

Schedule NRHCE2
NON-RESIDENTIAL HEATING AND COOLING EFFICIENCY PROGRAM

I. PURPOSE

The objective of the Non-Residential Heating and Cooling Efficiency Program is to provide non-residential customers with an incentive to install various energy efficiency measures consisting of more efficient HVAC technologies that can produce verifiable savings. This Program will reduce participants' total energy bills as well as the amount of energy required throughout the year on the Company's system. Additionally, customer participation in the Program will provide capacity reductions during the Company's peak demand periods.

II. AVAILABILITY

This Program will be available to qualifying non-residential customers in the Company's North Carolina service territory. "Non-residential" customers includes customers in the Commercial, Public Authority (i.e., governmental) and Industrial classes. Customers who elect to opt out of the DSM/EE Riders, as provided for in N.C.G.S. § 62-133.9(f), cannot participate in this Program. Participation in this Program is strictly voluntary.

The Program will provide qualifying non-residential customers with incentives to implement new and upgrade existing high efficiency heating and cooling system equipment to more efficient HVAC technologies that can produce verifiable savings. Program measures include:

- Air conditioner upgrade
- Heat pump upgrade
- Geothermal heat pumps
- Water source heat pumps
- Chiller upgrade
- Economizers
- Variable frequent drives
- Variable refrigerant flow
- Unitary AC
- Mini splits

The Company's program implementation vendor will generate awareness and enrollments through directed, targeted outreach to non-residential customers through email campaigns, digital advertising and bill inserts, through an already established network of carefully selected contractors from previous DSM programs, and a program website developed and maintained by the program implementation vendor.

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III. INCENTIVE PAYMENTS

As modeled, the Program provides customers incentives to upgrade to high efficient heating and cooling system equipment valued at an average of \$1,901 per new participant on a one-time basis. The exact incentive levels will be determined in consultation with the Company's implementation contractor in order to provide a reasonable incentive to install appropriate measures, with dollar amounts reflecting the energy saved per measure. Incentives will be provided only for those measures installed. The value of the installed measures will vary depending on specific measures installed. The Program will offer customers the opportunity to select their preference to reduce the cost of the energy conservation improvement project by assigning the rebate to the contractor or directly receiving the rebate themselves. Incentives consist of the energy assessment and direct install measures.

Rebate applications must be submitted within 45 days of the service date. Upon receipt of a completed rebate application, Dominion Energy North Carolina will process the completed application, confirm or inspect the installation, and forward the incentive payment to the customer within 90 days, unless the customer requests the payment go to the contractor. The Company reserves the right to withhold any rebate payment until the customer has satisfactorily completed the application process. Dominion Energy North Carolina and/or its designees including program administrators and evaluation contractors reserve the right to review installations to verify completion and measure energy savings to ensure compliance with all program requirements. Such reviews will be made at a time convenient to the applicant.