Progress Energy

April 25, 2007

Mr. Charles Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
P. O. Drawer 11649
Columbia, South Carolina 29211

Re: Docket No. 2005-385-E
Direct Testimony of Robert P. Evans

Dear Mr. Terreni:

Enclosed for filing please find the exhibit referenced in Robert P. Evans Direct Testimony which was e-filed with your office yesterday. This exhibit was inadvertently left off when the filing was made. I apologize in advance for any confusion this causes your office.

Very truly yours,

Len S. Anthony
Deputy General Counsel – Regulatory Affairs

LSA:mhm

Enclosure

248672

Progress Energy Service Company, LLC
P.O. Box 1551
Raleigh, NC 27602

Carolina Power & Light Company
d/b/a Progress Energy Carolinas, Inc.
(South Carolina Only)

NET METERING FOR RENEWABLE ENERGY FACILITIES
RIDER NM-3

AVAILABILITY

This Rider is available in conjunction with Company's Residential Service Time-of-Use R-TOUD or Small General Service Time-of-Use SGS-TOU Schedules to Customer who operates a solar photovoltaic, wind-powered, biomass-fueled, or micro-hydro generating system located and used at Customer's primary, legal residence or business where a part or all of the electrical requirements of Customer can be supplied from Customer's generating system. The rated capacity of the generating system shall not exceed the lesser of Customer's estimated maximum annual kilowatt demand or 20 kilowatts for a residential system or 100 kilowatts for a non-residential system. The generating system that is connected in parallel operation with service from Company and located on Customer's premises must be manufactured, installed and operated in accordance with governmental and industry standards and must fully conform with Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems." Standby Service provisions shall not be required when service is used in conjunction with this Rider.

The provisions of the Schedule with which this Rider is used are modified only as shown herein. Customer may not simultaneously receive service under this Rider and Company's Cogeneration and Small Power Producer Schedule.

This Rider is available on a first-come, first-served basis, except that the aggregate capacity of Customer-generators shall not exceed 0.2% of Company's South Carolina retail peak load for the prior calendar year. If Customer's proposed installation results in exceeding the limit, Customer will be notified that service under this Rider will not be allowed. Any renewable energy credits or "green tags" associated with accumulated Excess Energy at the end of each year ending May 31, shall be retained by Company.

TYPE OF SERVICE

This Rider is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

MONTHLY RATE

An amount computed under the rate schedule and any other applicable riders with which this Rider is used, as adjusted to reflect Excess Energy delivered to Company as follows:

1. Customer's on-peak usage for service rendered shall be reduced by the sum of (a) any on-peak Excess Energy delivered to Company in the current month plus (b) any accumulated on-peak Excess Energy balance from prior months. In no case shall the on-peak kWh billed be less than zero.

2. Customer's off-peak usage for service rendered shall be reduced by the sum of (a) any off-peak Excess Energy delivered to Company in the current month plus (b) any accumulated off-peak Excess Energy balance from prior months plus (c) any accumulated on-peak Excess Energy balance in the current or prior months that was not used to reduce on-peak usage. In no case shall the off-peak kWh billed be less than zero.

3. Customer's on-peak and off-peak demands for service rendered shall be billed pursuant to the applicable schedule. In months when demand charges are prorated based upon seasonal on-peak usage and the usage to be billed exceeds the Excess Energy available to reduce such usage, Excess Energy delivered to Company shall be used to reduce billed kWh usage based upon the ratio of on-peak energy consumed in each season.

4. Excess Energy not used in the current billing month to reduce billed kWh usage shall be accumulated and used to reduce usage in future months; however, any accumulated Excess Energy not used to reduce billed kWh usage shall be set to zero each May 31st. Excess Energy delivered prior to May 31st will only be used to reduce usage provided by Company prior to May 31st. There will be no compensation paid to Customer for Excess Energy granted to Company.

DEFINITIONS

1. Excess Energy delivered to Company shall be defined as energy produced by Customer's generation that exceeds the energy delivered by Company at a given time. This Excess Energy shall be used to reduce energy delivered and billed by Company during the current or a future month, as provided in the Monthly Rate provision.

2. The on-peak and off-peak periods shall be as defined in the applicable time-of-use schedule.

SPECIAL CONDITIONS

1. Customer must execute an "Application to Interconnect Small Generation 100 kW or Less" and an "Interconnection Agreement for Small Generation Less Than 100 kW" prior to receiving service under this Rider. The Agreement shall include Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems" that describes the conditions related to interconnection of Customer generation with Company's electrical system.

2. Customer's service shall be metered with a single, bi-directional meter, which records independently the flow of electricity in each direction through the meter.

3. In the event Company determines that it is necessary to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, Customer shall pay a Monthly Facilities Charge as specified in Company's Service Regulations for the additional estimated cost of the dedicated transformer or other equipment above the estimated cost which Company would otherwise have incurred, except that the minimum Monthly Facilities Charge can be less than $25.00.

4. Customer grants Company the right to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation. Customer also grants Company the right to utilize Customer's telephone line to transmit data from Company's meter and special equipment.

CONTRACT PERIOD

The Contract Period for service under this Rider shall be one (1) year and thereafter shall be renewed for successive one-year periods. After the initial period, Customer may terminate service under this Rider by giving at least sixty (60) days previous notice of such termination in writing to Company.

Company reserves the right to terminate service under this Rider at any time upon written notice to Customer in the event that Customer violates any of the terms or conditions of this Rider, or operates the generating system in a manner which is detrimental to Company or its customers.

GENERAL

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

Effective for service rendered on and after _____
SCPSC Docket No. 2005-385-E, Order No. _____