

SCHEDULE LGS – RTP WITH CUSTOMER BASELINE LOAD
DAY-AHEAD HOURLY PRICING, LARGE GENERAL SERVICE

I. APPLICABILITY

- A. Service under this schedule is applicable on a voluntary basis to a nonresidential Customer who requires permanent service and who receives service from the Company in accordance with the companion Schedule 6L as of the Customer's effective date for billing under this schedule.
- B. The Customer shall be billed on this schedule in conjunction with Schedule 6L.
- C. If a Schedule LGS-RTP Customer notifies the Company of an expansion of load and such expansion in total meets the requirements of Rider EDR, the Company at its discretion and in consultation with the Customer can increase the customer baseline load ("CBL") by a portion of or by the total amount of the load expansion. The adjusted load served under Rate Schedule 6L is eligible for Rider EDR, as long as all other requirements of Rider EDR are also met.

If the adjusted load participates in Rider EDR (either a portion of or the total amount of the expanded load) but such load is not metered or sub-metered, then the ratio "R" used in the Rider EDR billing shall be the ratio of New Load added to the CBL to the total load of the new CBL for purposes of monthly billing of Rider EDR.

II. AVAILABILITY

- A. In this schedule, the terms below shall have the following definitions:
 - 1. "Monthly Peak Demand" shall mean the Customer's highest measured average 30-minute interval demand during the billing month.
 - 2. "Contract Anniversary Date" shall mean the Customer's effective date for service under this schedule at the Customer's service location.
 - 3. "New Customer" shall be defined in accordance with all of the following:
 - a. Was not a retail electric service customer within the Company's North Carolina service territory as of the effective date of this schedule; and
 - b. Was not a retail electric service customer within the Company's North Carolina service territory during any portion of the two-year period immediately preceding the effective date of this schedule; and
 - c. Established at least one actual Monthly Peak Demand of 3,000 kW or more – but not more than 50,000 kW – during the current and previous 11 consecutive billing months.

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(Continued)

II. AVAILABILITY (Continued)

4. “New Load” shall mean additional load in excess of the Customer’s highest existing Monthly Peak Demand served by the Company at the Customer’s service location during the current and previous 11 consecutive billing months, prior to the Customer or the New Customer, as defined in Paragraph II.A.3., above, taking service under this schedule.
- B. Subject to a limitation of fifteen (15) nonresidential Customers where five (5) spaces shall be reserved for New Customers, this schedule is available only where:
1. The Customer has established an actual Monthly Peak Demand of 3,000 kW or more – not to exceed 50,000 kW – during at least three (3) billing months within the current and previous 11 consecutive billing months, immediately prior to the Customer’s effective date for service under this schedule at the Customer’s service location; or
 2. A New Customer has added New Load of at least 3,000 kW at the New Customer’s new service location;
 3. The Customer has not received service under this schedule during the current and previous 11 consecutive billing months prior to taking service under this schedule; and
 4. If the Customer no longer meets all of the requirements of this schedule, the Customer shall be required to terminate service under this schedule beginning with the Customer’s next Contract Anniversary Date. Thereafter, (i) the Customer shall be billed on an alternate, applicable rate schedule, and (ii) the Customer’s space on this schedule shall be made available to other customers. Subsequent to such time, the Customer must satisfy all of the requirements in both Paragraph I., above, and this Paragraph II. to be served under this schedule again – pending space availability.

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II. AVAILABILITY (Continued)

- C. In addition to the availability criteria listed above in this Paragraph II., this schedule shall not be available until all of the following occur:
1. The Company has installed any metering equipment that it deems to be necessary to measure properly the demands and energy usage of the Customer, including a New Customer, at the Customer's service location; and
 2. If applicable, the Customer, including a New Customer, has installed and has provided the Company with access to mutually agreed upon communication technology necessary for the Company to communicate with its metering equipment; and
 3. The Company may require up to sixty (60) days after all of the criteria in Paragraph I. and Paragraph II. of this schedule are met to provide service under this schedule to the Customer, including a New Customer.
- D. A CBL shall be established for the Customer, including a New Customer, as set forth in Paragraph VI., below.
- E. The provisions of this schedule may be modified in a rate case proceeding for the Company.
- F. This schedule shall terminate on December 31, 2028, subject to the provisions of Paragraph XII. of this schedule, shall be withdrawn from service, and shall no longer be available to the Customer at the Customer's service location. Upon such termination and withdrawal, the Customer shall select an applicable, alternative schedule. However, this schedule may be extended at the Company's request and with Commission approval.

III. BILLING MODIFICATIONS TO COMPANION SCHEDULE 6L

- A. The Customer will be billed on this schedule in conjunction with Schedule 6L as specified in Paragraph III.B., below.
- B. Billing under the companion Schedule 6L shall be for the CBL and all consumption less than the CBL in each hour, as determined in Paragraph VII.A.1., below, excluding Distribution Demand Charges.

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IV. 30-DAY RATE

The following charges shall apply in addition to the charges applicable from the companion Schedule 6L, as modified in accordance with Paragraph III., above.

- A. Transmission Demand Charge
All kW of transmission billing demand @ \$3.109 per kW
- B. Plus Energy Charge
The Customer's usage, by hour, for load above the CBL as determined in Paragraph VII.A.2., below shall be multiplied by the Hourly Energy Rate applicable for the hour as determined in accordance with Paragraph IX., below.
- C. Plus Capacity Surcharge
For select hours only as described below @ 42.60¢ per kWh

Usage billed at the Capacity Surcharge shall be the Customer's hourly usage above the CBL during those hours when the Capacity Surcharge applies.
- D. Where the Customer is served at a voltage below 2 kV, the Energy Charge in Paragraph IV.B., above, and the Capacity Surcharge in Paragraph IV.C., above, shall be increased by 2%.

V. DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

The following on-peak and off-peak hours are applicable to the billing of all charges stated in this schedule.

- A. On-peak hours are as follows:
 - 1. For the period of June 1 through September 30, 10 a.m. to 10 p.m.
 - 2. For the period of October 1 through May 31, 7 a.m. to 10 p.m.
- B. All hours not specified in Paragraph V.A., above, are off-peak.

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VI. DETERMINATION OF CUSTOMER BASELINE LOAD

- A. A Customer, including a New Customer, electing this schedule shall have a CBL. As described below, the Customer's CBL shall be established for a percentage of the Customer's maximum measured average 30-minute interval demand at the Customer's service location, during the on-peak hours of the billing months of June through September, occurring in the current and preceding 11 consecutive billing months ("Peak Summer Demand") immediately prior to the Customer's taking service under this schedule.
- B. A Customer and a New Customer (after satisfying all of the criteria in Paragraph II.A.3., above) will be permitted to establish a CBL in accordance with the following:
1. A Customer will select a CBL greater than or equal to 50% of the Customer's Peak Summer Demand. The CBL may take into account (i) the Customer's utilization of behind the meter resources; (ii) installation of permanent energy efficiency measures; (iii) permanent removal or addition of Customer's equipment; (iv) one-time extraordinary events such as natural disasters; (v) annual plant shutdowns or other random variations in the load patterns; and (vi) other on-going changes in demand; or
 2. A New Customer, who has established a Monthly Peak Demand of 3,000 kW or more during the on-peak hours of any billing month in the 11 consecutive billing months immediately prior to the effective date of this schedule to the New Customer, will select a CBL equal to 50% of the higher of the following: (i) the New Customer's maximum on-peak Monthly Peak Demand, described above, or (ii) the New Customer's maximum kW of demand from the New Customer's load letter.
- C. After initially taking service from the Company under any applicable rate schedule, the New Customer has up to twelve (12) billing months to elect service under this schedule and to establish a CBL in accordance with Paragraph VI.B., above.
- D. Once established, the initial CBL may be adjusted once prior to the Customer's first Contract Anniversary Date subject to the provisions of Paragraphs VI.B., above, and VI.F., below. Such change shall be effective with the next bill month that occurs no less than 30 days following the written notice requesting the adjusted CBL.

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VI. DETERMINATION OF CUSTOMER BASELINE LOAD (Continued)

- E. The Customer may request an adjustment to the CBL on an annual basis by providing the Company with at least 30-days written notice prior to the Customer's Contract Anniversary Date. Such adjustment shall be subject to the provisions of Paragraphs VI.A. and VI.B., above, as well as VI.F, below, and may take into account (i) the Customer's utilization of behind the meter resources; (ii) installation of permanent energy efficiency measures; (iii) permanent removal or addition of Customer's equipment; (iv) one-time extraordinary events such as natural disasters; (v) annual plant shutdowns or other random variations in the load patterns; and (vi) other on-going changes in demand. Any revision to the CBL shall become effective with the Customer's Contract Anniversary Date.
- F. At each Contract Anniversary Date a Customer's Peak Summer Demand will be reviewed and the CBL is subject to the following adjustment if applicable.
1. If the Customer's maximum Monthly Peak Demand increases after the initial CBL is established, the percentage of demand served under this schedule can increase such that the CBL drops down to no less than 50% of the Customer's maximum on-peak Monthly Peak Demand during the billing months of June through September in the current and previous 11 consecutive billing months, immediately prior to the Customer's Contract Anniversary Date ("Current Anniversary Summer Peak Demand"). If the CBL falls below 50% of the Customer's Current Anniversary Summer Peak Demand, the CBL will be increased to 50% of the Customer's Current Anniversary Summer Peak Demand effective with the Customer's next Contract Anniversary Date; or
 2. Upon Customer request, if the Customer's maximum Monthly Peak Demand increases after establishment of the CBL such that the demand served under this schedule has increased such that the CBL drops below 50% of that demand, the percentage of demand served under this schedule will not change unless and until the Customer requests an adjustment to the CBL, per Paragraph VI.D. or VI.E., above. However, such new CBL shall not be less than the CBL that existed prior to this new CBL.
- G. Subject to the provisions of this schedule, the CBL shall be set as agreed to by the Customer and the Company.

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VII. APPLICATION OF CUSTOMER BASELINE LOAD

A. CBL Application to Energy Determination:

1. All energy measured less than or equal to the CBL as determined in Paragraph VI.A. shall be billed on Schedule 6L per Paragraph III.B., above, as follows:
 - a.) Calculate the CBL related kWh for a 30-minute period (*i.e.*, CBL/2).
 - b.) Compare the CBL related kWh calculated in VII.A.1.a. to the kWh of each 30-minute period in the interval data.
 - c.) If the CBL related kWh calculated in VII.A.1.a. is greater than the kWh in the 30-minute interval, the kWh in the 30-minute interval will be the 30-minute energy usage for that interval billed on the Schedule 6L per Paragraph III.B.
 - d.) If the CBL related kWh calculated in VII.A.1.a. is less than the kWh in the 30-minute interval, the CBL related kWh calculated in VII.A.1.a. will be the 30-minute energy usage for that interval billed on Schedule 6L per Paragraph III.B.
2. All energy measured above the CBL shall be billed as follows:

The Customer's usage, by hour, for load above the CBL shall be the sum of the energy above the CBL determined in Paragraph VII.A.1.a. for each hour's two 30-minute kWh interval periods.

B. CBL Application to Demand Determination:

The CBL shall be the kW of demand as determined in Paragraph VI.A., as applied and billed according to Schedule 6L.

Transmission Demand shall be billed as determined in Paragraph VIII., below.

All Distribution Demand Charges shall be determined without modification of determination as described under Paragraph II.C. and Paragraph V. of Schedule 6L.

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VIII. DETERMINATION OF TRANSMISSION DEMAND

The kW of demand billed under Paragraph IV.A., above, shall be the highest of:

- A. The highest average kW measured in any 30-minute interval of the current billing month during the on-peak hours less the CBL, but not less than zero;
- B. 75% of the Peak Summer Demand at this location as determined under Paragraph VI.A., above, less the CBL, but not less than zero;
- C. 1,000 kW.

IX. DETERMINATION OF HOURLY ENERGY RATE

The Hourly Energy Rate applicable for each hour of a specific day will be determined based upon the following formula, rounded to the nearest one-thousandth of a cent:

$$\text{Hourly Energy Rate} = [(\text{LMP} \times \text{L}) + \text{ADDER}] \times (1 + \text{T})$$

Where:

LMP = the PJM Day-Ahead Locational Marginal Price (“LMP”) for the applicable PJM load zone

L = Line loss adjustment

Service at Primary Voltage Adjustment Factor = 1.014218

Service at Secondary Voltage Adjustment Factor = 1.039727

$$\text{ADDER} = (6\text{LAVG} - (\text{LMP} \times \text{L})) \times 0.2 \text{ but not less than } \$0.002398 \text{ per kWh}$$

Where:

$$6\text{LAVG} = (6\text{LNONFUELAVG} + 6\text{LBASEFUEL} + 6\text{LFUELRIDERS})$$

$$6\text{LNONFUELAVG} = \$0.032740 \text{ per kWh or}$$

Basic Revenue Per kWh for Power Supply and Energy Excluding Transmission and Fuel Clause for Schedule 6L determined from Workpaper Supporting Compliance Filing in Docket E-22, Sub 562.

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IX. DETERMINATION OF HOURLY ENERGY RATE (Continued)

6LBASEFUEL = Current Base Fuel Rate per kWh Applicable to Schedule 6L

6LFUELRIDERS = Sum of All Fuel Riders per kWh Applicable to Schedule 6L

T = North Carolina Regulatory Fee = 0.17%

The Hourly Energy Rate includes the Company's base fuel component and all applicable per-kilowatt-hour riders that are approved for billing by the Commission.

Each hour of the day is a distinct pricing period. The initial pricing period of the day is the one-hour period beginning at 12:00 midnight and ending at 1:00 a.m. The last pricing period of the day begins at 11:00 p.m. and ends at 12:00 midnight.

X. DETERMINATION OF LMP

- A. The LMP component of the Hourly Energy Rate, as defined in Paragraph IX., above, shall mean the respective hourly PJM Day-Ahead Locational Marginal Price for the applicable PJM load zone, or any successor thereto, which includes the Customer's service location. In the event of any future change in PJM's process for determining the price reflecting the cost to procure energy in the PJM market to serve the Customer's Energy, the Day-ahead LMP shall represent the similar or like method used by PJM for determining the Day-ahead LMP.
- B. Any reference to "PJM" in this schedule shall mean the PJM Interconnection, LLC (Pennsylvania-New Jersey-Maryland Interconnection, LLC), or any successor, that is the regional transmission organization and is part of the Eastern Interconnection grid that operates an electric transmission system.

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XI. APPLICATION / NOTIFICATION OF CAPACITY SURCHARGE

- A. The Capacity Surcharge rate will apply for no more than 150 hours during any calendar year. Typically, such hours will coincide with curtailment requests in accordance with Schedule 6C and when notification is provided under Schedule 6VP that the Capacity Surcharge applies. Factors considered by the Company in determining whether or not the Capacity Surcharge will apply include, but are not limited to: (i) the Company's reserve margin, (ii) the Company's system load, (iii) unanticipated high marginal operating costs, (iv) the year-to-date number of Constraint Adder hours applied, (v) whether or not the Company has implemented curtailment under Schedule 6C, the Capacity Surcharge under Schedule 6VP and/or classified a day as "A" in accordance with Schedule 10. The Company will provide no less than two hours' notice of Capacity Surcharge application.
- B. A primary and secondary notification procedure shall be established which are mutually agreeable to the Customer and the Company. In the event that such procedures require a dedicated telephone line, such line shall be provided at the Customer's expense.

XII. TERM OF CONTRACT

- A. For Customers, including New Customers, the term of contract under this schedule shall be for not less than one (1) year. Applicable only during the initial one (1)-year term of contract, the Customer will have the option to terminate service under this schedule with thirty (30) days written notice of termination prior to the meter read date in which termination from this schedule will be effective ("Early Termination"). If a Customer elects to terminate service from this schedule in the initial one (1)-year term of contract, the Customer will not be able to receive service again under this schedule until one (1)-year after the effective termination date. This Early Termination provision may only be exercised once by any Customer and shall not apply to any Customer who has previously participated in this schedule.
- B. After the conclusion of a Customer's initial one (1)-year term under this schedule, the term of contract under this schedule will continue thereafter for one (1)-year terms, unless either party provides sixty (60) days written notice of termination prior to the end of the then-current term.
- C. Notwithstanding the provisions of Paragraphs XII.A. and XII.B., above, and after the conclusion of the Customer's initial one (1)-year term under this schedule, if any then-current minimum one (1)-year term in accordance with Paragraph XII.B., above, has not been satisfied, this schedule shall terminate at the conclusion of the Customer's then-current one (1)-year term.

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XII. TERM OF CONTRACT (Continued)

- D. This schedule shall be withdrawn from service and shall no longer be available to the Customer at the Customer's service location on the latter of December 31, 2028, the conclusion of the Customer's initial one (1)-year term, unless terminated early by the Customer or the end of the Customer's then-current one (1)-year term.
- E. Notwithstanding the provisions of Paragraph XII. of this schedule, this schedule may be extended upon Company request and Commission approval.