LOCKHART POWER COMPANY

RESIDENTIAL SOLAR NET METERING EXPERIMENTAL RIDER RS-1

AVAILABILITY

Available only to residential customers receiving concurrent service from the Company on Rate Schedule R or Rate Schedule RA. The net energy metered generation shall be of the solar photovoltaic generation system (SPGS) type and shall be installed on the Customer's side of the delivery point, for the Customer's own use, interconnected with and operated in parallel with the Company's system. The SPGS must be located at a single premises owned, leased or otherwise controlled solely by the Customer. The SPGS may either be owned by the Customer or by a lessor and leased to the Customer. If the SPGS is to be leased by the Customer, the Customer must contact the Company in advance of constructing the SPGS to determine whether the limits as set forth in Title 58 of the SC Code on leased solar generation capacity apply.

GENERAL PROVISIONS

1. To qualify for service under this Rider, the Customer must comply with all applicable interconnection standards, must provide a completed Interconnection Request Application and the associated Application Fee, and must receive written approval from the Company. Any reduction in Nameplate Capacity of the Customer's installed SPGS must be provided by the Customer to the Company in writing by no later than 30 days following the change, and any increase in Nameplate Capacity shall require the Customer to complete an amended Interconnection Request Application.

2. To qualify for service under this Rider, the Nameplate Capacity of the Customer's installed SPGS must not exceed 15 kW AC (alternating current).

3. If the SPGS is a leased facility, to qualify for service under this Rider, the entity that owns the SPGS must hold a valid certificate issued by the Office of Regulatory Staff permitting the lessor to market and lease the SPGS.

4. If the Customer is not the owner of the premises receiving electric service from the Company, the Company shall have the right to require that the owner of the premises give satisfactory written approval of the Customer's request for service under this Rider.

5. All environmental attributes, including but not limited to "renewable energy certificates" (RECs), "renewable energy credits" or "green tags", associated with the SPGS shall be retained by the customer.

6. The Customer shall be billed for the net energy in kilowatt-hours delivered to the Customer by the Company plus any other charges under the applicable rate schedule or riders in effect at the time.

7. If applicable, the amount (in kWh) by which electricity delivered to the Company's system by the Customer's installed SPGS exceeds electricity delivered to the Customer by the Company's system in a given billing period is defined as Excess Energy. The Customer shall be credited for the Excess Energy generated during that billing period. Under no circumstances shall the Company be responsible to issue payment to the Customer for any Excess Energy produced by the SPGS.

8. In the event the Company determines that it is necessary to increase the capacity or other capabilities of facilities beyond those required to serve the Customer's electrical requirement or to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, the Customer shall pay the estimated cost of the required

equipment above the estimated cost which the Company would otherwise have normally incurred to serve the Customer's electrical requirement, in advance of receiving service under this Rider.

RATE

All provisions of the applicable residential Rate Schedule R or Rate Schedule RA and other applicable riders will apply to service supplied under this Rider, except as modified herein. The monthly bill shall be determined as the sum of the following:

1. Customer Charge of $18.00. This charge will replace the Customer Charge as listed in Rate Schedule R or Rate Schedule RA.

2. Energy Charge. The Energy Charge will be the greater of $39.70 or the amount calculated by applying the applicable residential Rate Schedule R or Rate Schedule RA kilowatt-hour rates, not including the Power Adjustment Clause (PAC), to the net energy usage in kilowatt-hours delivered to the Customer by the Company.

3. PAC Charge.

4. Excess Energy Credit. Any Excess Energy shall be credited to the Customer by the Company at a rate of $0.021 per kWh. If applicable, this credit will be applied to the Customer's bill during each billing period.

METERING REQUIREMENTS

Company will furnish, install, own, and maintain a billing meter to measure the net energy in kilowatt-hours delivered to the Customer by the Company, to measure Excess Energy, and if applicable, to measure kilowatt demand. The billing meter will be a single, bi-directional meter which records independently the net flow of electricity in each direction through the meter, unless the Customer's overall electrical requirement merits a different meter. All metering shall be at a location that is readily accessible by the Company.

SAFETY, INTERCONNECTION, AND INSPECTION REQUIREMENTS

This Rider is only applicable for installed solar photovoltaic generation systems and equipment that complies with and meets all safety, performance, interconnection, and reliability standards established by the Public Service Commission of South Carolina, the National Electric Code, the National Electrical Safety Code, the Institute of Electrical and Electronic Engineers, Underwriter's Laboratories, the Federal Energy Regulatory Commission, and any local governing authorities. The Customer must comply with all liability insurance requirements of the SC Interconnection Standard. No connection of the Customer's installed SPGS with the Company's system shall be made without first receiving written approval by the Company.

CONTRACT PERIOD

The original term of this contract shall be one year and thereafter until terminated by either party on thirty days written notice.

The Company reserves the right to terminate the Customer's contract under this Rider at any time upon 30 days written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Rider, or operates the SPGS and equipment in a manner which is detrimental to the Company or any of its customers, or if needed to comply with any regulatory requirements.