

**UNION POWER COOPERATIVE
MONROE, NORTH CAROLINA**

**RIDER REN-1
NC GreenPower PROGRAM**

AVAILABILITY

This Rider is available on a voluntary basis in conjunction with any of Cooperative's nonresidential service schedules for a Consumer who contracts with the Cooperative for a minimum of 100 blocks of electricity produced from Renewable Resources provided through the statewide NC GreenPower Program.

The maximum number of customers served under this Rider shall be determined by the maximum number of blocks of electricity available through the NC GreenPower Program.

This Rider is not available for temporary or for resale service. The provisions of the Schedule with which this Rider is used are modified only as shown herein.

Service rendered under this Rider is subject to the provisions of the Cooperative's Service Rules and Regulations on file with the state regulatory commission.

MONTHLY RATE

In addition to all other charges stated in the Monthly Rate of the Schedule with which this Rider is used, the following charge shall also apply to each block the Consumer purchases:

\$ 2.50 per block

The minimum monthly charge shall be a charge for 100 blocks of electricity.

This Rider's Monthly Rate shall be applied to Consumer's billing regardless of Consumer's actual monthly kilowatt-hour consumption.

DEFINITIONS

1. Block of Electricity
A block of electricity is equal to 100 kWh.
2. Renewable Resources
For purposes of this tariff, Renewable Resources are those renewable resources included in the NC GreenPower Program, which include such renewable resources as solar, wind, small hydro, and biomass and used to generate electricity delivered to the electric grid in North Carolina.

SPECIAL CONDITIONS

The actual amount of electricity provided by Renewable Resources under this Rider to the statewide electricity grid in North Carolina during any specific month may vary from the number of blocks consumers have purchased. However, a true-up of the delivery of the blocks to the purchase of blocks shall be completed within two years of the purchase.

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RIDER REN-1 - continued

The electricity purchased or produced from the Renewable Resources may not be specifically delivered to Consumer, but will displace electricity that would have otherwise been produced from traditional generating facilities for delivery to consumers within the State of North Carolina. This electricity shall be provided to the electricity grid.

DISTRIBUTION OF RIDER FUNDS

Charges under this Rider will be used to offset the higher cost of producing, purchasing, and/or acquiring Renewable Resources.

The funds, less applicable taxes, collected from consumers under this Rider will be distributed as follows:

1. To the North Carolina Advanced Energy Corporation, hereafter called "NCAEC," a nonprofit corporation, for the operational and administrative costs of the NCAEC necessary to administer and promote the state-wide NC GreenPower Program, and
2. To the NCAEC who will provide incremental payments to the generators of the Renewable Resources selected by the NCAEC for the participation in the NC GreenPower Program.

CONTRACT PERIOD

The initial Contract Period under this Rider shall be one (1) year. After the initial period, the Consumer or Cooperative may terminate service under this Rider by giving the other party at least thirty (30) days prior notice.

GENERAL

Circumstances and/or actions that may cause the Cooperative to terminate the availability of this Rider include, but are not limited to:

1. The retail supply of electric generation is deregulated;
2. The Cooperative's participation in the statewide NC GreenPower Program is terminated;
3. The statewide NC GreenPower Program is terminated; or
4. Other regulatory and/or legislative action supersedes or contravenes the Rider or the NC GreenPower Program.

APPLICABLE TAXES

The total charges under the Rider will be increased any applicable sales taxes imposed by any governmental authority.

Effective for service rendered on and after January 1, 2003 or six (6) months after the North Carolina Utilities Commission's approval of the statewide NC GreenPower Program, whichever is later.