SCHEDULE RWEE RESIDENTIAL WATER SAVINGS (EE) PROGRAM

I. PURPOSE

The Residential Water Savings Program (EE) ("Program") provides residential customers smart communicating technologies for control over water related energy usage. Residential customers that participate in the Program have the option to purchase and have installed qualifying equipment consisting of a communicating heat pump water heater unit or variable speed pool pump that meets Energy Star performance requirements. The qualifying equipment may be from any manufacturer, make and model that meets or exceeds Energy Star requirements.

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. Residential customers who purchase and install a qualified product may also enroll in Schedule Residential Water Savings (DR) Program, a peak demand reduction program for additional energy savings and incentives.

III. INCENTIVE PAYMENTS

The Program provides residential customers with an average one-time incentive of \$353 per new participant.