SCHEDULE RWDR RESIDENTIAL WATER SAVINGS (DR) PROGRAM

I. PURPOSE

The Residential Water Savings Program (DR) ("Program") provides the opportunity for residential customers who purchase and install a qualifying product to enroll in the peak demand reduction ("DR") component of the Program. Additionally, residential customers that previously purchased and installed a qualifying product also have the opportunity to enroll in the DR component of the Program. Participating residential customers will be able to opt-out of a certain number of specific events.

The Program will have a dedicated website to communicate details about Program benefits, identify available installation contractors, where applicable, and obtain incentive applications to initiate the enrollment process.

II. AVAILABILITY & APPLICABILITY

The Program is voluntary and available to residential customers in the Company's North Carolina service territory who currently are served on a residential rate schedule, reside in an individual single-family home, and are not participating in the Residential Smart Thermostat (EE) Program (Schedule RST-EE). The Program provides residential customers with incentives to install the following energy efficiency measures: domestic hot water heater pump and variable speed pool pump.

III. INCENTIVE PAYMENTS

The Program provides residential customers with a one-time incentive of \$40 per participant for enrolling in the Program, and an additional annual incentive of \$10 per participant for participating in the demand response component of the Program.