 20,982,861                 |   |                     |                      |
| Allocation to SC Retail Broken Down by Class and Type            |                   |                               | Vintage 1      Vintage 2                            |                     |                      |
|  |                   | 2011                          |   |                     |                      |
| 11 Residential Avoided Costs - EE                                | Line 7 * Line 3   | \$ 8,901,873                  |   |                     |                      |
| 12 Residential Lost Revenues - EE                                | Line 8 * Line 3   | \$ 7,349,321                  |   |                     |                      |
| 13 Non-Residential Avoided Costs - EE                            | Line 9 * Line 3   | \$ 4,400,985                  |   |                     |                      |
| 14 Non-Residential Lost Revenues - EE                            | Line 10 * Line 3  | \$ 330,682                    | \$ 123,234  | \$ 207,449          |                      |
| Total  | Sum Lines 11 - 14 | \$ 20,982,861                 |   |                     |                      |
| <b>System Revenue Requirements for DSM Programs</b>              |                   |                               |   |                     |                      |
|  |                   | 2011                          |   |                     |                      |
| 15 Residential Avoided Costs - DSM                               | Exhibit 5         | \$ 15,489,803                 |   |                     |                      |
| 16 Non-Residential Avoided Costs - DSM                           | Exhibit 5         | \$ 16,937,597                 |   |                     |                      |
| 17 Total DSM   | Line 15 + Line 16 | \$ 32,427,400                 |   |                     |                      |
| Allocation of Total DSM to SC Retail                             |                   |                               |   |                     |                      |
| 18 Total DSM   | Line 17 * Line 4  | \$ 8,466,314                  |   |                     |                      |
| Allocation to Residential vs. Non Residential                    |                   |                               |   |                     |                      |
| 19 Residential Avoided Cost - DSM                                | Line 18 * Line 5  | \$ 3,498,559                  |   |                     |                      |
| 20 Non - Residential Avoided Cost - DSM                          | Line 18 * Line 6  | \$ 4,967,755                  |   |                     |                      |
|  |                   | Line 19 + Line 20             |   |                     |                      |
|  |                   | \$ 8,466,314                  |   |                     |                      |

Duke Energy Carolinas  
Rider EE Vintage 2

Existing DSM Revenue Requirement Support Data

| Type | Period | Total        | NC Credits - 2009 | Wholesale credits - 2009 | Total        |
|------|--------|--------------|-------------------|--------------------------|--------------|
| IS   | 1      | \$ 446,222   | \$ 269,160.50     | \$ 48,705.83             |              |
| IS   | 2      | \$ 674,285   | \$ 451,583.97     | \$ 57,165.36             |              |
| IS   | 3      | \$ 643,181   | \$ 388,766.00     | \$ 57,396.85             |              |
| IS   | 4      | \$ 612,756   | \$ 385,308.00     | \$ 60,136.83             |              |
| IS   | 5      | \$ 617,152   | \$ 384,020.00     | \$ 60,858.70             |              |
| IS   | 6      | \$ 662,683   | \$ 413,871.50     | \$ 62,742.19             |              |
| IS   | 7      | \$ 696,010   | \$ 435,074.50     | \$ 63,665.32             | 1            |
| IS   | 8      | \$ 689,773   | \$ 442,757.00     | \$ 63,203.21             |              |
| IS   | 9      | \$ 745,343   | \$ 505,851.50     | \$ 69,774.64             | 2            |
| IS   | 10     | \$ 893,046   | \$ 450,723.00     | \$ 65,152.89             |              |
| IS   | 11     | \$ 732,365   | \$ 530,537.00     | \$ 61,304.15             | 3            |
| IS   | 12     | \$ 564,942   | \$ 406,658.00     | \$ 60,271.26             |              |
|      |        | \$ 7,977,756 | \$ 5,064,311      | \$ 730,377               | \$ 5,794,688 |
| SG   | 1      | \$ 226,095   | \$ 182,092.56     |                          |              |
| SG   | 2      | \$ 220,086   | \$ 176,295.62     |                          |              |
| SG   | 3      | \$ 224,275   | \$ 173,837.42     |                          |              |
| SG   | 4      | \$ 214,955   | \$ 172,302.88     |                          |              |
| SG   | 5      | \$ 219,775   | \$ 176,817.06     |                          |              |
| SG   | 6      | \$ 230,984   | \$ 187,343.81     |                          |              |
| SG   | 7      | \$ 405,838   | \$ 361,035.44     |                          |              |
| SG   | 8      | \$ 214,217   | \$ 166,012.05     |                          |              |
| SG   | 9      | \$ 236,167   | \$ 194,379.29     |                          |              |
| SG   | 10     | \$ 70,733    | \$ 28,332.66      |                          |              |
| SG   | 11     | \$ 214,004   | \$ 179,133.41     |                          |              |
| SG   | 12     | \$ 192,873   | \$ 154,988.88     |                          |              |
|      |        | \$ 2,670,003 | \$ 2,152,571      | NA                       | \$ 2,152,571 |

Source: Amounts from customer billing records for 2009. \$ 7,947,259

| Year 2011              |             |                 |
|------------------------|-------------|-----------------|
| \$ 7,947,259           |             |                 |
|                        | Residential |                 |
| See Allocation Factors | 24.7702326% | 10.235875%      |
|                        |             | Non-residential |
|                        |             | 14.534358%      |
| Line 1 * Line 2        | \$ 813,472  | \$ 1,155,083    |

Estimated total IS/SG credits to be paid for native load programs

SC retail allocation factor - system peak demand

SC retail share IS/SG program costs

See Allocation Factors

Line 1 \* Line 2



Duke Energy Carolinas  
Rider EE Vintage 2

**Allocation Factors**

KWH SALES ALLOCATOR: Source 2009 COS Study

|                             | Percent of System | Percent of Retail  |
|-----------------------------|-------------------|--------------------|
| NC Retail Sales Allocation  | 69.118573%        | 73.066220%         |
| SC Retail Sales Allocation* | 25.478593%        | 26.933780%         |
| Total Retail                | <u>94.597166%</u> | <u>100.000000%</u> |

PEAK DEMAND ALLOCATOR: Source 2009 COS Study

|                                   | Percent of System  | Percent of Retail   | Percent of State |
|-----------------------------------|--------------------|---------------------|------------------|
| NC Peak Demand Allocation         | 70.103905%         |                     |                  |
| SC Peak Demand Allocation         |                    |                     |                  |
| Residential                       | 10.235875%         |                     | 41.3232886%      |
| Non-residential                   | 14.534358%         |                     | 58.6767114%      |
| Greenwood                         | 0.931536%          |                     |                  |
| Whlsle Peak Demand Allocation     | 0.503271%          |                     |                  |
| System Peak Demand*               | 96.3089447%        |                     | 100.0000000%     |
| NC Peak Demand Allocation         | 70.1039052%        | 73.8914807%         |                  |
| SC Retail Peak Demand Allocation* | 24.7702326%        | 26.1085193%         |                  |
| Total Retail                      | <u>94.8741378%</u> | <u>100.0000000%</u> |                  |

\* Excluding Greenwood

FACTOR TO EXCLUDE GREENWOOD SALES FROM FORECAST:

|                                 | 2009 actual       | Percent to Total |
|---------------------------------|-------------------|------------------|
| SC Residential sales            | 6,445,689         | 99.26%           |
| Greenwood residential sales     | 47,635            |                  |
| SC residential*                 | <u>6,398,054</u>  |                  |
| SC Non-residential sales        | 13,460,736        | 99.92%           |
| Greenwood non-residential sales | 11,399            |                  |
| SC non-residential*             | <u>13,449,337</u> |                  |
| Total SC sales                  | 19,906,425        |                  |
| Greenwood sales                 | 59,034            |                  |
| Total SC Sales*                 | <u>19,847,391</u> |                  |

ADJUSTMENT OF 2011 FORECAST TO EXCLUDE GREENWOOD SALES:

|                 |                      | 2011                  | Factor to excl. GW | Adjusted Forecast     |
|-----------------|----------------------|-----------------------|--------------------|-----------------------|
| SC Only kWh     |                      |                       |                    |                       |
| Residential     | Summer 2010 Forecast | 6,595,191,863         | 99.26%             | 6,546,452,004         |
| Non-Residential | Summer 2010 Forecast | 14,042,255,916        | 99.92%             | 14,030,364,470        |
| Total           |                      | <u>20,637,447,779</u> |                    | <u>20,576,816,474</u> |

**Duke Energy Carolinas**  
**Rider EE Vintage 2**  
Load Impact, Costs and Net Lost Revenues by Program

|  | A                       | B                | C                    | D                           | E   |  | SC Residential Program Costs                 | SC Residential Avoided Costs     | SC Residential Lost Revenues     |                                  |
|--|-------------------------|------------------|----------------------|-----------------------------|---|--|--|----------------------------------|----------------------------------|----------------------------------|
| <b>Residential Programs</b>  | System kW - Summer Peak | Energy Reduction | System Program Costs | System Avoided Costs<br>55% | System Lost Revenues<br>Net of Variable O&M | SC Allocation Factor<br>Allocation based on kWh sales<br>Exhibit 4 | SC Allocation Factor<br>Exhibit 4            |                                  |                                  |                                  |
| 1 Residential Energy Assessments   | 1,050                   | 7,923,209        | \$ 2,132,517         | \$ 1,292,926                | \$ 1,901,537                                | 0.269337804  | A1 * D1 \$ 574,367                           | B1 * D1 \$ 348,234               | C1 * D1 \$ 512,156               |                                  |
| 2 Smart Saver® for Residential Customers   | 27,445                  | 267,636,902      | \$ 18,354,910        | \$ 31,338,247               | \$ 20,204,843                               | 0.269337804  | A2 * D2 \$ 4,943,671                         | B2 * D2 \$ 8,440,575             | C2 * D2 \$ 5,441,928             |                                  |
| 3 Low Income Energy Efficiency and Weatherization Assistance                     | -                       | -                | \$ -                 | \$ -                        | \$ 2,054,730                                | 0.269337804  | A3 * D3 \$ -                                 | B3 * D3 \$ -                     | C3 * D3 \$ 553,417               |                                  |
| 4 Energy Efficiency Education Program for Schools                                | 589                     | 3,176,980        | \$ 1,599,685         | \$ 419,788                  | \$ 3,125,518                                | 0.269337804  | A4 * D4 \$ 430,856                           | B4 * D4 \$ 113,065               | C4 * D4 \$ 841,820               |                                  |
| <b>Total for Residential Conservation Programs</b>                               |                         |                  | \$ 22,087,112        | \$ 33,050,961               | \$ 27,286,630                               |  | \$ 5,948,894                                 | \$ 8,901,873                     | \$ 7,349,321                     |                                  |
|  |                         |                  |                      | 75%                         | Allocation based on Peak Demand             | Allocation Residential vs. Non-Residential Peak Demand             |  |                                  |                                  |                                  |
| 5 Power Manager  | 274,054                 |                  | \$ 15,282,355        | \$ 15,489,803               |   | 0.261085193  | 0.413232886 (A5 +A12) *D5 *E5 \$ 3,475,889   | (B5 +B12) *D5 *E5 \$ 3,498,559   |                                  |                                  |
| <b>Total Residential</b>   |                         |                  | \$ 37,469,467        | \$ 48,540,764               |   |  | \$ 9,424,784                                 | \$ 12,400,433                    |                                  |                                  |
| <b>Non-Residential Programs</b>  | System kW - Summer Peak | Energy Reduction | System Program Costs | System Avoided Costs<br>55% | System Lost Revenues<br>Net of Variable O&M | SC Allocation Factor<br>Allocation based on kWh sales<br>Exhibit 4 | Exhibit 4                                    | SC Non-Residential Program Costs | SC Non-Residential Avoided Costs | SC Non-Residential Lost Revenues |
| 6 Smart Saver® for Non-Residential Customers Lighting                            | 10,451                  | 50,320,381       | \$ 5,372,379         | \$ 10,068,349               | \$ 745,018                                  | 0.269337804  | A6 * D6 \$ 1,446,985                         | B6 * D6 \$ 2,711,787             | C6 * D6 \$ 200,661               |                                  |
| 7 Smart Saver® for Non-Residential Customers Motors                              | 452                     | 2,387,677        | \$ 172,189           | \$ 580,126                  | \$ 31,615                                   | 0.269337804  | A7 * D7 \$ 46,377                            | B7 * D7 \$ 156,250               | C7 * D7 \$ 8,515                 |                                  |
| 8 Smart Saver® for Non-Residential Customers - Other Prescriptive                | 3                       | 14,495           | \$ 515               | \$ 1,800                    | \$ 35,986                                   | 0.269337804  | A8 * D8 \$ 139                               | B8 * D8 \$ 485                   | C8 * D8 \$ 9,692                 |                                  |
| 9 Smart Saver® for Non-Residential Customers - Energy Star Food Service Products | 151                     | 985,674          | \$ 113,838           | \$ 239,361                  | \$ 15,684                                   | 0.269337804  | A9 * D9 \$ 30,661                            | B9 * D9 \$ 64,469                | C9 * D9 \$ 4,224                 |                                  |
| 10 Smart Saver® for Non-Residential Customers - HVAC                             | 1,387                   | 3,364,555        | \$ 751,649           | \$ 1,090,038                | \$ 98,631                                   | 0.269337804  | A10 * D10 \$ 202,447                         | B10 * D10 \$ 293,588             | C10 * D10 \$ 26,565              |                                  |
| 11 Smart Saver® for Non-Residential Customers - Custom Rebate                    | 2,666                   | 16,729,121       | \$ 2,026,422         | \$ 4,360,345                | \$ 300,827                                  | 0.269337804  | A11 * D11 \$ 545,792                         | B11 * D11 \$ 1,174,406           | C11 * D11 \$ 81,024              |                                  |
| <b>Total for Non-Residential Conservation Programs</b>                           |                         |                  | \$ 8,436,992         | \$ 16,340,018               | \$ 1,227,760                                |  | \$ 2,272,401                                 | \$ 4,400,985                     | \$ 330,682                       |                                  |
|  |                         |                  |                      | 75%                         | Allocation based on Peak Demand             | Allocation Residential vs. Non-Residential Peak Demand             |  |                                  |                                  |                                  |
| 12 Power Share   | 299,669                 |                  | \$ 16,834,921        | \$ 16,937,597               |   | 0.261085193  | 0.586767114 (A5 +A12) *D12 *E12 \$ 4,935,564 | (B5 +B12) *D12 *E12 \$ 4,967,755 |                                  |                                  |
| <b>Total Non-Residential</b>   |                         |                  | \$ 25,271,913        | \$ 33,277,615               |   |  | \$ 7,207,965                                 | \$ 9,368,739                     |                                  |                                  |

Duke Energy Carolinas  
Rider EE Vintage 2  
South Carolina Weighted Average Cost of Capital  
South Carolina Opt Out Vintage 1\*

| EE Opt Out Description                       | Customer   | EE Opt   |               | Premise State | Rate Schedule |
|--|--|----------|---------------|---------------|---------------|
|  |  | Out Date | Premise City  |               |               |
| SC EE Opt Out (Conservation and Demand Side) | BOWATER INC  | 2/25/10  | CATAWBA       | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | BOWATER INC  | 2/25/10  | CATAWBA       | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | DURACELL   | 4/1/10   | LANCASTER     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | INCHAM CORPORATION                                     | 3/26/10  | ROCK HILL     | SC            | OPT           |
| SC Opted Out (Conservation)                  | PHARR YARNS INC  | 3/25/10  | CLOVER        | SC            | OPT           |
| SC Opted Out (Demand Side)                   | GUARDIAN INDUSTRIES CORP                               | 3/12/10  | RICHBURG      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | PBI PERFORMANCE PRODUCTS INC                           | 3/26/10  | ROCK HILL     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FIBERWEB SIMPSONVILLE, INC                             | 3/26/10  | SIMPSONVILLE  | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | FIBERWEB SIMPSONVILLE, INC                             | 3/26/10  | SIMPSONVILLE  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FIBERWEB SIMPSONVILLE, INC                             | 3/26/10  | SIMPSONVILLE  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FIBERWEB SIMPSONVILLE, INC                             | 3/26/10  | SIMPSONVILLE  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FIBERWEB SIMPSONVILLE, INC                             | 3/26/10  | SIMPSONVILLE  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FIBERWEB SIMPSONVILLE, INC                             | 3/26/10  | SIMPSONVILLE  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | INTERNATIONAL PAPER                                    | 3/26/10  | LAURENS       | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | INTERNATIONAL PAPER                                    | 3/26/10  | SILVERSTREET  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | INTERNATIONAL PAPER                                    | 3/26/10  | SILVERSTREET  | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | INTERNATIONAL PAPER                                    | 3/26/10  | SILVERSTREET  | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | INTERNATIONAL PAPER                                    | 3/26/10  | LAURENS       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MINNESOTA MINING & MFG CO                              | 3/22/10  | GREENVILLE    | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | ROCHUNG AUTO   | 3/18/10  | DUNCAN        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | STANDARD MOTOR PRODUCTS                                | 3/18/10  | GREENVILLE    | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | WATTS REGULATOR  | 3/25/10  | CHESNEE       | SC            | OPT           |
| SC Opted Out (Demand Side)                   | BH POLYMER   | 3/26/10  | DUNCAN        | SC            | OPT           |
| SC Opted Out (Demand Side)                   | MACK MOLDING CO INC                                    | 3/24/10  | INMAN         | SC            | OPT           |
| SC Opted Out (Demand Side)                   | WILLIAM BARNETT SONS                                   | 3/26/10  | SPARTANBURG   | SC            | I             |
| SC Opted Out (Demand Side)                   | WILLIAM BARNETT SONS                                   | 3/26/10  | SPARTANBURG   | SC            | I             |
| SC Opted Out (Demand Side)                   | WILLIAM BARNETT SONS                                   | 3/26/10  | SPARTANBURG   | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | DISPOZ-O PLASTICS INC                                  | 3/23/10  | FOUNTAIN INN  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | DISPOZ-O PLASTICS INC                                  | 3/23/10  | FOUNTAIN INN  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | EUROKERA NORTH AMERICA                                 | 3/5/10   | FOUNTAIN INN  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | GOGLANIAN BAKERIES, INC                                | 3/29/10  | FOUNTAIN INN  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | GOGLANIAN BAKERIES, INC                                | 3/29/10  | FOUNTAIN INN  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | INTERNATIONAL AUTO COMPONENTS GROUP NORTH AMERICA, INC | 3/5/10   | GREENVILLE    | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | KEMET ELECTRONICS                                      | 3/12/10  | SIMPSONVILLE  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | THE CF SAUER CO  | 3/26/10  | MAULDIN       | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | THE CF SAUER CO  | 3/26/10  | MAULDIN       | SC            | OPT           |
| SC Opted Out (Demand Side)                   |  | 3/29/10  | FORT MILL     | SC            | I             |
| SC Opted Out (Demand Side)                   | 3G MERMET CORP   | 3/26/10  | COWPENS       | SC            | I             |
| SC Opted Out (Demand Side)                   | 3G MERMET CORP   | 3/26/10  | COWPENS       | SC            | OPT           |
| SC Opted Out (Demand Side)                   | SAUER-DANFOSS, INC                                     | 3/12/10  | EASLEY        | SC            | OPT           |
| SC Opted Out (Demand Side)                   | SAUER-DANFOSS, INC                                     | 3/12/10  | EASLEY        | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | BORG WARNER AUTOMOTIVE                                 | 3/26/10  | SENECA        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CENTRAL TEXTILES                                       | 3/10/10  | CENTRAL       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | EASLEY CUSTOM PLASTICS, INC                            | 4/1/10   | EASLEY        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | JPS COMPOSITE MATERIALS CORP                           | 3/12/10  | ANDERSON      | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | KENNAMETAL INC INDUSTRIAL PROD GRP                     | 3/22/10  | SENECA        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MOUNT VERNON MILLS INC                                 | 2/19/10  | WILLIAMSTON   | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MOUNT VERNON MILLS INC                                 | 2/19/10  | WARE SHOALS   | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | MOUNT VERNON MILLS INC                                 | 2/19/10  | WARE SHOALS   | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | MOUNT VERNON MILLS INC                                 | 2/19/10  | HODGES        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MOUNT VERNON MILLS INC                                 | 2/19/10  | WILLIAMSTON   | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MOUNT VERNON MILLS INC                                 | 2/19/10  | SPARTANBURG   | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MOUNT VERNON MILLS INC                                 | 2/19/10  | PENDELTON     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PACESETTER INC   | 2/25/10  | LIBERTY       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PACESETTER INC   | 2/25/10  | LIBERTY       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PACESETTER INC   | 2/25/10  | LIBERTY       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PACESETTER INC   | 2/25/10  | LIBERTY       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PACESETTER INC   | 2/25/10  | LIBERTY       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PACESETTER INC   | 2/25/10  | LIBERTY       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | REXAM DELAWARE CORPORATION                             | 2/22/10  | ANDERSON      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | REXAM DELAWARE CORPORATION                             | 2/22/10  | ANDERSON      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | REXAM HEALTHCARE PACKAGING INC                         | 2/9/10   | GREENVILLE    | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | REXROTH CORP   | 3/15/10  | FOUNTAIN INN  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | REXROTH CORP   | 3/15/10  | FOUNTAIN INN  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | ROBERT BOSCH CORP                                      | 2/19/10  | ANDERSON      | SC            | OPT           |
| SC Opted Out (Conservation)                  | CENTRAL TEXTILES                                       | 3/10/10  | CENTRAL       | SC            | OPT           |
| SC Opted Out (Conservation)                  | EASLEY CUSTOM PLASTICS, INC                            | 4/1/10   | EASLEY        | SC            | OPT           |
| SC Opted Out (Conservation)                  | JPS CONVERTER & INDUSTRIAL                             | 2/26/10  | SLATER        | SC            | OPT           |
| SC Opted Out (Conservation)                  | MOUNT VERNON MILLS INC                                 | 3/30/10  | PENDELTON     | SC            | OPT           |
| SC Opted Out (Conservation)                  | U S ENGINE VALVE CORP                                  | 3/26/10  | WESTMINSTER   | SC            | OPT           |
| SC Opted Out (Demand Side)                   | BELTON INDUSTRIES                                      | 3/31/10  | HONEA PATH    | SC            | OPT           |
| SC Opted Out (Demand Side)                   | BELTON INDUSTRIES                                      | 3/31/10  | BELTON        | SC            | OPT           |
| SC Opted Out (Demand Side)                   | CAROLINA COMM HEAT TRT                                 | 3/24/10  | FOUNTAIN INN  | SC            | OPT           |
| SC Opted Out (Demand Side)                   | CAROLINA COMM HEAT TRT                                 | 3/24/10  | FOUNTAIN INN  | SC            | OPT           |
| SC Opted Out (Demand Side)                   | CAROLINA COMM HEAT TRT                                 | 3/24/10  | FOUNTAIN INN  | SC            | OPT           |
| SC Opted Out (Demand Side)                   | CAROLINA COMM HEAT TRT                                 | 3/24/10  | FOUNTAIN INN  | SC            | OPT           |
| SC Opted Out (Demand Side)                   | CLARION TECHNOLOGIES                                   | 3/25/10  | ANDERSON      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | ELECTROLUX HOME PRODUCTS                               | 2/19/10  | ANDERSON      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | ITRON ELECTRICITY METERING                             | 2/17/10  | WEST UNION    | SC            | OPT           |
| SC Opted Out (Demand Side)                   | ONE WORLD TECHNOLOGIES                                 | 3/26/10  | ANDERSON      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | ONE WORLD TECHNOLOGIES                                 | 3/26/10  | PICKENS       | SC            | OPT           |
| SC Opted Out (Demand Side)                   | RELUNCE ELECTRIC COMPANY                               | 3/25/10  | GREENVILLE    | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CULP INC   | 3/19/10  | ANDERSON      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) |  | 3/9/10   | GREENVILLE    | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | ASCEND PERFORMANCE MATERIALS LLC                       | 2/5/10   | GREENWOOD     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CAPSUGEL WARNER LAMBERT                                | 2/26/10  | GREENWOOD     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | CAPSUGEL WARNER LAMBERT                                | 2/26/10  | GREENWOOD     | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | CAPSUGEL WARNER LAMBERT                                | 2/26/10  | GREENWOOD     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | CERAMTEC NORTH AMERICA INNOV                           | 3/26/10  | LAURENS       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | EATON HYDRAULICS                                       | 3/16/10  | GREENWOOD     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | EATON HYDRAULICS                                       | 3/16/10  | GREENWOOD     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | FLEXIBLE TECHNOLOGIES                                  | 3/26/10  | ABBEVILLE     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | FLEXIBLE TECHNOLOGIES                                  | 3/26/10  | ABBEVILLE     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FLEXIBLE TECHNOLOGIES                                  | 3/26/10  | ABBEVILLE     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FUJI PHOTO FILM  | 2/19/10  | GREENWOOD     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | FUJI PHOTO FILM  | 2/19/10  | GREENWOOD     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | GREENWOOD MILLS  | 2/17/10  | GREENWOOD     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | GREENWOOD PACKING PLT                                  | 2/23/10  | GREENWOOD     | SC            | IPR           |
| SC EE Opt Out (Conservation and Demand Side) | GREENWOOD PACKING PLT                                  | 2/12/10  | GREENWOOD     | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | GREENWOOD PACKING PLT                                  | 2/12/10  | GREENWOOD     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | KAISER ALUMINIUM & CHEM                                | 3/9/10   | GREENWOOD     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | MOHAWK INDUSTRIES                                      | 3/26/10  | CALHOUN FALLS | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | NORBORD SOUTH CAROLINA INC                             | 3/24/10  | KINARDS       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | ORIAN RUGS INC   | 2/12/10  | ANDERSON      | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | ORIAN RUGS INC   | 2/12/10  | ANDERSON      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PIONEER FROZEN FOODS SC INC                            | 3/26/10  | PROSPERITY    | SC            | OPT           |

Duke Energy Carolinas  
Rider EE Vintage 2  
South Carolina Weighted Average Cost of Capital  
South Carolina Opt Out Vintage 1\*

| EE Opt Out Description                       | Customer                            | EE Opt   |              | Premise | Rate Schedule |
|--|-------------------------------------|----------|--------------|---------|---------------|
|  |                                     | Out Date | Premise City | State   |               |
| SC EE Opt Out (Conservation and Demand Side) | PIRELLI CABLE CO                    | 4/1/10   | ABBENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PIRELLI CABLE CO                    | 4/1/10   | ABBENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PLASTIC OMNIUM INDUSTRIES           | 3/15/10  | ANDERSON     | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | PLASTIC OMNIUM INDUSTRIES           | 3/15/10  | DUNCAN       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | STERILITE CORP OF SC                | 3/9/10   | CLINTON      | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | TYCO HEALTHCARE GROUP LP            | 3/25/10  | SENECA       | SC      | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | TYCO HEALTHCARE GROUP LP            | 2/22/10  | GREENWOOD    | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | TYCO HEALTHCARE GROUP LP            | 2/22/10  | GREENWOOD    | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | WALBAR INC                          | 3/9/10   | HODGES       | SC      | OPT           |
| SC Opted Out (Conservation)                  | GREENWOOD MILLS                     | 2/17/10  | GREENWOOD    | SC      | OPT           |
| SC Opted Out (Conservation)                  | PIRELLI CABLE CO                    | 4/1/10   | ABBENVILLE   | SC      | OPT           |
| SC Opted Out (Conservation)                  | TYCO HEALTHCARE GROUP LP            | 2/17/10  | SENECA       | SC      | OPT           |
| SC Opted Out (Demand Side)                   | EATON HYDRAULICS                    | 3/16/10  | GREENWOOD    | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COLUMBIA POULTRY FARM               | 3/17/10  | GREENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COLUMBIA POULTRY FARM               | 3/17/10  | GREENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COLUMBIA POULTRY FARM               | 3/17/10  | GREENVILLE   | SC      | OPT           |
| SC Opted Out (Demand Side)                   | ARCHER-DANIELS MIDLAND CO           | 3/17/10  | KERSHAW      | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COMPX SECURITY PRODUCTS             | 3/16/10  | GREENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COOPER STANDARD AUTOMOTIVE INC      | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | INTERNATIONAL TEXTILE GROUP         | 3/17/10  | GREENVILLE   | SC      | OPT           |
| SC Opted Out (Demand Side)                   | GLEN RAVEN MILLS                    | 3/18/10  | ANDERSON     | SC      | OPT           |
| SC Opted Out (Demand Side)                   | PPG INDUSTRIES                      | 3/26/10  | CHESTER      | SC      | OPT           |
| SC Opted Out (Demand Side)                   | TYCO ELECTRONICS                    | 3/26/10  | FORT MILL    | SC      | OPT           |
| SC Opted Out (Demand Side)                   | TYCO ELECTRONICS                    | 3/26/10  | ROCK HILL    | SC      | OPT           |
| SC Opted Out (Demand Side)                   | TYCO ELECTRONICS                    | 3/26/10  | ROCK HILL    | SC      | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | MICHELIN                            | 3/31/10  | DUNCAN       | SC      | I             |
| SC EE Opt Out (Conservation and Demand Side) | MICHELIN                            | 3/31/10  | ANDERSON     | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MICHELIN                            | 3/31/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MICHELIN                            | 3/31/10  | GREENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MILLIKEN & COMPANY                  | 4/1/10   | LAURENS      | SC      | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | MILLIKEN & COMPANY                  | 4/1/10   | PENDELTON    | SC      | MP            |
| SC EE Opt Out (Conservation and Demand Side) | MILLIKEN & COMPANY                  | 4/1/10   | INMAN        | SC      | MP            |
| SC EE Opt Out (Conservation and Demand Side) | MILLIKEN & COMPANY                  | 4/1/10   | BLACKSBURG   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MILLIKEN & COMPANY                  | 4/1/10   | SIMPSONVILLE | SC      | MP            |
| SC EE Opt Out (Conservation and Demand Side) | MILLIKEN & COMPANY                  | 4/1/10   | MARIETTA     | SC      | MP            |
| SC Opted Out (Conservation)                  | MILLIKEN & COMPANY                  | 4/1/10   | LAURENS      | SC      | MP            |
| SC Opted Out (Conservation)                  | MILLIKEN & COMPANY                  | 4/1/10   | WHITE STONE  | SC      | MP            |
| SC Opted Out (Conservation)                  | MILLIKEN & COMPANY                  | 4/1/10   | PENDELTON    | SC      | MP            |
| SC Opted Out (Conservation)                  | MILLIKEN & COMPANY                  | 4/1/10   | GREENVILLE   | SC      | MP            |
| SC Opted Out (Conservation)                  | MILLIKEN & COMPANY                  | 4/1/10   | UNION        | SC      | MP            |
| SC Opted Out (Conservation)                  | MILLIKEN & COMPANY                  | 4/1/10   | WILLIAMSTON  | SC      | OPT           |
| SC Opted Out (Demand Side)                   | BMW                                 | 3/29/10  | GREER        | SC      | OPT           |
| SC Opted Out (Demand Side)                   | BMW                                 | 3/29/10  | GREER        | SC      | OPT           |
| SC Opted Out (Demand Side)                   | GENERAL ELECTRIC                    | 3/26/10  | GREENVILLE   | SC      | HPX           |
| SC Opted Out (Demand Side)                   | GENERAL ELECTRIC                    | 3/26/10  | PIEDMONT     | SC      | OPT           |
| SC Opted Out (Demand Side)                   | GENERAL ELECTRIC                    | 3/26/10  | PIEDMONT     | SC      | OPT           |
| SC Opted Out (Demand Side)                   | MICHELIN                            | 3/31/10  | ANDERSON     | SC      | OPT           |
| SC Opted Out (Demand Side)                   | MICHELIN                            | 3/31/10  | SPARTANBURG  | SC      | OPT           |
| SC Opted Out (Demand Side)                   | MICHELIN                            | 3/31/10  | GREENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | ALCOA BUILDING PRODUCTS             | 3/26/10  | GAFFNEY      | SC      | I             |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/23/10  | DUNCAN       | SC      | I             |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/9/10   | SENECA       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/26/10  | ANDERSON     | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BASF CORPORATION                    | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BAUSCH & LOMB                       | 3/25/10  | GREENVILLE   | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | BIC CORPORATION                     | 4/1/10   | FOUNTAIN INN | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CARAUSTAR                           | 3/17/10  | TAYLORS      | SC      | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | CARAUSTAR                           | 3/17/10  | TAYLORS      | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CELANESE LTD                        | 4/6/10   | ENOREE       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CELANESE LTD                        | 4/6/10   | ENOREE       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CELANESE LTD                        | 4/6/10   | ENOREE       | SC      | I             |
| SC EE Opt Out (Conservation and Demand Side) | CELANESE LTD                        | 4/6/10   | ENOREE       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CELANESE LTD                        | 4/6/10   | ENOREE       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | CHEVRON PHILLIPS CHEMICAL CO, LP    | 3/24/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | HENKEL CORPORATION                  | 3/31/10  | ENOREE       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | HENKEL CORPORATION                  | 3/31/10  | ENOREE       | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | IWG HIGH PERFORMANCE CONDUCTORS INC | 3/12/10  | INMAN        | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | IWG HIGH PERFORMANCE CONDUCTORS INC | 3/12/10  | INMAN        | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | LAND-O-SUN DAIRIES                  | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | LAND-O-SUN DAIRIES                  | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | LEIGH FIBERS INC                    | 3/25/10  | WELLFORD     | SC      | I             |
| SC EE Opt Out (Conservation and Demand Side) | LEIGH FIBERS INC                    | 3/25/10  | WELLFORD     | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | RR DONNELLEY & SONS COMPANY         | 3/16/10  | SPARTANBURG  | SC      | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | SEW EURODRIVE INC                   | 3/31/10  | LYMAN        | SC      | I             |
| SC EE Opt Out (Conservation and Demand Side) | SPARTANBURG AUTOMOTIVE              | 4/7/10   | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SPARTANBURG AUTOMOTIVE              | 4/7/10   | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SPARTANBURG AUTOMOTIVE              | 4/7/10   | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | TIETEX CORPORATION                  | 3/26/10  | SPARTANBURG  | SC      | I             |
| SC EE Opt Out (Conservation and Demand Side) | TIETEX CORPORATION                  | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | TIETEX CORPORATION                  | 3/26/10  | SPARTANBURG  | SC      | OPT           |
| SC Opted Out (Conservation)                  | AIR LIQUIDE AMERICA CORP            | 3/23/10  | SPARTANBURG  | SC      | OPT           |
| SC Opted Out (Conservation)                  | HAMRICK MILLS                       | 3/16/10  | GAFFNEY      | SC      | OPT           |
| SC Opted Out (Conservation)                  | HAMRICK MILLS                       | 3/16/10  | GAFFNEY      | SC      | OPT           |
| SC Opted Out (Conservation)                  | HAMRICK MILLS                       | 3/16/10  | GAFFNEY      | SC      | OPT           |
| SC Opted Out (Demand Side)                   | BAUSCH & LOMB                       | 3/25/10  | GREENVILLE   | SC      | OPT           |
| SC Opted Out (Demand Side)                   | BIC CORPORATION                     | 4/1/10   | GAFFNEY      | SC      | OPT           |
| SC Opted Out (Demand Side)                   | CELANESE LTD                        | 4/6/10   | ENOREE       | SC      | OPT           |
| SC Opted Out (Demand Side)                   | HENKEL CORPORATION                  | 4/6/10   | GREENVILLE   | SC      | OPT           |
| SC Opted Out (Demand Side)                   | HENKEL CORPORATION                  | 4/6/10   | GREENVILLE   | SC      | I             |
| SC Opted Out (Demand Side)                   | HENKEL CORPORATION                  | 4/6/10   | GREENVILLE   | SC      | I             |
| SC Opted Out (Demand Side)                   | HENKEL CORPORATION                  | 4/6/10   | GREENVILLE   | SC      | I             |
| SC Opted Out (Demand Side)                   | HENKEL CORPORATION                  | 3/31/10  | ENOREE       | SC      | OPT           |
| SC Opted Out (Demand Side)                   | HENKEL CORPORATION                  | 4/6/10   | GREENVILLE   | SC      | I             |
| SC Opted Out (Demand Side)                   | HONEYWELL INTERNATIONAL INC         | 3/17/10  | GREER        | SC      | OPT           |
| SC Opted Out (Demand Side)                   | HONEYWELL INTERNATIONAL INC         | 3/9/10   | DUNCAN       | SC      | OPT           |
| SC Opted Out (Demand Side)                   | SHAW INDUSTRIES INC                 | 2/23/10  | CLINTON      | SC      | I             |
| SC Opted Out (Demand Side)                   | SHAW INDUSTRIES INC                 | 2/23/10  | CLINTON      | SC      | I             |
| SC Opted Out (Demand Side)                   | SHAW INDUSTRIES INC                 | 2/23/10  | CENTRAL      | SC      | OPT           |
| SC Opted Out (Demand Side)                   | SHAW INDUSTRIES INC                 | 2/26/10  | CENTRAL      | SC      | OPT           |
| SC Opted Out (Demand Side)                   | SHAW INDUSTRIES INC                 | 2/26/10  | ANDERSON     | SC      | OPT           |

Duke Energy Carolinas  
Rider EE Vintage 2  
South Carolina Weighted Average Cost of Capital  
South Carolina Opt Out Vintage 1\*

| EE Opt Out Description                       | Customer                   | EE Opt   |              | Premise State | Rate Schedule |
|--|----------------------------|----------|--------------|---------------|---------------|
|  |                            | Out Date | Premise City |               |               |
| SC EE Opt Out (Conservation and Demand Side) | CHEMTRADE LOGISTICS INC    | 3/29/10  | CARLSLE      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COGNIS CORPORATION         | 3/26/10  | MAULDIN      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COGNIS CORPORATION         | 3/26/10  | MAULDIN      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | COGNIS CORPORATION         | 3/26/10  | MAULDIN      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SCHAEFFLER GROUP USA, INC  | 3/29/10  | SPARTANBURG  | SC            | OPT           |
| SC Opted Out (Demand Side)                   | SCHAEFFLER GROUP USA, INC  | 3/26/10  | FORT MILL    | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | AFL TELECOMMUNICATIONS LLC | 4/1/10   | DUNCAN       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | AFL TELECOMMUNICATIONS LLC | 4/1/10   | DUNCAN       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | AFL TELECOMMUNICATIONS LLC | 4/1/10   | DUNCAN       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | AFL TELECOMMUNICATIONS LLC | 4/1/10   | DUNCAN       | SC            | OPT           |
| SC Opted Out (Demand Side)                   | STANKIEWICZ INTERNATIONAL  | 4/6/10   | SPARTANBURG  | SC            | OPT           |
| SC Opted Out (Demand Side)                   | AFL TELECOMMUNICATIONS LLC | 4/1/10   | DUNCAN       | SC            | OPT           |
| SC Opted Out (Demand Side)                   | AFL TELECOMMUNICATIONS LLC | 4/1/10   | DUNCAN       | SC            | OPT           |
| SC Opted Out (Demand Side)                   | ILJIN AMERICA, LLC         | 3/26/10  | GREER        | SC            | OPT           |
| SC Opted Out (Demand Side)                   | ILJIN AMERICA, LLC         | 3/26/10  | GREER        | SC            | I             |
| SC Opted Out (Demand Side)                   | ILJIN AMERICA, LLC         | 3/26/10  | GREER        | SC            | OPT           |
| SC Opted Out (Demand Side)                   | NUTRA MANUFACTURING, INC   | 3/26/10  | GREENVILLE   | SC            | OPT           |
| SC Opted Out (Demand Side)                   | NUTRA MANUFACTURING, INC   | 3/26/10  | ANDERSON     | SC            | OPT           |
| SC Opted Out (Demand Side)                   | GAF                        | 3/26/10  | CHESTER      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | KOSA                       | 2/18/10  | SPARTANBURG  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | KOSA                       | 2/18/10  | SPARTANBURG  | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | MERITOR HEAVY VEC SYS      | 2/22/10  | YORK         | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | mitsubishi polyester film  | 3/8/10   | GREER        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | mitsubishi polyester film  | 3/8/10   | GREER        | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | mitsubishi polyester film  | 3/8/10   | GREER        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | mitsubishi polyester film  | 3/8/10   | GREER        | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | OWENS CORNING              | 3/9/10   | CHESTER      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | OWENS CORNING              | 3/8/10   | STARR        | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | DUNCAN       | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | DUNCAN       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | DUNCAN       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | SENECA       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | DUNCAN       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | SIMPSONVILLE | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | DUNCAN       | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | DUNCAN       | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | SEALED AIR CORP            | 2/12/10  | SIMPSONVILLE | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | U S CORRUGATED INC         | 2/5/10   | COWPENS      | SC            | HPX           |
| SC Opted Out (Conservation)                  | U S CORRUGATED INC         | 2/5/10   | COWPENS      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | CYTEC CARBON FIBERS        | 2/19/10  | PIEDMONT     | SC            | OPT           |
| SC Opted Out (Demand Side)                   | CYTEC CARBON FIBERS        | 2/19/10  | ROCK HILL    | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | THE TIMKEN COMPANY         | 3/22/10  | GAFFNEY      | SC            | OPT           |
| SC EE Opt Out (Conservation and Demand Side) | THE TIMKEN COMPANY         | 4/1/10   | HONEA PATH   | SC            | OPT           |
| SC Opted Out (Demand Side)                   | FREIGHTLINER CORP          | 3/29/10  | GAFFNEY      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | FREIGHTLINER CORP          | 3/29/10  | GAFFNEY      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | FREIGHTLINER CORP          | 3/29/10  | GAFFNEY      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | THE TIMKEN COMPANY         | 4/1/10   | HONEA PATH   | SC            | MP            |
| SC Opted Out (Demand Side)                   | THE TIMKEN COMPANY         | 3/26/10  | UNION        | SC            | MP            |
| SC EE Opt Out (Conservation and Demand Side) | K M FABRICS                | 3/3/10   | GREENVILLE   | SC            | HPX           |
| SC EE Opt Out (Conservation and Demand Side) | MARSHANE CORPORATION       | 4/1/10   | ANDERSON     | SC            | I             |
| SC EE Opt Out (Conservation and Demand Side) | MARSHANE CORPORATION       | 4/1/10   | ANDERSON     | SC            | I             |
| SC Opted Out (Conservation)                  | SAGE AUTOMOTIVE            | 3/26/10  | ABBEVILLE    | SC            | OPT           |
| SC Opted Out (Conservation)                  | SAGE AUTOMOTIVE            | 3/26/10  | ABBEVILLE    | SC            | OPT           |
| SC Opted Out (Conservation)                  | SAGE AUTOMOTIVE            | 3/26/10  | SPARTANBURG  | SC            | OPT           |
| SC Opted Out (Demand Side)                   |                            | 3/26/10  | PICKENS      | SC            | OPT           |
| SC Opted Out (Demand Side)                   |                            | 3/26/10  | PICKENS      | SC            | OPT           |
| SC Opted Out (Demand Side)                   | LEAR SEATING CORPORATION   | 3/22/10  | DUNCAN       | SC            | I             |
| SC Opted Out (Demand Side)                   | POLYDECK SCREEN CORP       | 3/29/10  | SPARTANBURG  | SC            | OPT           |
| SC Opted Out (Demand Side)                   | POLYDECK SCREEN CORP       | 3/29/10  | SPARTANBURG  | SC            | OPT           |

\* Enrollment period for Vintage 2 has not been completed. Will use results from Vintage 1 as a proxy of opt out results in Vintage 2

|  |               |                 |
|--|---------------|-----------------|
| SC Opted Out (Demand Side)                   | 1,290,630,805 | kWh Sales       |
| SC EE Opt Out (Conservation and Demand Side) | 3,682,773,988 | kWh Sales       |
| SC Opted Out (Conservation)                  | 547,396,565   | kWh Sales       |
|  | 5,520,801,358 | Total kWh Sales |

Duke Energy Carolinas, LLC

Electricity No. 4  
South Carolina First Revised Leaf No. 62  
Superseding South Carolina Original Leaf No. 62

RIDER EE (SC)  
ENERGY EFFICIENCY RIDER

APPLICABILITY (South Carolina Only)

Service supplied under the Company’s rate schedules is subject to approved energy efficiency adjustments over or under the Rate set forth in the approved rate schedules for energy efficiency programs approved by the Public Service Commission of South Carolina (PSCSC).

GENERAL PROVISIONS

This Rider will recover the cost of Duke Energy Carolinas’ Save-a-Watt (“SAW”) energy efficiency and demand-side management programs, using the method approved by the PSCSC, for programs implemented over a 4 year period (*i.e.*, comprising four 12-month program years or “Vintage Years”). In each year this Rider will include components to recover revenue requirements related to demand-side management and energy efficiency programs implemented in that vintage, as well as lost revenues resulting from the energy efficiency programs. Lost revenues associated with each vintage will be recovered for 36 months upon implementation. As a result the Rider will continue beyond the 4 year period to fully recover lost revenues for programs in years 3 and 4.

Revenue requirements for SAW demand-side management programs will be determined on a system basis and allocated to South Carolina retail customers based on the class contribution to system retail peak demand. Revenue requirements for SAW energy efficiency programs will be determined on a system basis and allocated to all South Carolina retail customer classes based on SC retail contribution to system retail sales. Residential customers will pay for the allocated cost of residential programs; non-residential customers will pay for the allocated cost of non-residential programs.

The Rider will recover the cost of Duke Energy Carolinas’ Interruptible Service and Stand-By Generator programs (“Existing DSM Programs”) based on the cost of bill credits and amounts paid to customers participating on these programs (“Program Costs”). Revenue requirements will be determined on a system basis and allocated to SC retail customer classes based on the class contribution to system peak demand.

All allocation factors will be based on the Company’s cost of service study and will exclude the amounts related to customers that elect to opt out of this Rider.

TRUE-UP PROVISIONS

Rider amounts for SAW programs will initially be determined based on estimated kW and kWh impacts related to expected customer participation in the programs, and will be trued-up as actual customer participation and actual kw and kwh impacts are verified.

Participation true-ups: After the first year, the Rider will include a true-up of previous Rider amounts billed to reflect actual customer participation in the programs.

Measurement and verification true-up: EM&V activities and results will be included in a mid-term EM&V-based true-up process that will be reflected in Vintage Year 3 Rider EE collections. A final EM&V true-up reflected in Vintage Year 6 Rider EE collections will incorporate all EM&V studies completed since the mid-term EM&V true-up. EM&V results will include measure-level savings adjustments and net-to-gross analysis. In addition, the mid-term and final true-ups will incorporate the most recent EM&V results in the avoided cost true-up, the lost revenue true-up, and the earnings cap true-up.

Earnings cap true-up: In the sixth year a true up will be billed, if applicable, to refund amounts collected through the Rider in excess of the earnings cap, in accordance with the following levels of achievement and allowed return on investment.

| <u>Percentage Actual<br/>Target Achievement</u> | <u>Return on Investment Cap<br/>on Program Costs<br/>Percentage</u> |
|---|---|
| >=90%   | 15%   |
| 80% to 89%                                      | 12%   |
| 60% to 79%                                      | 9%  |
| < 60%   | 5%  |

Rider amounts for Existing DSM Programs initially will be estimated program costs for the calendar year and will be trued-up to actual a subsequent rider.

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RIDER EE (SC)  
ENERGY EFFICIENCY RIDER

DETERMINATION OF ENERGY EFFICIENCY RIDER ADJUSTMENT

Energy Efficiency Adjustments (EEA) will be applied to the energy (kilowatt hours) billed of all rate schedules for each vintage as determined by the following formula:

EEA Residential (expressed as cents per kwh ) = SAW Residential Adjustment + Existing DSM Residential Adjustment

SAW Residential Adjustment = Residential Avoided Cost Revenue Requirement + Residential Lost Revenues / Forecasted Residential kWh Sales for the Rider billing period

Where

Residential Avoided Cost Revenue Requirement = (Residential Demand Side Management Program Avoided Cost Revenue Requirement X 75%) + (Residential Energy Efficiency Program Avoided Cost Revenue Requirement X 55%)

And

Existing DSM Residential Adjustment = Non-SAW Residential Program Costs / Forecasted Residential kWh Sales for the Rider billing period

EEA Non-residential (expressed as cents per kwh ) = SAW Non-residential Adjustment + Existing DSM Non-residential Adjustment

SAW Non-residential Adjustment = Non-residential Avoided Cost Revenue Requirement + Non-residential Lost Revenues / Forecasted Non-residential kWh Sales (excluding opt out sales) for the Rider billing period

Where

Non-residential Avoided Cost Revenue Requirement = (Non-residential Demand Side Management Program Avoided Cost Revenue Requirement X 75%) + (Non-residential Energy Efficiency Program Avoided Cost Revenue Requirement X 55%)

And

Existing DSM Non-residential Adjustment = Non-SAW Non-residential Program Costs / Forecasted Non-residential kWh Sales (excluding opt out sales) for the Rider billing period

ENERGY EFFICIENCY RIDER ADJUSTMENTS (EEA)

As a result of the Commission's Order No. 2010 in Docket No. 2010 -E, the EEA applicable to the residential and nonresidential rate schedules for the period January 1, 2011 through December 31, 2011, including revenue-related taxes and utility assessments, are as follows:

|                        |                  |
|------------------------|------------------|
| <u>Residential</u>     | 0.2697¢ per kWh  |
| <u>Nonresidential</u>  |                  |
| Vintage 1              | 0.0011¢ per kWh  |
| Vintage 2              |                  |
| Energy Efficiency      | 0.0401 ¢ per kWh |
| Demand Side Management | 0.0596 ¢ per kWh |

Each factor listed under Non-residential is applicable to non-residential customers who are not eligible to opt out and to eligible customer who have not opted out. If a nonresidential customer has opted out of a Vintage(s), then the charge(s) shown above for the Vintage(s) during which the customer has opted out, will not apply to the bill.

OPT OUT PROVISION FOR QUALIFYING MANUFACTURING CUSTOMERS

The Nonresidential EEA increment applicable to energy efficiency programs and/or demand-side management programs will not be applied to the energy billed to the Customer under the applicable nonresidential rate schedule for Customers qualified to opt out of the programs where:

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RIDER EE (SC)  
ENERGY EFFICIENCY RIDER

- a. The Customer attests or certifies to the Company that it has performed or had performed for it an energy audit or analysis within the three year period preceding the opt out request and has implemented or has plans for implementing the cost-effective energy efficiency measures recommended in that audit or analysis; and
- b. The Customer is served under an electric service agreement where the establishment is classified as a “manufacturing industry” by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

For Customers who elect to opt out of Energy Efficiency Programs, the following provisions also apply:

- Qualifying customers may opt out of the Company’s energy efficiency programs each calendar year only during an annual two month enrollment period beginning January 1 and concluding March 1.
- Customers may not opt out of individual energy efficiency programs offered by the Company. The choice to optout applies to the Company’s entire portfolio of energy efficiency programs.
- If a customer participates in any vintage of energy efficiency programs, the customer, irrespective of future opt-out decisions, remains obligated to pay the remaining portion of the lost revenues for each vintage of efficiency programs in which the customer participated.

For Customers who elect to opt out of Demand Side Management Programs, the following provisions also apply:

- Qualifying customers may make a one-time election for the 4 year plan to opt out of the Company’s demand-side management programs within 60 days after the effective date of new rates and charges approved by the PSCSC in Docket No. 2009-226-E.
- If a customer elects to participate in a demand-side management program, the customer may not subsequently choose to opt out of the program for the remaining term of the 4 year plan.