Schedule RHR2 RESIDENTIAL HOME RETROFIT BUNDLE

I. PURPOSE

The Residential Home Retrofit Bundle ("RHR2") Program is a voluntary program that incorporates key program measures from the Company's Phase VII Residential Home Energy Assessment Program. BPI certification will be required only for contractors that perform measures that require BPI certification - air sealing, attic insulation, drill and fill wall insulation, basement wall insulation, and crawl space insulation. The RHR2 Program also includes the replacement of Electric Baseboard Heating with Air Source Heat Pump, High Efficiency Room AC Upgrades, and Shower Thermostats. A-line LED lighting fixtures are not included in the RHR2 Program. The RHR2 Program is designed to reduce participants' total energy bills as well as the amount of energy required throughout the year on the Company's system.

II. AVAILABILITY

The RHR2 Program will be available to qualifying residential customers in the Company's North Carolina service territory. 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.

Program measures include the following:

- Low-flow showerheads and aerators
- Water heat pipe insulation
- Water heater thermostat set point adjustment
- LED lamp upgrades
- Heat pump tune-up/upgrade/duct sealing
- Air Sealing
- AC and heat pump duct insulation
- Attic insulation
- Wall insulation
- Basement Wall insulation
- Crawl space insulation
- Smart Thermostat installs
- Ground Source heat pump
- High-efficiency fan motors
- HVAC ductless unit upgrades
- Water heater replacement with a heat pump water heater
- Electric Baseboard Heating with Air Source Heat Pump
- High Efficiency Room AC Upgrades
- Shower Thermostats
- Cool Roof

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II. AVAILABILITY (Continued)

The Company's program implementation vendor will enroll qualifying contractors in the RHR2 Program and provide a website that lists qualifying contractors. The RHR2 Program will have a dedicated website to communicate program details, including program benefits, identify available installation contractors, where applicable, and obtain incentive applications to initiate the enrollment process.

III. INCENTIVE PAYMENTS

The Program provides eligible participants with an average one-time incentive of \$316 per participant.

Rebate applications must be submitted within 45 days of the service date. Upon receipt of a completed rebate application, the Company 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. The Company 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.