

TERMS AND CONDITIONS

X. BILLING AND RE-BILLING OF METERED AND UNMETERED SERVICES

A. When meters are installed by the Company to measure the electricity used by the Company's Customers, all charges for electricity used, except certain minimum charges, shall be calculated from the readings of such meters. Charges for electricity used will be based on the readings of meters owned and operated solely by the Company, applicable contract minimum dollar amount, or the estimated kWh usage since the last meter reading. The Company may for its own purposes use meters that are read remotely.

B. Normally electricity will be furnished through one Delivery Point and one set of metering apparatus and will be billed separately on the applicable Rate Schedule selected by the Customer. Residential master meter installations are prohibited by Statute 143-151.42 of the North Carolina State law. However, the Company reserves the right, where it desires for its own purposes because of the amount or characteristics of electricity required, to install two or more sets of metering apparatus, to combine the readings of meters so installed for billing purposes, and to bill these combined readings on the applicable Rate Schedule selected by the Customer. When the number of days in the billing period is less than 26 or more than 40 on a "Monthly Rate" Rate Schedule, the Company will prorate the Basic Customer Charge, any Demand Charge, and each kWh block size for all kWh blocks with the exception of the last kWh block. If the Rate Schedule does not include blocked kWh charges, proration is not required as the kWh charge does not change with usage.

C. All electricity will normally be metered at the voltage delivered to the Customer; however, the Company reserves the right, where it desires for its own purposes, to meter the electricity on the Company's side of the transformer or transformers, but the Customer will then be allowed a discount of 2% in the energy charge.

D. Meters in service may be tested by the Company, the Commission or any other lawfully constituted authority having jurisdiction. When, as the result of such a test, a meter is found to be no more than 2% fast or slow, no adjustment will be made in the Customer's bills. If the meter is found to be more than 2% fast or slow because of incorrect calibration, the Company will rebill the Customer for the correct amount as calculated in accordance with the then effective applicable Commission rule.

E. Whenever it is found that, for any reason other than incorrect calibration, the metering apparatus has not registered the true amount of electricity which has been used by the Customer, billing adjustments will be made in accordance with the then effective applicable Commission Rule. In the case of tampering, interest will be charged at a rate equal to that authorized by the Commission for late payments.

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- F. If, during the term of agreement for furnishing electricity to a Customer, the Customer is unable to operate his facilities, in whole or in part, because of accident, act of God, fire, or strike of the Customer's employees occurring at the location where electricity is supplied, the charge for electricity used during the period reasonably necessary to correct any such conditions will, in the discretion of the Company, be reasonably adjusted in accordance with all pertinent facts and conditions.
- G. If a Customer is a Natural Disaster Victim, the Company shall have the right to make certain adjustments to the charges for electricity assessed to the Customer. The Company may, at its discretion, adjust or waive minimum charges, temporary service charges, service connection charges, or security deposits.
- H. Customers who elected an Interval Metering Service Option (i.e., interval meters or contact closures) prior to January 1, 2011, are grandfathered on the specified charges shown in the tables below:
1. The applicable Installation Charge listed below shall be increased by the Tax Effect Recovery Factor, pursuant to Rider D - Tax Effect Recovery, and shall be paid by the Customer prior to the installation.
 2. In addition, the Customer shall pay an on-going Monthly O & M Charge that is equal to the applicable Installation Charge multiplied by the Excess Distribution and Substation Facilities charge found in Section IV.F.3.a. of the Terms and Conditions. Such payment will continue until the Interval Metering Service Option is discontinued in accordance with item 3. below.
 3. The One-time Removal Charge shall apply when either a) the Customer requests removal of the Interval Metering Service Option or b) the Customer discontinues electric service at the location of the Interval Metering Service Option.

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The applicable Installation Charges and One-time Removal Charges for the Interval Metering Service Options are as follows:

Interval Metering Service Options Installation and Removal Charges for Interval Meters		
Type	Installation Charge	Removal Charge
Single-phase, 240 Volt, 3 wire, class 200	\$323.35	\$195.51
Single-phase, 240 Volt, 3 wire, class 320	\$333.51	\$195.51
Single-phase, 240 Volt, 3 wire, class 400	\$333.51	\$195.51
Three-phase, 120 Volt, 4 wire, class 200 and 320	\$441.79	\$279.30
Three-phase, 120 Volt, 4 wire, class 400	\$441.79	\$279.30
Three-phase, 120 Volt, 4 wire, class 10 and 20	\$423.10	\$279.30

Installation and Removal Charges for Contact Closures (for kW Data Only)		
Type	Installation Charge	Removal Charge
One Circuit (Assumes Recorder Under Glass), or Single Service (Assumes Demand Meter Installation)	\$424.90	\$307.23
Additional Circuits at Same Site (Assumes Recorder Under Glass)	\$328.27	\$223.44

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4. On and after January 1, 2011, the Excess Distribution and Substation Facilities Charge in Section IV.F.3.a. or IV.F.3.c. (at the Customer's option) of the Terms and Conditions will apply to Customers electing Interval Metering Service Options.
5. The Company will own interval metering service devices used for measuring and billing the Customer for its consumption of demand and energy. The Company is responsible for the installation and removal of all meters.

I. Smart Meter Opt-Out:

Customers served under Residential Service – Schedule 1 may request to opt-out of receiving a smart meter and have a non-communicating digital meter installed by the Company as an alternative. Such Customers are referred to as AMI Opt-Out Customers.

1. The following conditions are required for a Customer to be eligible to opt out of the smart meter installation:
 - a. The person requesting to opt-out of the smart meter installation must be the Customer.
 - b. The account must be in good standing. Good standing is defined as: (i) no history of energy diversion; (ii) no more than 2 disconnect notices generated in the last 12 months as of the date of the Customer's opt-out request; and (iii) no disconnection for nonpayment in the last 12 months as of the date of the Customer's opt-out request.
 - c. The Customer shall complete and return the Company provided Non-Communicating Meter Option Enrollment Form within 45 days after it is provided to the Customer by the Company.

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- d. The Customer must currently receive electric service from the Company in accordance with residential Rate Schedule 1 or transfer to Rate Schedule 1 prior to opting-out of the smart meter installation. Customers receiving electric service on any time-of-use or demand rate and customers who generate electricity (e.g. net-metering customer) are ineligible to opt-out because the data recorded by the smart meter is required for billing and/or operating purposes.
2. AMI Opt-Out Customers shall pay a monthly Non-Communicating Metering Service Charge of \$30.88 to cover incremental costs associated with manually reading the Customer's non-communicating digital meter. Such payment shall continue until either a) the Customer requests removal of the non-communicating digital meter and agrees to the installation of a smart meter, or b) the Customer discontinues Electric Service at the location of the non-communicating digital meter. Such charge shall be waived if the Company estimates the reading due to any reason other than the Customer not allowing access to the meter (e.g. weather or other workload issues preventing meter reading activities, equipment failure, etc.).
3. The Customer must allow the Company access to exchange the currently installed meter for a non-communicating digital meter and the meter location must be readily accessible to the Company for monthly readings. In the event the Customer refuses such access, the Company may charge the Non-Communicating Metering Service Charge.
4. Once the Company receives a complete Non-Communicating Meter Option Enrollment Form, the Company shall install the non-communicating digital meter as promptly as working conditions permits, but no later than 30-days from receipt of the signed Non-Communicating Meter Option Enrollment Form, assuming a compatible non-communicating digital meter is in stock.
5. The Company will own the non-communicating digital meters used for measuring and billing the Customer for energy consumption. The Company is responsible for the installation and removal of all meters.
6. In addition to AMI Opt-Out Customers, the Company will charge the monthly Non-Communicating Metering Service Charge of \$30.88 when the Customer refuses the installation of a smart meter and does not comply with the smart meter opt-out process.