



LARGE POWER SERVICE – NONCOINCIDENT DIFFERENTIAL LOAD

AVAILABILITY Available throughout the territory served by the Fayetteville Public Works Commission (“PWC”) in accordance with PWC’s Service Regulations and Charges.

APPLICABILITY Applicable to electric service used for nonresidential purposes when the Customer’s contract demand exceeds 1,000 kW but is less than 10,000 kW or actual metered demand exceeds 1,000 kW, at least three (3) or more months in a calendar year, but is less than 10,000 kW; provided, however, if PWC determines that the existing configuration of PWC’s transmission and distribution system necessitates, for economic or technical reasons, connection of a Customer with a demand of less than 10,000 kW directly from PWC’s existing transmission lines of 66,000 volts or higher, PWC may require the Customer to instead take electric service on the Large Power Service-Noncoincident Differential Load-Ownning Transmission rate schedule. Metered demand, for purposes of determining the applicability of this rate schedule, shall be computed on the basis of the highest fifteen (15) minute aggregate demand measured each month by the billing meter installed by PWC at the point of delivery for the Customer and the non-billing meter installed by PWC on the Customer’s side of the point of delivery to measure the output of all customer- owned generation, including but not limited to peak shaving generation and generation from qualifying facilities, but excluding generation used solely for emergencies in compliance with the operational limitations and emissions limitations established by the applicable North Carolina Department of Environmental Quality air permit. In accordance with PWC’s Service Regulations and Charges, PWC may change the Customer’s rate classification.

CHARACTER OF SERVICE Service shall be three-phase, sixty hertz alternating current at PWC's standard available voltages except as provided for in the Service Regulations and Charges. Service shall be provided at a single point of delivery through one (1) meter.

DEFINITIONS

- A. System Coincident Peak (CP) Demand** shall be the Customer’s average kW demand on PWC’s system measured during the same 60-minute interval used in the relevant month to determine PWC’s Coincident Peak Demand in accordance with the Eleventh Amended and Restated Power Supply Coordination Agreement between PWC and Duke Energy Progress (DEP), as amended (PSCA), which may be adjusted from time to time by DEP.
- B. Customer Peak Demand** shall be the greater of: (a) the Customer’s highest 15-minute demand recorded during the relevant month; or (b) of the Customer’s contracted demand.
- C. Adjustment Factor** is eighty-nine percent (89%).
- D. Allowance** shall be, for the relevant month, the lesser of: (a) twenty-five percent (25%) of the Customer Peak Demand, or (b) two thousand (2,000) kW.



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- E. System CP Demand Cost** is defined as the Monthly Capacity Rate charged by DEP to PWC in accordance with the PSCA for the relevant month, which rate is estimated by DEP and remains subject to true up and adjustment in accordance with the PSCA.
- F. Transmission Cost** is defined as the aggregate Transmission Rate per kW and the Ancillary Service Charge per kW for each of the Ancillary Services billed by DEP to PWC in accordance with DEP’s Open Access Transmission Tariff (OATT), as amended for the relevant month, which rate is estimated by DEP and remains subject to true up and adjustment in accordance with the OATT.
- G. System Loss Factor** is defined as the percentage computed as follows:
(Purchases from Electricity Suppliers - Sales to Ultimate Consumers)
(Purchases from Electricity Suppliers)

Purchases from Electricity Suppliers and Sales to Ultimate Consumers shall be derived from PWC’s most recently submitted Schedule 2, Part B of PWC’s U.S. Energy Information Agency EIA-861 Annual Electric Power Industry Report that precedes the relevant month which amounts remain subject to true up and periodic adjustment in accordance with Federal Regulations.
- H. Ancillary Credits** is defined as the total amount that is estimated and credited by DEP to PWC pursuant to the PSCA for any charges incurred by PWC pursuant to Schedule 2, Schedule 3, Schedule 5, and Schedule 6 of the OATT that are provided from DEP’s generation resources.
- I. DEP Butler Warner (BWGP) Demand Credit** shall mean the reduction by DEP to PWC, for the relevant month, in accordance with the Eleventh Amended and Restated Power Supply Coordination Agreement between PWC and DEP. With such reduction to be determined based on the performance of the BWGP facility as set forth in the PSCA, which may be adjusted from time to time by DEP. PWC’s Coincident Peak Demand each month shall be reduced by the BWGP Demand Credit. During each full calendar year of service the BWGP Demand Credit shall be 2,280 MW-months.
- J. BWGP Costs** shall mean the annual total costs attributed to the BWGP as calculated by the most recently completed cost of service study performed on PWC’s electric system. This shall include operation costs, capital expenditures, attributed overhead expenses, and all other cost and revenues as duly allocated to BWGP.



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K. Average Total Annual CP Demand shall mean the average of the annual aggregate of PWC’s projected monthly demands concurrent with the period for which BWGP Costs have been calculated most recently completed cost of service study performed on PWC’s electric system. This demand shall be measured during the same 60-minute interval used in the relevant month to determine PWC’s Coincident Peak Demand in accordance with the Eleventh Amended and Restated Power Supply Coordination Agreement between PWC and DEP, as amended, which may be adjusted from time to time by DEP.

L. BWGP Credit is defined as the per kW value computed as follows:

$$\frac{[(\text{BWGP Costs} - (\text{System CP Demand Cost} \times \text{DEP BWGP Demand Credit}))]}{(\text{Average Total Annual CP Demand})}$$

MONTHLY RATE

The Customer shall pay monthly a **Basic Facilities Charge**, a **Demand Charge**, and an **Energy Charge** for all metered kWh delivered to the Customer. The monthly **Demand Charge** shall be calculated using the following formula:

$$[(\text{System CP Demand} \times \text{CP Demand Charge}) + (\text{Customer Peak Demand} \times \text{Customer Peak Demand Charge})]$$

The Customer’s monthly **CP Demand Charge** (per kW) shall be calculated using the following formula:

$$\{(\text{System CP Demand Cost} + \text{Ancillary Credits} + \text{Transmission Cost} + \text{BWGP Credit}) \times (1 + \text{System Loss Factor})\} \times 93.6\%$$

Basic Facilities Charge*	\$333.50
CP Demand Charge	\$14.25 per kW
Customer Peak Demand Charge	\$6.04 per kW
Energy Charge For all kWh	\$0.04840 per kWh



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The Customer shall also pay a **Noncoincident Demand Differential Charge** for each month in which the Customer Peak Demand for the relevant month exceeds the System CP Demand for the relevant month by more than the Allowance. The **Noncoincident Demand Differential Charge** shall be calculated using the following formula:

$$[\text{Customer Peak Demand} - (\text{System CP Demand} + \text{Allowance})] \times \text{CP Demand Charge} \times \text{Adjustment Factor}$$

The System CP Demand, System CP Demand Cost and the Transmission Cost may be modified and/or trued up by DEP from time to time in accordance with the PSCA and OATT. The System Loss Factor may be modified or trued up from time to time in accordance with Federal regulation.

PRIMARY DISCOUNT A primary discount from the Customer Peak Demand Charge will be given where the Customer takes service directly from PWC's distribution lines of 7,200 volts or higher, but less than 66,000 volts, and the Customer owns, operates, and maintains the equipment normally provided by PWC. Primary discount will be given in the form of reduced Customer Peak Demand Charges as follows:

Primary Discount **(\$0.90) per kW**

POWER SUPPLY ADJUSTMENT (PSA) The Energy Charge is subject to a monthly power supply adjustment referred to as the PSA. The PSA shall be computed and applied to the CP Demand and/or Energy Charge based upon PWC's power supply adjustment annual true-up of energy purchased from DEP in accordance with the PSCA.

COAL ASH RIDER As specified in the Service Regulations and Charges, a monthly surcharge to recover the portion of Duke Energy Progress' cost of cleaning up coal ash that is allocated to PWC.

Coal Ash Rider **\$58.82**

PAYMENTS All bills shall be paid in accordance with the terms of the Service Regulations and Charges.



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SPECIAL FACILITIES CHARGES As specified in the Service Regulations and Charges, a monthly surcharge may be assessed for special facilities provided by PWC.

Contract Private Lighting	\$4.00
Contract Street Lighting	\$4.00

TAX Applicable North Carolina sales tax will apply.

*An additional \$4.00 Community Street Lighting charge applies to each meter on this rate schedule.