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February 13, 2024

VIA ELECTRONIC FILING

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's
Compliance Tariffs and Terms and Conditions
Docket Nos. E-7 Subs 1032 and 1261 and E-2 Subs 927 and 1287**

Dear Ms. Dunston:

Pursuant to N.C. Gen. Stat. §§ 62-134 and 62-138 and the North Carolina Utilities Commission's ("Commission") *Order Approving PowerPair Pilot Program, with Conditions and Approving Modifications to EnergyWise and Power Manager Residential Load Control Programs*, in the above-referenced dockets ("Order"), please find enclosed Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Compliance Tariffs and Terms and Conditions.

The enclosed documents are provided in clean and redlined formats.

If you have any questions, please let me know.

Sincerely,

Kathleen H. Richard

Enclosure

cc: Parties of Record

OFFICIAL COPY

Feb 13 2024

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Compliance Tariffs and Terms and Conditions, in Docket Nos. E-7 Subs 1032 and 1261 and E-2, Subs 927 and 1287, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid, to parties of record.

This the 13th day of February 2024.



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RIDER PM
POWER MANAGER EQUIPMENT CONTROL SERVICE

AVAILABILITY

Available to individually metered residential customers receiving concurrent service from the Company. To participate in the program, Customer must either own and occupy the residence or occupy and provide Company with owner-consent. Company shall be allowed to monitor Customer's load or any part thereof and the operation of controlled appliances, at no charge to Customer under the provisions of this Rider. Eligible customers may participate in the heating, ventilation and air conditioning ("HVAC") control option and/or the battery control option.

HVAC Control:

Participating customers may choose to employ (1) Company-provided Load Control Device(s) or (2) eligible Customer-owned thermostat(s) to interrupt service to each installed, approved electric central air conditioning unit(s), and/or approved electric heat pump(s) used for cooling, and/or approved electric heating source employing primary or backup electric resistance heating elements. Company shall be allowed to monitor their operation under the provisions of this Rider.

Customers choosing to employ Company-provided Load Control Device(s) contract for Company or its representative to install and operate the necessary control equipment in a location provided by Customer and suitable to Company in or about the residential dwelling unit. This option is only available where Company has the necessary communications equipment installed and where load control signal can be satisfactorily received at Company's specified location on Customer's residence.

Customers choosing to employ their own eligible thermostat(s), listed on the Company's website, must have the thermostat(s) configured in a manner which allows the Company to remotely communicate and control Customer's equipment.

Summer-Only thermostat-based participation is suspended and limited to participants in place on December 31, 2020. Winter-Focused thermostat-based participants must have thermostat control of approved central air conditioning and central heating units.

Customers cannot participate in both the Load Control Device and Thermostat-based program options. Thermostat-based customers cannot participate in both Summer-Only and Winter-Focused options.

Battery Control:

This option is available to customers who install and operate a battery storage system with an inverter ("Battery" or "Installed Equipment"). Installed Equipment may include more than one battery component. Customers choosing this option must have the Battery configured in a manner that allows the Company to remotely communicate and control the Customer's equipment. Installed Equipment shall be subject to inspection and verification upon request by the Company.

PARTICIPATION INCENTIVES

Cooling Load Control Device participants will be provided monthly incentives for the billing months of July through October.

Heating Load Control Device participants will be provided monthly incentives for the billing months of January through April.

Thermostat participants will be provided an Initial Incentive Payment following the successful installation and enrollment of the participating Customer's thermostat(s). Following each twelve months of continuous participation on the thermostat option, Customers will be provided an Annual Incentive. Thermostat participants leaving the program may return anytime to the program but shall not receive the Initial Incentive Payment and must complete a twelve-month continuous participation on the program to receive an Annual Incentive.

Battery participants will be provided monthly incentive payments following the successful installation and enrollment of the Customer's Installed Equipment.

PAYMENT OF INCENTIVES

The Company's payment of Incentives, at its discretion, may be offered in a variety of ways, including, but not limited to, bill credits, checks, and prepaid credit cards as follows:

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POWER MANAGER EQUIPMENT CONTROL SERVICE

Cooling Load Control Device Participants

- For the billing months of July through October - \$8 per residence per billing month.

Heating Load Control Device Participants

- For the billing months of January through April - \$6 per residence per billing month.

Thermostat Control Participants

- Initial Incentive - One Time \$75 per residence following successful enrollment of the Thermostat(s)
- Annual Incentive - \$25 per residence

Battery Control Participants

- Monthly Incentive - \$6.50 per kW based on nameplate continuous discharge capacity as defined by the battery manufacturer adjusted by a capability factor. The capability factor adjusts for operational and program constraints including but not limited to reliability of device connection, system losses and systems not always being fully charged at time of the event.

APPROVED CENTRAL AIR CONDITIONING UNIT

An approved electric central air conditioning and/or electric heat pump unit is a central electric air conditioning unit used to cool the residence through a ducted system. All central air conditioning and/or electric heat pump units installed at the residence must participate in load control in order to receive Monthly or Annual Incentive.

APPROVED CENTRAL HEATING UNITS

An approved electric central heating unit is a unit employing electric resistance heating elements, including air source heat pumps equipped with backup electric resistance heating elements, used to heat the residence through a ducted system. All heating units installed at the residence must participate in load control in order to receive the Monthly or Annual Incentive.

APPROVED BATTERY SYSTEM

The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to receive event commands. Approved Battery models will be posted on the Company's website.

INTERRUPTION

Summer-Only Thermostat Participants (closed to new customers) and Cooling Load Control Device Participants:

Company shall be allowed, at its discretion, to interrupt service to each air conditioner for up to four hours during each day of the summer control season months of May through September. Air conditioner interruptions shall be limited to a total of 60 hours during any one summer season. Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

Winter-Focused Thermostat Participants:

Company shall be allowed, at its discretion, to interrupt service to each heating system for up to four hours during each day of the winter control season months of December through March. Heating unit interruptions shall be limited to a total of 45 hours during any one winter season. Interruptions of heating and/or cooling systems for the remainder of the year are limited to a total of 15 hours. Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

Heating Load Control Device Participants:

Company shall be allowed, at its discretion, to interrupt service to each heating system for up to four hours during each day of the winter control season months of December through March. Heating unit interruptions shall be limited to a total of 60 hours

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POWER MANAGER EQUIPMENT CONTROL SERVICE

during any one winter season. Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

All HVAC Control Participants:

At its discretion, the Company may preheat or precool the customers' equipment prior to interruption period.

The Company reserves the right to test the load control equipment at any time, and such test periods shall be counted toward the maximum hourly interruption limit. Customer shall have the option to opt out of a control event; however, if Customer exceeds two (2) control event opt-outs in a single winter or summer control season, Customer may be subject to removal from the program and forfeit receipt of program incentives. A control event opt-out includes non-participation from part or whole of the interruption time period. If Company is unable to communicate with Customer's thermostat(s) during a load control event, it will be counted as a control event opt-out.

Battery Control Participants:

The Company or a third party acting on the Company's behalf shall be allowed, at its discretion, to charge, discharge and store energy using the Customer's Battery ("Control Events") a minimum level of 30 control events a year and a maximum of 36 control events and is further defined as up to 18 times per winter control season months December through March, 9 times per summer control season May through September and 9 times in remaining months. A Control Event is defined as the initiation of a signal to control the Battery and, within 48 hours later, discharging it. The Company will not discharge the Battery below a 20% state of charge. The Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

The Company reserves the right to test Installed Equipment at any time, and such test periods shall be counted as a Control Event. The Customer will have the option to opt out of a Control Event; however, if the Customer exceeds four (4) Control Event opt-outs in a single year, the Customer may be removed from the program. A Control Event opt-out includes non-participation from part or all of the interruption time period. If the Company is unable to communicate with the Customer's Installed Equipment during a Control Event, it will be counted as a Control Event opt-out.

If a Customer is unable to participate in a Control Event due no fault of the Customer, such inability to participate will not be considered an opt out.

The Company reserves the right to prevent the Customer's Battery from charging from the grid if continuity of service is threatened, or to disconnect the customer's load entirely if the operation of the Customer's Battery threatens the reliability or safety of the Company's system. The Company's exercising of this right does not constitute a Control Event.

EQUIPMENT INSPECTION AND SERVICING

For Company-provided Load Control Device(s), the Company or its agents shall have the right of ingress and egress to Customer's premises at all reasonable hours for the purpose of inspecting Company's wiring and apparatus; changing, exchanging, or repairing its property, as necessary; or removing its property after termination of service. For Battery participants, the Company or its agents shall have the right to ingress and egress to Customer's premises at all reasonable hours for the purpose of inspecting the Installed Equipment to ensure connection and operability. The Company and Customer shall schedule a convenient time for such purposes whenever inspection or servicing is deemed necessary by the Company. If any tampering with Company-owned equipment occurs, Company may adjust the billing and take other action in accordance with the Rules and Regulations of the North Carolina Utilities Commission and the laws of the State of North Carolina as applicable to meter tampering.

CONTRACT PERIOD

The Contract Period shall not be less than one year. Customer or Company may terminate participation under the Rider by providing 30 days prior notice to the other party. If within the first year, the Customer wishes to discontinue participation in this Program, the Customers using Company provided Load Control Device(s) will pay a \$25 service charge and Customers who

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POWER MANAGER EQUIPMENT CONTROL SERVICE

have received initial thermostat-based incentive will pay a \$75 service charge. Upon termination, the Company-provided load control device(s), at Customer's residence will be remotely disabled to prevent further load control.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

COMPANY RETENTION OF PROGRAM BENEFITS

Incentives and other considerations offered under the terms of this Program are understood to be an essential element in the recipient's decision to participate in the Program. Upon payment of these considerations, Company will be entitled to any and all environmental, energy efficiency, and demand reduction benefits and attributes, including all reporting and compliance rights, associated with participation in the Program. None of the energy used in charging or discharging during a Control Event shall be considered eligible for resale to the Company, and any value associated with the charging or discharging energy shall be considered to be compensated for as part of the participant's incentive.

RIDER PM ~~(NC)~~
POWER MANAGER ~~LOAD-EQUIPMENT~~ CONTROL SERVICE

AVAILABILITY ~~(North Carolina Only)~~

Available to individually metered residential customers receiving concurrent service from the Company. To participate in the program, Customer must either own and occupy the residence or occupy and provide Company with owner-consent. Company shall be allowed to monitor Customer's load or any part thereof and the operation of controlled appliances, at no charge to Customer under the provisions of this Rider. Eligible customers may participate in the heating, ventilation and air conditioning ("HVAC") control option and/or the battery control option.

HVAC Control:

Participating customers may choose to employ (1) Company-provided Load Control Device(s) or (2) eligible Customer-owned thermostat(s) to interrupt service to each installed, approved electric central air conditioning unit(s), and/or approved electric heat pump(s) used for cooling, and/or approved electric heating source employing primary or backup electric resistance heating elements. Company shall be allowed to monitor their operation under the provisions of this Rider.

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Summer-Only thermostat-based participation is suspended and limited to participants in place on December 31, 2020. Winter-Focused thermostat-based participants must have thermostat control of approved central air conditioning and central heating units.

Customers cannot participate in both the Load Control Device and Thermostat-based program options. Thermostat-based customers cannot participate in both Summer-Only and Winter-Focused options.

Battery Control:

This option is available to customers who install and operate a battery storage system with an inverter ("Battery" or "Installed Equipment"). Installed Equipment may include more than one battery component. Customers choosing this option must have the Battery configured in a manner that allows the Company to remotely communicate and control the Customer's equipment. Installed Equipment shall be subject to inspection and verification upon request by the Company.

PARTICIPATION INCENTIVES

Cooling Load Control Device participants will be provided monthly incentives for the billing months of July through October.

Heating Load Control Device participants will be provided monthly incentives for the billing months of January through April.

Thermostat participants will be provided an Initial Incentive Payment following the successful installation and enrollment of the participating Customer's thermostat(s). Following each twelve months of continuous participation on the thermostat option, Customers will be provided an Annual Incentive. Thermostat participants leaving the program may return anytime to the program but shall not receive the Initial Incentive Payment and must complete a twelve-month continuous participation on the program to receive an Annual Incentive.

Battery participants will be provided monthly incentive payments following the successful installation and enrollment of the Customer's Installed Equipment.

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POWER MANAGER ~~LOAD-EQUIPMENT~~ CONTROL SERVICE

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The Company's payment of Incentives, at its discretion, may be offered in a variety of ways, including, but not limited to, bill credits, checks, and prepaid credit cards as follows:

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Battery Control Participants

- Monthly Incentive - \$6.50 per kW based on nameplate continuous discharge capacity as defined by the battery manufacturer adjusted by a capability factor. The capability factor adjusts for operational and program constraints including but not limited to battery capacity, reliability of device connection, system losses and systems not always being fully charged at time of the event.

~~For Load Control Device Participants, the total credits on any monthly bill shall not exceed 35% of the current monthly bill calculated on the appropriate rate schedule exclusive of such credits. In addition, the monthly bill shall not be less than the Basic Facilities Charge for the applicable schedule.~~

APPROVED CENTRAL AIR CONDITIONING UNIT

An approved electric central air conditioning and/or electric heat pump unit is a central electric air conditioning unit used to cool the residence through a ducted system. All central air conditioning and/or electric heat pump units installed at the residence must participate in load control in order to receive Monthly or Annual Incentive.

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The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to receive event commands. Approved Battery models will be posted on the Company's website.

INTERRUPTION

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Company shall be allowed, at its discretion, to interrupt service to each air conditioner for up to four hours during each day of the summer control season months of May through September. Air conditioner interruptions shall be limited to a total of 60 hours during any one summer season. Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

Winter-Focused Thermostat Participants:

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POWER MANAGER ~~LOAD-EQUIPMENT~~ CONTROL SERVICE

Company shall be allowed, at its discretion, to interrupt service to each heating system for up to four hours during each day of the winter control season months of December through March. Heating unit interruptions shall be limited to a total of 45 hours during any one winter season. Interruptions of heating and/or cooling systems for the remainder of the year are limited to a total of 15 hours. Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

Heating Load Control Device Participants:

Company shall be allowed, at its discretion, to interrupt service to each heating system for up to four hours during each day of the winter control season months of December through March. Heating unit interruptions shall be limited to a total of 60 hours during any one winter season. Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

All ~~Thermostat-HVAC Control~~ Participants:

At its discretion, the Company may preheat or precool the customers' equipment prior to interruption period.

~~All Power Manager Participants:~~

The Company reserves the right to test the load control equipment at any time, and such test periods shall be counted toward the maximum hourly interruption limit. Customer shall have the option to opt out of a control event; however, if Customer exceeds two (2) control event opt-outs in a single winter or summer control season, Customer may be subject to removal from the program and forfeit receipt of program incentives. A control event opt-out includes non-participation from part or whole of the interruption time period. If Company is unable to communicate with Customer's thermostat(s) during a load control event, it will be counted as a control event opt-out.

Battery Control Participants:

The Company or a third party acting on the Company's behalf shall be allowed, at its discretion, to charge, discharge and store energy using the Customer's Battery ("Control Events") a minimum level of 30 control events a year and a maximum of 36 control events and is further defined as up to 18 times per winter control season months December through March, 9 times per summer control season May through September and 9 times in remaining months. A Control Event is defined as the initiation of a signal to control the Battery and, within 48 hours later, discharging it. The Company will not discharge the Battery below a 20% state of charge. The Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

The Company reserves the right to test Installed Equipment at any time, and such test periods shall be counted as a Control Event. The Customer will have the option to opt out of a Control Event; however, if the Customer exceeds four (4) Control Event opt-outs in a single year, the Customer may be removed from the program. A Control Event opt-out includes non-participation from part or all of the interruption time period. If the Company is unable to communicate with the Customer's Installed Equipment during a Control Event, it will be counted as a Control Event opt-out.

If a Customer is unable to participate in a Control Event due no fault of the Customer, such inability to participate will not be considered an opt out.

The Company reserves the right to prevent the Customer's Battery from charging from the grid if continuity of service is threatened, or to disconnect the customer's load entirely if the operation of the Customer's Battery threatens the reliability or safety of the Company's system. The Company's exercising of this right does not constitute a Control Event.

EQUIPMENT INSPECTION AND SERVICING

For Company-provided Load Control Device(s), the Company or its agents shall have the right of ingress and egress to Customer's premises at all reasonable hours for the purpose of inspecting Company's wiring and apparatus; changing, exchanging, or repairing its property, as necessary; or removing its property after termination of service. For Battery participants, the Company or its agents shall have the right to ingress and egress to Customer's premises at all reasonable hours for the

RIDER PM ~~(NC)~~
POWER MANAGER ~~LOAD-EQUIPMENT~~ CONTROL SERVICE

~~purpose of inspecting the Installed Equipment to ensure connection and operability. The~~ Company and Customer shall schedule a convenient time for such purposes whenever ~~it inspection or servicing is deemed necessary to service Company's equipment installed inside the residence by the Company.~~ If any tampering with Company-owned equipment occurs, Company may adjust the billing and take other action in accordance with the Rules and Regulations of the North Carolina Utilities Commission and the laws of the State of North Carolina as applicable to meter tampering.

CONTRACT PERIOD

The Contract Period shall not be less than one year. Customer or Company may terminate participation under the Rider by providing 30 days prior notice to the other party. If within the first year, the Customer wishes to discontinue participation in this Program, the Customers using Company provided Load Control Device(s) will pay a \$25 service charge and Customers who have received initial thermostat-based incentive will pay a \$75 service charge. Upon termination, the Company-provided load control device(s), at Customer's residence will be remotely disabled to prevent further load control.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

COMPANY RETENTION OF PROGRAM BENEFITS

Incentives and other considerations offered under the terms of this Program are understood to be an essential element in the recipient's decision to participate in the Program. Upon payment of these considerations, Company will be entitled to any and all environmental, energy efficiency, and demand reduction benefits and attributes, including all reporting and compliance rights, associated with participation in the Program. None of the energy used in charging or discharging during a Control Event shall be considered eligible for resale to the Company, and any value associated with the charging or discharging energy shall be considered to be compensated for as part of the participant's incentive.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)

AVAILABILITY

This Pilot is available to eligible residential customers who install and operate a new solar photovoltaic electric generating system (“Solar Panels”) paired with a stationary battery storage system (“Battery” and collectively with Solar Panels, “Installed Equipment”). Installed Equipment may be owned by the Customer either by outright purchase or financing or may be owned by a lessor and leased to the Customer.

Participation in the Pilot is available for new installations and installations completed no earlier than 90 days prior to submission of an application to the Pilot program, at the Company’s discretion and subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment. Applications will be accepted and incentives (“PowerPairSM Incentives”) will be allocated over three years as described in the Application Requirements section.

PowerPairSM Incentives shall be limited to no greater than 10 kilowatts (kW) alternating current (AC) per customer for Solar Panels and no greater than 13.5 kilowatt-hours (kWh) per customer for Batteries. New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.

GENERAL PROVISIONS

To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:

- The Customer must have submitted a valid Interconnection Request for the Solar Panels and Battery before submitting an application for a PowerPairSM Incentive.
- The Customer must be installing solar generation and a battery storage system at the premises for the first time. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.
- The Operational Date of the Installed Equipment as determined by the Company may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Incentive allocation (“PowerPairSM Reservation”).
- The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
- If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the EnergyWise Home Program (Power Manager Rider PM).
- The Customer must agree to and comply with the terms and conditions of the Pilot.
- Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be approved by the Company prior to the Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
- Maximum output from the Customer’s energy system, including but not limited to Installed

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)

Equipment, must not exceed 20 kW-AC at any time.

- The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.
- The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.

APPLICATION REQUIREMENTS

Customers must complete and submit an application on the Company's website requesting service under the Pilot. Applications may be submitted no earlier than the first day of the application period. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications must state the nameplate capacity in kW-AC for the Solar Panels and in kW direct current (DC) and kWh for the Battery for which the PowerPairSM Incentive is sought.

Applications will be accepted for an initial four-week period. During this period the Company will review submissions for eligibility and work with customers to resolve issues with their application.

If eligible applications received in the initial application period exceed the participation limit, eligible applications will be entered into the random selection process ("RSP"). If there is any doubt as to an application's eligibility, it will be placed in the RSP, but the outstanding issue with the application will be resolved before communicating PowerPairSM Incentive status. Under the RSP, applications will be assigned a place in line at random using an analytical software. Applications will then receive a PowerPairSM Reservation or be placed on a waiting list. The Company will send communications to customers informing them of their placement and post the waitlist to the Company's website no later than six weeks after the opening date of the application period. After communications are sent, a second application period will open. Applications received in the second application period will be added to the waiting list in first come, first served order.

If eligible applications received in the initial application period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks, and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis. If the participation limit is met, applications will be placed on a waiting list in the order they are received.

The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.

Customers who apply prior to installation of the Solar Panels and Battery must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If a Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM
(PILOT)

POWERPAIRSM INCENTIVE PAYMENT

To receive a PowerPairSM Incentive payment, the Customer must submit a Certificate of Completion indicating that installation of the Solar Panels and Battery is complete, and the Company shall confirm that billing under the applicable net metering rider has commenced. The Customer must also complete an enrollment process to provide the Company access to operating data for the Installed Equipment.

Upon confirmation of compliance with all eligibility requirements, the Company will provide to the Customer a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of the Customer's Solar Panels and the kWh nameplate rating of the Customer's Battery up to the capacity requested in the Customer's PowerPairSM application. The PowerPairSM Incentive shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.

PowerPairSM Incentive for Solar Panels: \$0.36/Watt-AC

PowerPairSM Incentive for Battery: \$400/kWh

Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit.

The PowerPairSM Incentive shall only be provided once for Installed Equipment.

CONTRACT PERIOD

The Contract Period for the Pilot shall be 120 months from the start of billing under the applicable net metering rider.

Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of 24 months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot immediately upon switching. Switching net metering riders under the Pilot in this manner will not affect the Customer's Contract Period.

Participants in the PowerPair – Residential Solar Choice Rider RSC will be prohibited from participating in Power Manager – Battery Control for the first 24 months.

EARLY TERMINATION

If any portion of the Installed Equipment is removed or if the Customer fails to comply with any of the Pilot requirements within the Contract Period, an early termination charge may apply unless the termination is for good cause ("Early Termination Charge"). Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.

The Early Termination Charge shall equal to one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM
(PILOT)

Early Termination Charge = $(1 - (\# \text{ of Participating Months} / 120)) * \text{PowerPair}^{\text{SM}} \text{ Incentive}$

Company reserves the right to terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment at any time upon written notice to the Customer in the event that the Customer intentionally violates any of the terms or conditions of this Pilot or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Contract Period.

INOPERABLE EQUIPMENT

If any portion of the Installed Equipment is rendered inoperable within the Contract Period, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). Operable systems require a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.

OPERATING DATA

Through the Customer’s enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company’s behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM
(~~NC~~-PILOT)

AVAILABILITY

This Pilot is available to eligible residential customers who install and operate a new solar photovoltaic electric generating system (“Solar Panels”) paired with a stationary battery storage system (“Battery” and collectively with Solar Panels, “Installed Equipment”). Installed Equipment may be owned by the Customer either by outright purchase or financing or may be owned by a lessor and leased to the Customer.

Participation in the Pilot is available for new installations and installations completed no earlier than 90 days prior to submission of an application to the Pilot program, at the Company’s discretion and subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment. Applications will be accepted and incentives (“PowerPairSM Incentives”) will be allocated over three years as described in the Application Requirements section.

PowerPairSM Incentives shall be limited to no greater than 10 kilowatts (kW) alternating current (AC) per customer for Solar Panels and no greater than 13.5 kilowatt-hours (kWh) per customer for Batteries. New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.

GENERAL PROVISIONS

To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:

- The Customer must have submitted a valid Interconnection Request for the Solar Panels and Battery before submitting an application for a PowerPairSM Incentive.
- The Customer must be installing solar generation and a battery storage system at the premises for the first time. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.
- The Operational Date of the Installed Equipment as determined by the Company may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Incentive allocation (“PowerPairSM Reservation”).
- The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
- If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the EnergyWise Home Program (Power Manager Rider PM).
- The Customer must agree to and comply with the terms and conditions of the Pilot.
- Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be approved by the Company prior to the Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
- Maximum output from the Customer’s energy system, including but not limited to Installed

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM
(~~NC~~-PILOT)

Equipment, must not exceed 20 kW-AC at any time.

- The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.
- The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.

APPLICATION REQUIREMENTS

Customers must complete and submit an application on the Company's website requesting service under the Pilot. Applications may be submitted no earlier than the first day of the application period. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications must state the nameplate capacity in kW-AC for the Solar Panels and in kW direct current (DC) and kWh for the Battery for which the PowerPairSM Incentive is sought.

Applications will be accepted for an initial four-week period. During this period the Company will review submissions for eligibility and work with customers to resolve issues with their application.

If eligible applications received in the initial application period exceed the participation limit, eligible applications will be entered into the random selection process ("RSP"). If there is any doubt as to an application's eligibility, it will be placed in the RSP, but the outstanding issue with the application will be resolved before communicating PowerPairSM Incentive status. Under the RSP, applications will be assigned a place in line at random using an analytical software. Applications will then receive a PowerPairSM Reservation or be placed on a waiting list. The Company will send communications to customers informing them of their placement and post the waitlist to the Company's website no later than six weeks after the opening date of the application period. After communications are sent, a second application period will open. Applications received in the second application period will be added to the waiting list in first come, first served order.

If eligible applications received in the initial application period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks, and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis. If the participation limit is met, applications will be placed on a waiting list in the order they are received.

The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.

Customers who apply prior to installation of the Solar Panels and Battery must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If a Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM
(~~NC~~-PILOT)

POWERPAIRSM INCENTIVE PAYMENT

To receive a PowerPairSM Incentive payment, the Customer must submit a Certificate of Completion indicating that installation of the Solar Panels and Battery is complete, and the Company shall confirm that billing under the applicable net metering rider has commenced. The Customer must also complete an enrollment process to provide the Company access to operating data for the Installed Equipment.

Upon confirmation of compliance with all eligibility requirements, the Company will provide to the Customer a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of the Customer's Solar Panels and the kWh nameplate rating of the Customer's Battery up to the capacity requested in the Customer's PowerPairSM application. The PowerPairSM Incentive shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.

PowerPairSM Incentive for Solar Panels: \$0.36/Watt-AC

PowerPairSM Incentive for Battery: ~~\$240~~400/kWh

Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit.

The PowerPairSM Incentive shall only be provided once for Installed Equipment.

CONTRACT PERIOD

The Contract Period for the Pilot shall be 120 months from the start of billing under the applicable net metering rider.

Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of ~~1224~~ months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot immediately upon switching. Switching net metering riders under the Pilot in this manner will not affect the Customer's Contract Period.

Participants in the PowerPair – Residential Solar Choice Rider RSC will be prohibited from participating in Power Manager – Battery Control for the first 24 months.

EARLY TERMINATION

If any portion of the Installed Equipment is removed or if the Customer fails to comply with any of the Pilot requirements within the Contract Period, an early termination charge may apply unless the termination is for good cause ("Early Termination Charge"). Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.

The Early Termination Charge shall equal to one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM
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Early Termination Charge = $(1 - (\# \text{ of Participating Months} / 120)) * \text{PowerPair}^{\text{SM}} \text{ Incentive}$

Company reserves the right to terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment at any time upon written notice to the Customer in the event that the Customer intentionally violates any of the terms or conditions of this Pilot or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Contract Period.

INOPERABLE EQUIPMENT

If any portion of the Installed Equipment is rendered inoperable within the Contract Period, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). Operable systems require a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.

OPERATING DATA

Through the Customer’s enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company’s behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- A. **Terms and Conditions.** These Terms and Conditions (the “Terms and Conditions”) apply to the Duke Energy Carolinas, LLC (the “Company”) PowerPairSM Pilot Program approved by the North Carolina Utilities Commission (the “Commission”) in Docket No. E-7, Sub 1261 (the “Pilot”) a copy of which is available at the following link: duke-energy.com/PowerPair. In the event of a discrepancy between these Terms and Conditions and the Pilot, the terms of the Pilot (as may be amended from time to time) shall prevail. These Terms and Conditions and the payment of any incentive under the Pilot is subject to change or cancellation at any time prior to payment to customer.
- B. **Customer Compliance.** By applying for and participating in the Pilot, the customer (the “Customer”) agrees to comply with these Terms and Conditions and the failure to do so may result in the disqualification of the Customer as determined by Company in its sole discretion.
- C. **Availability; Premises.** The Pilot is available to qualifying customers of the Company on a voluntary basis to reduce the costs of installation of certain solar generation (the “Solar Panels”) and stationary energy storage equipment (the “Battery” and collectively with Solar Panels, the “Installed Equipment”) meeting the requirements set forth in the Pilot and installed at Customer's property (the “Premises”).
- D. **Ownership of Installed Equipment.** The Installed Equipment shall be owned or leased by the Customer at all times during the Term (as defined below). In no event shall Company own the Installed Equipment.
- E. **Limitation on Participation.** New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.
- F. **Customer Attestations.** By submitting an application to participate in the Pilot, the Customer attests that each of the following is true:
- a. that Customer is a North Carolina utility customer of the Company;
 - b. that Customer owns or leases the Installed Equipment; and
 - c. That Customer is the owner of the Premises and has the authority to enroll the Premises in the Pilot and to grant Company access rights thereto as contemplated in the Pilot and detailed in these Terms and Conditions.
- G. **Eligibility.** To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:
- a. The Customer must be installing a complying solar generation and a battery storage system at the Premises for the first time or must have completed installation no earlier than 90 days prior to submission of an application to the Pilot program, subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment as determined by the Company, which may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Reservation. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- b. Customer must have submitted a valid Interconnection Request for the Installed Equipment before submitting an application to the Pilot program.
- c. Customer must be a North Carolina customer receiving concurrent electric retail service from the Company and meet the eligibility requirements of and participate in an approved Company residential rate schedule.
- d. The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
- e. If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the Power Manager Program.
- f. The Customer must agree to and comply with these Terms and Conditions throughout the Term.
- g. Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be Company-approved prior to Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
- h. Maximum export to the grid from the Customer's energy system, including but not limited to Installed Equipment, must not exceed 20 kW-AC at any time.
- i. The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.
- j. The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.

H. **Application Requirement:**

- a. Customer must complete and submit an application on the Company's website requesting service under the program in accordance with the random selection process (RSP) system rules outlined in the Pilot.
- b. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications may be submitted no earlier than the first day of the application period and are applicable to both new installations and installations completed no earlier than 90 days prior to submission of an application.
- c. Details regarding the application acceptance and review process are further described in the Pilot. Customers may initially apply for the Pilot during a four-week application period. If eligible applications received in the initial four-week period exceed the participation limit, eligible applications will be entered into the RSP. The Company will send communications to customers informing them of their receipt of a PowerPairSM Reservation or placement on a waiting list. After communications are sent, a second application period will open with applications received added to the waiting list in first come, first served order.
- d. If eligible applications received in the initial four-week period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- e. All information requested in the application must be provided, as applicable, and must include nameplate capacity in kW-AC (alternating current) for the Solar Panels and in kW- DC (direct current) and kWh for the Battery for which the PowerPairSM Incentive is sought.
 - f. The Customer may apply prior to installation of the new solar generation and energy storage system in which case a PowerPairSM Reservation will be provided reserving the PowerPairSM Incentive (as defined in the Pilot).
 - g. The Customer must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.
 - h. The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation.
 - i. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.
- I. **PowerPairSM Incentive Payment.**
- a. Payment Terms: To receive an incentive payment the Customer must first submit a Certificate of Completion indicating that the installation of the Installed Equipment is complete, and the Company must confirm that billing under an eligible rate schedule and Rider has commenced.
 - b. The Customer shall receive a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of customer's Solar Panels and the kWh nameplate rating of the customer's Battery. The PowerPairSM Incentive shall not exceed the capacity requested in Customer's PowerPairSM application and in all cases shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.
 - c. Pursuant to the applicable Rider selected for participation, the Customer's total installed capacity shall not be limited by the maximum incentive limits.
 - d. The participating PowerPairSM customer shall receive a one-time incentive payment of \$0.36 per watt for eligible Solar Panel installation and \$400 per kilowatt hour for eligible Battery installation.
 - e. The PowerPairSM Incentive shall only be provided once for Installed Equipment.
- J. **Tax Reporting.** Customer acknowledges and agrees that payments made by Company to Customer will be reported to the IRS on Form 1099 and that Customer is solely responsible for any income tax consequence of the receipt of incentive payback.
- K. **Potential Tax Credits.** If available, Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are solely responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit. Company makes no representations or warranties as to the availability of any such tax credits and any risk as to the availability or non-availability of any such tax credits shall be borne entirely by Customer.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- L. **Term.** Customer agrees to participate in the PowerPairSM Program for a term of 10 years (120 months) commencing with the start of billing under the applicable net metering rider and ending on the 10-year anniversary thereof (the “Term”).
- M. **Early Termination Charges.** If the Installed Equipment is removed, or the agreement for electric service at the Premises is terminated, or electric service at the Premises is discontinued under an applicable rate schedule as prescribed in the availability section of the Pilot prior to the expiration of the Term, the Customer’s participation in the Pilot will be terminated and an early termination charge (“Early Termination Charge”) shall apply unless the termination is for good cause as determined by Company in its reasonable discretion. Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.
- a. The Early Termination Charge shall be calculated as follows:
(one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive = Early Termination Charge)
- Example – for illustration purposes only, is as follows:
(1-(74 months since initial participation / 120 months initial term)) * \$3600 total incentive amount paid = \$1380 total amount due to Company.
- N. **Termination for Cause.** Company reserves the right to terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment paid to Customer at any time upon written notice to the Customer in the event that the Customer intentionally violates any of these Terms and Conditions or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Term.
- O. **Inoperable Equipment Monthly Charge.** If any portion of the Installed Equipment is rendered inoperable within the Term, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). In order to be considered “operable”, the Installed Equipment must be provided with and maintain a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.
- a. Example of Inoperable Equipment Monthly Charge Calculation – for illustration purposes only: \$3600 total incentive amount paid / 120 months initial term = \$30 per month charge amount.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- P. **No Warranty.** Notwithstanding anything to the contrary set forth in these Terms and Conditions or in the Pilot, Company makes no representations or warranties of any kind regarding the reduction in the actual electricity usage at the Premises or that Customer will realize any savings resulting from the Installed Equipment at the Premises or by Customer's participation in the Pilot.
- Q. **Additional Provisions.** Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of 24 months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot program immediately upon switching. Customers may only switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC twice during the 120-month contract period. Switching net metering riders under the Pilot in this manner will not affect the Customer's Term.
- R. **Access to the Premises.** Customer agrees to allow Company and/or its contractors access to the Premises to inspect the Installed Equipment upon reasonable request by the Company. If the Premises is occupied by a tenant that is not a party to this agreement, Customer shall make arrangements with the tenant to facilitate access to the Premises in accordance with this Section. Failure to allow Company access to the Premises may result in the disqualification of Customer.
- S. **Use of Data.** Through the Customer's enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company's behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.
- T. **Metering Equipment.** Customer hereby grants Company the right, at Company's expense, to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the Installed Equipment. Customer shall provide access and designate a location on the load side of Company's billing meter for Company to furnish, install, own, and maintain metering with capability to record 100% of Customer's output. All metering shall be at a location that is readily accessible by Company.
- U. **Further Assurances.** Customer agrees to cooperate with Company and provide additional information or documents deemed reasonable to determine Customer's eligibility to participate in the Pilot or confirm the accuracy of the information provided in the Interconnection Application.
- V. **No Company Liability.** Customer acknowledges that Customer or its contractor shall be solely responsible for the installation of the installed Equipment at the Premises and neither Company nor any of its affiliates and their respective employees, consultants, contractors, or agents are responsible for or in any way liable for the installation of the installed Equipment, including but not limited to, determining that the installation of the infrastructure complies with any laws, codes, or industry standards.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- W. **Indemnification.** Customer agrees to indemnify and hold Company, its agents, employees, officers, directors, shareholders, representatives, parent and other affiliates harmless from and against any loss, liability, claim, cost, damage or expense (including reasonable attorney's fees) arising out of or in connection with any of the following:
- a. any inaccuracy in or breach of any of the certifications, representations or warranties of Customer contained in these Terms and Conditions or in the Customer's Application;
 - b. any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Customer pursuant to these Terms and Conditions;
 - c. any acts or omissions of, or as a result of acts or inactions by Customer or its contractors or agents, or as a result of negligence by Customer, its contractors, or agents, which resulted in: (i) injury (including mental or emotional injuries) to or death of any person or (ii) damage to, destruction of or loss of any property; or
 - d. Customer's receipt of the incentive payment, a failure to receive the incentive payment, or any taxes associated therewith.
- X. **Responsible for Battery Requirements.** Customer is responsible for verifying that the selected battery storage system meets all requirements for participation.
- Y. **Misrepresentation.** Customer agrees if it intentionally misstates or misrepresents the operating capacity or operating capabilities of the solar photovoltaic (PV) electric generating system and/or the battery storage system, the Company may request repayment of the PowerPairSM Rebate Payment.
- Z. **Appeal Process.** Company decisions may be appealed by the customer contacting or filing an informal complaint with the Public Staff of the North Carolina Utilities Commission (Public Staff) or by filing a formal complaint with the North Carolina Utilities Commission. The Public Staff may be contacted by email at Consumer.Services@psncuc.nc.gov or by telephone at 866.380.9816.
- AA. **Program Website.** Visit us online at <https://www.duke-energy.com>.
- BB. **Contact Us.** Email us at PowerPair@duke-energy.com with any program related questions or concerns.
- CC. **Governing Law.** These Terms and Conditions shall be construed in accordance with the laws of the State of North Carolina.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- A. **Terms and Conditions.** These Terms and Conditions (the “Terms and Conditions”) apply to the Duke Energy Carolinas, LLC (the “Company”) PowerPairSM Pilot Program approved by the North Carolina Utilities Commission (the “Commission”) in Docket No. ~~E-7, Sub 1261~~ (the “Pilot”) a copy of which is available at the following link: ~~←→~~duke-energy.com/PowerPair. In the event of a discrepancy between these Terms and Conditions and the Pilot, the terms of the Pilot (as may be amended from time to time) shall prevail. These Terms and Conditions and the payment of any incentive under the Pilot is subject to change or cancellation at any time prior to payment to customer.
- B. **Customer Compliance.** By applying for and participating in the Pilot, the customer (the “Customer”) agrees to comply with these Terms and Conditions and the failure to do so may result in the disqualification of the Customer as determined by Company in its sole discretion.
- C. **Availability; Premises.** The Pilot is available to qualifying customers of the Company on a voluntary basis to reduce the costs of installation of certain solar generation (the “Solar Panels”) and stationary energy storage equipment (the “Battery” and collectively with Solar Panels, the “Installed Equipment”) meeting the requirements set forth in the Pilot and installed at Customer's property (the “Premises”).
- D. **Ownership of Installed Equipment.** The Installed Equipment shall be owned or leased by the Customer at all times during the Term (as defined below). In no event shall Company own the Installed Equipment.
- E. **Limitation on Participation.** New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.
- F. **Customer Attestations.** By submitting an application to participate in the Pilot, the Customer attests that each of the following is true:
- that Customer is a North Carolina utility customer of the Company;
 - that Customer owns or leases the Installed Equipment; and
 - That Customer is the owner of the Premises and has the authority to enroll the Premises in the Pilot and to grant Company access rights thereto as contemplated in the Pilot and detailed in these Terms and Conditions.
- G. **Eligibility.** To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:
- The Customer must be installing a complying solar generation and a battery storage system at the Premises for the first time or must have completed installation no earlier than 90 days prior to submission of an application to the Pilot program, subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment as determined by the Company, which may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Reservation. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- b. Customer must have submitted a valid Interconnection Request for the Installed Equipment before submitting an application to the Pilot program.
- c. Customer must be a North Carolina customer receiving concurrent electric retail service from the Company and meet the eligibility requirements of and participate in an approved Company residential rate schedule.
- d. The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
- e. If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the Power Manager Program.
- f. The Customer must agree to and comply with these Terms and Conditions throughout the Term.
- g. Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be Company-approved prior to Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
- h. Maximum export to the grid from the Customer's energy system, including but not limited to Installed Equipment, must not exceed 20 kW-AC at any time.
- i. The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.
- j. The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.

H. **Application Requirement:**

- a. Customer must complete and submit an application on the Company's website requesting service under the program in accordance with the random selection process (RSP) system rules outlined in the Pilot.
- b. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications may be submitted no earlier than the first day of the application period and are applicable to both new installations and installations completed no earlier than 90 days prior to submission of an application.
- c. Details regarding the application acceptance and review process are further described in the Pilot. Customers may initially apply for the Pilot during a four-week application period. If eligible applications received in the initial four-week period exceed the participation limit, eligible applications will be entered into the RSP. The Company will send communications to customers informing them of their receipt of a PowerPairSM Reservation or placement on a waiting list. After communications are sent, a second application period will open with applications received added to the waiting list in first come, first served order.
- d. If eligible applications received in the initial four-week period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- e. All information requested in the application must be provided, as applicable, and must include nameplate capacity in kW-AC (alternating current) for the Solar Panels and in kW- DC (direct current) and kWh for the Battery for which the PowerPairSM Incentive is sought.
 - f. The Customer may apply prior to installation of the new solar generation and energy storage system in which case a PowerPairSM Reservation will be provided reserving the PowerPairSM Incentive (as defined in the Pilot).
 - g. The Customer must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.
 - h. The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation.
 - i. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.
- I. **PowerPairSM Incentive Payment.**
- a. Payment Terms: To receive an incentive payment the Customer must first submit a Certificate of Completion indicating that the installation of the Installed Equipment is complete, and the Company must confirm that billing under an eligible rate schedule and Rider has commenced.
 - b. The Customer shall receive a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of customer's Solar Panels and the kWh nameplate rating of the customer's Battery. The PowerPairSM Incentive shall not exceed the capacity requested in Customer's PowerPairSM application and in all cases shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.
 - c. Pursuant to the applicable Rider selected for participation, the Customer's total installed capacity shall not be limited by the maximum incentive limits.
 - d. The participating PowerPairSM customer shall receive a one-time incentive payment of \$0.36 per watt for eligible Solar Panel installation and ~~\$240~~\$400 per kilowatt hour for eligible Battery installation.
 - e. The PowerPairSM Incentive shall only be provided once for Installed Equipment.
- J. **Tax Reporting.** Customer acknowledges and agrees that payments made by Company to Customer will be reported to the IRS on Form 1099 and that Customer is solely responsible for any income tax consequence of the receipt of incentive payback.
- K. **Potential Tax Credits.** If available, Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are solely responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit. Company makes no representations or warranties as to the availability of any such tax credits and any risk as to the availability or non-availability of any such tax credits shall be borne entirely by Customer.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- L. **Term.** Customer agrees to participate in the PowerPairSM Program for a term of 10 years (120 months) commencing with the start of billing under the applicable net metering rider and ending on the 10-year anniversary thereof (the “Term”).
- M. **Early Termination Charges.** If the Installed Equipment is removed, or the agreement for electric service at the Premises is terminated, or electric service at the Premises is discontinued under an applicable rate schedule as prescribed in the availability section of the Pilot prior to the expiration of the Term, the Customer’s participation in the Pilot will be terminated and an early termination charge (“Early Termination Charge”) shall apply unless the termination is for good cause as determined by Company in its reasonable discretion. Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.
- a. The Early Termination Charge shall be calculated as follows:
(one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive = Early Termination Charge)
- Example – for illustration purposes only, is as follows:
(1-(74 months since initial participation / 120 months initial term)) * \$3600 total incentive amount paid = \$1380 total amount due to Company.
- N. **Termination for Cause.** Company reserves the right to terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment paid to Customer at any time upon written notice to the Customer in the event that the Customer intentionally violates any of these Terms and Conditions or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Term.
- O. **Inoperable Equipment Monthly Charge.** If any portion of the Installed Equipment is rendered inoperable within the Term, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). In order to be considered “operable”, the Installed Equipment must be provided with and maintain a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.
- a. Example of Inoperable Equipment Monthly Charge Calculation – for illustration purposes only: \$3600 total incentive amount paid / 120 months initial term = \$30 per month charge amount.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- P. **No Warranty.** Notwithstanding anything to the contrary set forth in these Terms and Conditions or in the Pilot, Company makes no representations or warranties of any kind regarding the reduction in the actual electricity usage at the Premises or that Customer will realize any savings resulting from the Installed Equipment at the Premises or by Customer's participation in the Pilot.
- Q. **Additional Provisions.** Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of 2412 months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot program immediately upon switching. Customers may only switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC twice during the 120-month contract period. Switching net metering riders under the Pilot in this manner will not affect the Customer's Term.
- R. **Access to the Premises.** Customer agrees to allow Company and/or its contractors access to the Premises to inspect the Installed Equipment upon reasonable request by the Company. If the Premises is occupied by a tenant that is not a party to this agreement, Customer shall make arrangements with the tenant to facilitate access to the Premises in accordance with this Section. Failure to allow Company access to the Premises may result in the disqualification of Customer.
- S. **Use of Data.** Through the Customer's enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company's behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.
- T. **Metering Equipment.** Customer hereby grants Company the right, at Company's expense, to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the Installed Equipment. Customer shall provide access and designate a location on the load side of Company's billing meter for Company to furnish, install, own, and maintain metering with capability to record 100% of Customer's output. All metering shall be at a location that is readily accessible by Company.
- U. **Further Assurances.** Customer agrees to cooperate with Company and provide additional information or documents deemed reasonable to determine Customer's eligibility to participate in the Pilot or confirm the accuracy of the information provided in the Interconnection Application.
- V. **No Company Liability.** Customer acknowledges that Customer or its contractor shall be solely responsible for the installation of the installed Equipment at the Premises and neither Company nor any of its affiliates and their respective employees, consultants, contractors, or agents are responsible for or in any way liable for the installation of the installed Equipment, including but not limited to, determining that the installation of the infrastructure complies with any laws, codes, or industry standards.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM (PILOT)
TERMS AND CONDITIONS

- W. **Indemnification.** Customer agrees to indemnify and hold Company, its agents, employees, officers, directors, shareholders, representatives, parent and other affiliates harmless from and against any loss, liability, claim, cost, damage or expense (including reasonable attorney's fees) arising out of or in connection with any of the following:
- a. any inaccuracy in or breach of any of the certifications, representations or warranties of Customer contained in these Terms and Conditions or in the Customer's Application;
 - b. any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Customer pursuant to these Terms and Conditions;
 - c. any acts or omissions of, or as a result of acts or inactions by Customer or its contractors or agents, or as a result of negligence by Customer, its contractors, or agents, which resulted in: (i) injury (including mental or emotional injuries) to or death of any person or (ii) damage to, destruction of or loss of any property; or
 - d. Customer's receipt of the incentive payment, a failure to receive the incentive payment, or any taxes associated therewith.
- X. **Responsible for Battery Requirements.** Customer is responsible for verifying that the selected battery storage system meets all requirements for participation.
- Y. **Misrepresentation.** Customer agrees if it intentionally misstates or misrepresents the operating capacity or operating capabilities of the solar photovoltaic (PV) electric generating system and/or the battery storage system, the Company may request repayment of the PowerPairSM Rebate Payment.
- Z. **Appeal Process.** Company decisions may be appealed by the customer contacting or filing an informal complaint with the Public Staff of the North Carolina Utilities Commission (Public Staff) or by filing a formal complaint with the North Carolina Utilities Commission. The Public Staff may be contacted by email at Consumer.Services@psncuc.nc.gov or by telephone at 866.380.9816.
- AA. **Program Website.** Visit us online at <https://www.duke-energy.com>.
- BB. **Contact Us.** Email us at PowerPair@duke-energy.com with any program related questions or concerns.
- CC. **Governing Law.** These Terms and Conditions shall be construed in accordance with the laws of the State of North Carolina.

RESIDENTIAL SERVICE - EQUIPMENT CONTROL
RIDER LC

AVAILABILITY

Available to individually metered residential Customers receiving concurrent service from the Company. To participate in the program, Customer must either own and occupy the residence or occupy and provide Company with owner-consent. Company shall be allowed to monitor Customer's load or any part thereof and the operation of controlled appliances or systems, at no charge to Customer under the provisions of this Rider. Eligible customers may participate in the heating, ventilation and air conditioning (“HVAC”) control option and/or the battery control option.

HVAC Control:

Participating Customers may choose to employ (1) Company-provided Load Control Device(s) or (2) eligible Customer-owned thermostat(s) to interrupt service to each installed, approved electric central air conditioning unit(s), and/or approved electric heat pump(s) used for cooling, and/or approved electric heating source employing primary or backup electric resistance heating elements. Company shall be allowed to monitor their operation under the provisions of this Rider.

Customers choosing to employ Company-provided Load Control Device(s) contracts for Company or its representative to install and operate the necessary control equipment in a location provided by Customer and suitable to Company in or about the residential dwelling unit. This option is only available where Company has the necessary communications equipment installed and where load control signal can be satisfactorily received at Company's specified location on Customer's residence.

Customers choosing to employ their own eligible thermostat(s), listed on the Company's website, must have the thermostat(s) configured in a manner which allows the Company to remotely communicate and control Customer's equipment.

Summer-Only thermostat-based participation is suspended and limited to participants in place on December 31, 2020. Winter-Focused participants must have thermostat control of approved central air conditioning and central heating units.

Switch-based participants cannot participate in thermostat-based program options and thermostat-based participants cannot participate in both Summer and Winter-Focused options.

Battery Control:

This option is available to customers who install and operate a battery storage system with an inverter (“Battery” or “Installed Equipment”). Installed Equipment may include more than one battery component. Customers choosing this option must have the Battery configured in a manner that allows the Company to remotely communicate and control the Customer's equipment. Installed Equipment shall be subject to inspection and verification upon request by the Company

PARTICIPATION INCENTIVES

Customer shall receive an Initial Incentive Payment following the successful installation and testing of the Load Control Device(s) or participating Customer's thermostat(s). Following each twelve months of continuous participation on the program Customer shall receive an additional Annual Incentive. Customer leaving the program may return anytime to the program but shall not receive the Initial Incentive Payment and must complete a twelve-month continuous participation on the program to receive an additional Annual Incentive.

Battery participants will be provided monthly incentive payments following the successful installation and enrollment of the Customer's Installed Equipment.

PAYMENT OF INCENTIVES

The Company's payment of Incentives, at its discretion, may be offered in a variety of ways, including, but not limited to, bill credits, checks, and prepaid credit cards as follows:

HVAC Control Initial Incentive

- For Participants Company-provided HVAC Load Control Device(s) - One Time \$25 per residence
- For Winter-Focused Participants with Customer-provided eligible Thermostat(s) - One Time \$90 per residence through December 31, 2020 and One Time \$75 per residence thereafter
- For Summer-Only Participants with Customer-provided eligible Thermostat(s) - One Time \$75 per residence

HVAC Control Annual Incentive

- Qualified Summer-Only Cooling System Controls - \$25 per residence
- Qualified Winter-Focused System Controls - \$25 per residence

Battery Control Monthly Incentive

- Monthly Incentive - \$6.50 per kW based on nameplate continuous discharge capacity as defined by the battery manufacturer adjusted by a capability factor. The capability factor will be posted to the Company website and will be updated based on EM&V results. The capability factor adjusts for operational and program constraints including but not limited to reliability of device connection, system losses and systems not always being fully charged at time of the event.

APPROVED CENTRAL AIR CONDITIONING UNIT

An approved electric central air conditioning and/or electric heat pump unit is a central electric air conditioning unit used to cool the residence through a ducted system. All central air conditioning and/or electric heat pump units installed at the residence must participate in load control in order to receive the Annual Incentive.

APPROVED CENTRAL HEATING UNIT

An approved electric central heating unit is a unit employing electric resistance heating elements, including air source heat pumps equipped with backup electric resistance heating elements, used to heat the residence through a ducted system. All heating units installed at the residence must participate in load control in order to receive the Annual Incentive.

APPROVED BATTERY SYSTEM

The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to receive event commands. Approved Battery models will be posted on the Company's website.

INTERRUPTION

Summer-Only Participants:

Company shall be allowed, at its discretion, to interrupt service to each air conditioner for up to four hours during each day of the summer control season months of May through September. Company reserves the

right for longer interruption in the event continuity of service is threatened. Air conditioner interruptions shall be limited to a total of 60 hours during any one summer season.

Winter-Focused Participants:

Company shall be allowed, at its discretion, to interrupt service to each heating system for up to four hours during each day of the winter control season months of December through March. Company reserves the right for longer interruption in the event continuity of service is threatened. Heating unit interruptions shall be limited to a total of 45 hours during any one winter season. Interruptions of heating and/or cooling systems for the remainder of the year are limited to a total of 15 hours.

All HVAC Control Participants:

At its discretion, the Company may preheat or precool the customers' equipment prior to interruption period.

The Company reserves the right to test the load control equipment at any time, and such test periods shall be counted towards the maximum hourly interruption limit. Customer shall have the option to override a control event; however, if Customer exceeds two (2) control event overrides in a single winter or summer control season, Customer may be subject to removal from the program and shall forfeit the next subsequent Annual Incentive for that controlled season. A control event override is defined as Customer requesting exemption from part or whole of the interruption time period. If Company is unable to communicate with Customer's thermostat(s) during a load control event, it will be counted as a control event override.

Battery Control Participants:

The Company or a third party acting on the Company's behalf shall be allowed, at its discretion, to charge, discharge and store energy using the Customer's Battery ("Control Events"). a minimum level of 30 control events a year and maximum of 36 control events and is further defined as up to 18 times per winter control season months December through March, 9 times per summer control season May through September and 9 times in remaining months. A Control Event is defined as the initiation of a signal to control the Battery and, within 48 hours later, discharging it. The Company will not discharge the Battery below a 20% state of charge. The Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

The Company reserves the right to test Installed Equipment at any time, and such test periods shall be counted as a Control Event. The Customer will have the option to opt out of a Control Event; however, if the Customer exceeds four (4) Control Event opt-outs in a single year, the Customer may be removed from the program. A Control Event opt-out includes non-participation from part or all of the interruption time period. If the Company is unable to communicate with the Customer's Installed Equipment during a Control Event, it will be counted as a Control Event opt-out.

If a Customer is unable to participate in a Control Event due no fault of the Customer, such inability to participate will not be considered an opt out.

The Company reserves the right to prevent the Customer's Battery from charging from the grid if continuity of service is threatened, or to disconnect the customer's load entirely if the operation of the Customer's Battery threatens the reliability or safety of the Company's system. The Company's exercising of this right does not constitute a Control Event.

EQUIPMENT INSPECTION AND SERVICING

For Company-provided Load Control Device(s), the Company or its agents shall have the right of ingress and egress to Customer's premises at all reasonable hours for the purpose of inspecting Company's wiring and apparatus; changing, exchanging, or repairing its property, as necessary; or removing its property after termination of service. For Battery participants, the Company or its agents shall have the right to ingress

NC First Revised Leaf No. 715

Effective for service rendered on and after July 9, 2024

NCUC Docket No. E-2, Sub 927, Order dated January 11, 2024

Duke Energy Progress, LLC
(North Carolina Only)

NC First Revised Leaf No. 715
Superseding NC Original Leaf No. 715

and egress to Customer's premises at all reasonable hours for the purpose of inspecting the Installed Equipment to ensure connection and operability. The Company and Customer shall schedule a convenient time for such purposes whenever inspection or servicing is deemed necessary by the Company. If any tampering with Company-owned equipment occurs, Company may adjust the billing and take other action in accordance with the Rules and Regulations of the North Carolina Utilities Commission and the laws of the State of North Carolina as applicable to meter tampering.

CONTRACT PERIOD

The Contract Period shall not be less than one year. Customer or Company may terminate participation under the Rider by providing 30 days prior notice to the other party. If within the first year, the Customer wishes to discontinue participation in this Program, the Customers using Company provided Load Control Device(s) will pay a \$25 service charge and Customers who have received initial thermostat-based incentive will pay a \$75 service charge. Upon termination, the Company-provided load control device(s), at Customer's residence will be remotely disabled to prevent further load control.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

COMPANY RETENTION OF PROGRAM BENEFITS

Incentives and other considerations offered under the terms of this Program are understood to be an essential element in the recipient's decision to participate in the Program. Upon payment of these considerations, Company will be entitled to any and all environmental, energy efficiency, and demand reduction benefits and attributes, including all reporting and compliance rights, associated with participation in the Program. None of the energy used in charging or discharging during a Control Event shall be considered eligible for resale to the Company, and any value associated with the charging or discharging energy shall be considered to be compensated for as part of the participant's incentive.

RESIDENTIAL SERVICE - ~~LOAD-EQUIPMENT~~ CONTROL
RIDER LC

AVAILABILITY

Available to individually metered residential Customers receiving concurrent service from the Company. ~~To participate in the program, Customer must either own and occupy the residence or occupy and provide Company with owner-consent. Company shall be allowed to monitor Customer's load or any part thereof and the operation of controlled appliances or systems, at no charge to Customer under the provisions of this Rider. Eligible customers may participate in the heating, ventilation and air conditioning (“HVAC”) control option and/or the battery control option.~~

HVAC Control:

Participating Customers may choose to employ (1) Company-provided Load Control Device(s) or (2) eligible Customer-owned thermostat(s) to interrupt service to each installed, approved electric central air conditioning unit(s), and/or approved electric heat pump(s) used for cooling, and/or approved electric heating source employing primary or backup electric resistance heating elements. Company shall be allowed to monitor their operation under the provisions of this Rider.

Customers choosing to employ Company-provided Load Control Device(s) contracts for Company or its representative to install and operate the necessary control equipment in a location provided by Customer and suitable to Company in or about the residential dwelling unit. This option is only available where Company has the necessary communications equipment installed and where load control signal can be satisfactorily received at Company's specified location on Customer's residence.

Customers choosing to employ their own eligible thermostat(s), listed on the Company's website, must have the thermostat(s) configured in a manner which allows the Company to remotely communicate and control Customer's equipment.

~~Company shall be allowed to monitor Customer's load or any part thereof and the operation of controlled appliances, at no charge, to Customer under the provisions of this Rider. To participate in the program, Customer must either own and occupy the residence or occupy and provide Company with owner consent.~~

Summer-Only thermostat-based participation is suspended and limited to participants in place on December 31, 2020. Winter-Focused participants must have thermostat control of approved central air conditioning and central heating units.

Switch-based participants cannot participate in thermostat-based program options and thermostat-based participants cannot participate in both Summer and Winter-Focused options.

Battery Control:

~~This option is available to customers who install and operate a battery storage system with an inverter (“Battery” or “Installed Equipment”). Installed Equipment may include more than one battery component. Customers choosing this option must have the Battery configured in a manner that allows the Company to remotely communicate and control the Customer's equipment. Installed Equipment shall be subject to inspection and verification upon request by the Company~~

NC ~~Original-First Revised~~ Leaf No. 715

Effective for service rendered on and after ~~February 1, 2022~~ July 9, 2024

NCUC Docket No. E-2, Sub 927, Order dated January 11, 2024

~~Leaf Indexing is effective as of October 1, 2023, in Compliance with NCUC Docket No. E-2, Sub 1300~~

~~9~~Original Leaf No. 715

PARTICIPATION INCENTIVES

Customer shall receive an Initial Incentive Payment following the successful installation and testing of the Load Control Device(s) or participating Customer's thermostat(s). Following each twelve months of continuous participation on the program Customer shall receive an additional Annual Incentive. Customer leaving the program may return anytime to the program but shall not receive the Initial Incentive Payment and must complete a twelve-month continuous participation on the program to receive an additional Annual Incentive.

Battery participants will be provided monthly incentive payments following the successful installation and enrollment of the Customer's Installed Equipment.

PAYMENT OF INCENTIVES

The Company's payment of Incentives, at its discretion, may be offered in a variety of ways, including, but not limited to, bill credits, checks, and prepaid credit cards as follows:

HVAC Control Initial Incentive

- For Participants Company-provided HVAC Load Control Device(s) - One Time \$25 per residence
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HVAC Control Annual Incentive

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Battery Control Monthly Incentive

- Monthly Incentive - \$6.50 per kW based on nameplate continuous discharge capacity as defined by the battery manufacturer adjusted by a capability factor. The capability factor will be posted to the Company website and will be updated based on EM&V results. The capability factor adjusts for operational and program constraints including but not limited to ~~battery capacity~~, reliability of device connection, system losses and systems not always being fully charged at time of the event.

APPROVED CENTRAL AIR CONDITIONING UNIT

An approved electric central air conditioning and/or electric heat pump unit is a central electric air conditioning unit used to cool the residence through a ducted system. All central air conditioning and/or electric heat pump units installed at the residence must participate in load control in order to receive the Annual Incentive.

APPROVED CENTRAL HEATING UNIT

An approved electric central heating unit is a unit employing electric resistance heating elements, including air source heat pumps equipped with backup electric resistance heating elements, used to heat the residence

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9Original Leaf No. 715

through a ducted system. All heating units installed at the residence must participate in load control in order to receive the Annual Incentive.

APPROVED BATTERY SYSTEM

The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to receive event commands. Approved Battery models will be posted on the Company's website.

INTERRUPTION

Summer-Only Participants:

Company shall be allowed, at its discretion, to interrupt service to each air conditioner for up to four hours during each day of the summer control season months of May through September. Company reserves the right for longer interruption in the event continuity of service is threatened. Air conditioner interruptions shall be limited to a total of 60 hours during any one summer season.

Winter-Focused Participants:

Company shall be allowed, at its discretion, to interrupt service to each heating system for up to four hours during each day of the winter control season months of December through March. Company reserves the right for longer interruption in the event continuity of service is threatened. Heating unit interruptions shall be limited to a total of 45 hours during any one winter season. Interruptions of heating and/or cooling systems for the remainder of the year are limited to a total of 15 hours.

All HVAC Control Participants:

At its discretion, the Company may preheat or precool the customers' equipment prior to interruption period.

The Company reserves the right to test the load control equipment at any time, and such test periods shall be counted towards the maximum hourly interruption limit. Customer shall have the option to override a control event; however, if Customer exceeds two (2) control event overrides in a single winter or summer control season, Customer may be subject to removal from the program and shall forfeit the next subsequent Annual Incentive for that controlled season. A control event override is defined as Customer requesting exemption from part or whole of the interruption time period. If Company is unable to communicate with Customer's thermostat(s) during a load control event, it will be counted as a control event override.

Battery Control Participants:

The Company or a third party acting on the Company's behalf shall be allowed, at its discretion, to charge, discharge and store energy using the Customer's Battery ("Control Events"). a minimum level of 30 control events a year and maximum of 36 control events and is further defined as up to 18 times per winter control season months December through March, 9 times per summer control season May through September and 9 times in remaining months. A Control Event is defined as the initiation of a signal to control the Battery and, within 48 hours later, discharging it. The Company will not discharge the Battery below a 20% state of charge. The Company reserves the right for interruption outside of these parameters in the event continuity of service is threatened.

The Company reserves the right to test Installed Equipment at any time, and such test periods shall be counted as a Control Event. The Customer will have the option to opt out of a Control Event; however, if the Customer exceeds four (4) Control Event opt-outs in a single year, the Customer may be removed from the program. A Control Event opt-out includes non-participation from part or all of the interruption time

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period. If the Company is unable to communicate with the Customer's Installed Equipment during a Control Event, it will be counted as a Control Event opt-out.

If a Customer is unable to participate in a Control Event due no fault of the Customer, such inability to participate will not be considered an opt out.

The Company reserves the right to prevent the Customer's Battery from charging from the grid if continuity of service is threatened, or to disconnect the customer's load entirely if the operation of the Customer's Battery threatens the reliability or safety of the Company's system. The Company's exercising of this right does not constitute a Control Event.

EQUIPMENT INSPECTION AND SERVICING

For Company-provided Load Control Device(s), the Company or its agents shall have the right of ingress and egress to Customer's premises at all reasonable hours for the purpose of inspecting Company's wiring and apparatus; changing, exchanging, or repairing its property, as necessary; or removing its property after termination of service. For Battery participants, the Company or its agents shall have the right to ingress and egress to Customer's premises at all reasonable hours for the purpose of inspecting the Installed Equipment to ensure connection and operability. The Company and Customer shall schedule a convenient time for such purposes whenever ~~inspection or servicing~~ is deemed necessary ~~to service Company's equipment installed inside the residence by the Company.~~ If any tampering with Company-owned equipment occurs, Company may adjust the billing and take other action in accordance with the Rules and Regulations of the North Carolina Utilities Commission and the laws of the State of North Carolina as applicable to meter tampering.

CONTRACT PERIOD

The Contract Period shall not be less than one year. Customer or Company may terminate participation under the Rider by providing 30 days prior notice to the other party. If within the first year, the Customer wishes to discontinue participation in this Program, the Customers using Company provided Load Control Device(s) will pay a \$25 service charge and Customers who have received initial thermostat-based incentive will pay a \$75 service charge. Upon termination, the Company-provided load control device(s), at Customer's residence will be remotely disabled to prevent further load control.

SALES TAX

To the above charges will be added any applicable North Carolina Sales Tax.

COMPANY RETENTION OF PROGRAM BENEFITS

Incentives and other considerations offered under the terms of this Program are understood to be an essential element in the recipient's decision to participate in the Program. Upon payment of these considerations, Company will be entitled to any and all environmental, energy efficiency, and demand reduction benefits and attributes, including all reporting and compliance rights, associated with participation in the Program. None of the energy used in charging or discharging during a Control Event shall be considered eligible for resale to the Company, and any value associated with the charging or discharging energy shall be considered to be compensated for as part of the participant's incentive.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION
PROGRAM PPSB (PILOT)

AVAILABILITY

This Pilot is available to eligible residential customers who install and operate a new solar photovoltaic electric generating system (“Solar Panels”) paired with a stationary battery storage system (“Battery” and collectively with Solar Panels, “Installed Equipment”). Installed Equipment may be owned by the Customer either by outright purchase or financing or may be owned by a lessor and leased to the Customer.

Participation in the Pilot is available for new installations and installations completed no earlier than 90 days prior to submission of an application to the Pilot program, at the Company’s discretion and subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment. Applications will be accepted and incentives (“PowerPairSM Incentives”) will be allocated over three years as described in the Application Requirements section.

PowerPairSM Incentives shall be limited to no greater than 10 kilowatts (kW) alternating current (AC) per customer for Solar Panels and no greater than 13.5 kilowatt-hours (kWh) per customer for Batteries. New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.

GENERAL PROVISIONS

To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:

- The Customer must have submitted a valid Interconnection Request for the Solar Panels and Battery before submitting an application for a PowerPairSM Incentive.
- The Customer must be installing solar generation and a battery storage system at the premises for the first time. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.
- The Operational Date of the Installed Equipment as determined by the Company may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Incentive allocation (“PowerPairSM Reservation”).
- The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
- If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the EnergyWise Home Program (Rider LC).
- The Customer must agree to and comply with the terms and conditions of the Pilot.
- Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be approved by the Company prior to the Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
- Maximum output from the Customer’s energy system, including but not limited to Installed

- Equipment, must not exceed 20 kW-AC at any time.
- The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.
 - The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.

APPLICATION REQUIREMENTS

Customers must complete and submit an application on the Company's website requesting service under the Pilot. Applications may be submitted no earlier than the first day of the application period. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications must state the nameplate capacity in kW-AC for the Solar Panels and in kW direct current (DC) and kWh for the Battery for which the PowerPairSM Incentive is sought.

Applications will be accepted for an initial four-week period. During this period the Company will review submissions for eligibility and work with customers to resolve issues with their application.

If eligible applications received in the initial application period exceed the participation limit, eligible applications will be entered into the random selection process ("RSP"). If there is any doubt as to an application's eligibility, it will be placed in the RSP, but the outstanding issue with the application will be resolved before communicating PowerPairSM Incentive status. Under the RSP, applications will be assigned a place in line at random using an analytical software. Applications will then receive a PowerPairSM Reservation or be placed on a waiting list. The Company will send communications to customers informing them of their placement and post the waitlist to the Company's website no later than six weeks after the opening date of the application period. After communications are sent, a second application period will open. Applications received in the second application period will be added to the waiting list in first come, first served order.

If eligible applications received in the initial application period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks, and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis. If the participation limit is met, applications will be placed on a waiting list in the order they are received.

The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.

Customers who apply prior to installation of the Solar Panels and Battery must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If a Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.

POWERPAIRSM INCENTIVE PAYMENT

To receive a PowerPairSM Incentive payment, the Customer must submit a Certificate of Completion indicating that installation of the Solar Panels and Battery is complete, and the Company shall confirm that billing under the applicable net metering rider has commenced. The Customer must also complete an enrollment process to provide the Company access to operating data for the Installed Equipment.

Upon confirmation of compliance with all eligibility requirements, the Company will provide to the Customer a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of the Customer's Solar Panels and the kWh nameplate rating of the Customer's Battery up to the capacity requested in the Customer's PowerPairSM application. The PowerPairSM Incentive shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.

PowerPairSM Incentive for Solar Panels: \$0.36/Watt-AC

PowerPairSM Incentive for Battery: \$400/kWh

Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit.

The PowerPairSM Incentive shall only be provided once for Installed Equipment.

CONTRACT PERIOD

The Contract Period for the Pilot shall be 120 months from the start of billing under the applicable net metering rider.

Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of 24 months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot immediately upon switching. Switching net metering riders under the Pilot in this manner will not affect the Customer's Contract Period.

Participants in the PowerPair - Residential Solar Choice Rider RSC will be prohibited from participating in EnergyWise - Battery Control for the first 24 months.

EARLY TERMINATION

If any portion of the Installed Equipment is removed or if the Customer fails to comply with any of the Pilot requirements within the Contract Period, an early termination charge may apply unless the termination is for good cause ("Early Termination Charge"). Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.

The Early Termination Charge shall equal to one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive.

Early Termination Charge = $(1 - (\# \text{ of Participating Months} / 120)) * \text{PowerPair}^{\text{SM}} \text{ Incentive}$

Company reserves the right to terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment at any time upon written notice to the Customer in the event that the Customer

intentionally violates any of the terms or conditions of this Pilot or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Contract Period.

INOPERABLE EQUIPMENT

If any portion of the Installed Equipment is rendered inoperable within the Contract Period, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). Operable systems require a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.

OPERATING DATA

Through the Customer’s enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company’s behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION
PROGRAM PPSB-1 (PILOT)

AVAILABILITY

This Pilot is available to eligible residential customers who install and operate a new solar photovoltaic electric generating system (“Solar Panels”) paired with a stationary battery storage system (“Battery” and collectively with Solar Panels, “Installed Equipment”). Installed Equipment may be owned by the Customer either by outright purchase or financing or may be owned by a lessor and leased to the Customer.

Participation in the Pilot is available for new installations and installations completed no earlier than 90 days prior to submission of an application to the Pilot program, at the Company’s discretion and subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment. Applications will be accepted and incentives (“PowerPairSM Incentives”) will be allocated over three years as described in the Application Requirements section.

PowerPairSM Incentives shall be limited to no greater than 10 kilowatts (kW) alternating current (AC) per customer for Solar Panels and no greater than 13.5 kilowatt-hours (kWh) per customer for Batteries. New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.

GENERAL PROVISIONS

To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:

- The Customer must have submitted a valid Interconnection Request for the Solar Panels and Battery before submitting an application for a PowerPairSM Incentive.
- The Customer must be installing solar generation and a battery storage system at the premises for the first time. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.
- The Operational Date of the Installed Equipment as determined by the Company may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Incentive allocation (“PowerPairSM Reservation”).
- The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
- If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the EnergyWise Home Program (Rider LC).
- The Customer must agree to and comply with the terms and conditions of the Pilot.
- Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be approved by the Company prior to the Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
- Maximum output from the Customer’s energy system, including but not limited to Installed

- Equipment, must not exceed 20 kW-AC at any time.
- The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.
 - The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.

APPLICATION REQUIREMENTS

Customers must complete and submit an application on the Company's website requesting service under the Pilot. Applications may be submitted no earlier than the first day of the application period. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications must state the nameplate capacity in kW-AC for the Solar Panels and in kW direct current (DC) and kWh for the Battery for which the PowerPairSM Incentive is sought.

Applications will be accepted for an initial four-week period. During this period the Company will review submissions for eligibility and work with customers to resolve issues with their application.

If eligible applications received in the initial application period exceed the participation limit, eligible applications will be entered into the random selection process ("RSP"). If there is any doubt as to an application's eligibility, it will be placed in the RSP, but the outstanding issue with the application will be resolved before communicating PowerPairSM Incentive status. Under the RSP, applications will be assigned a place in line at random using an analytical software. Applications will then receive a PowerPairSM Reservation or be placed on a waiting list. The Company will send communications to customers informing them of their placement and post the waitlist to the Company's website no later than six weeks after the opening date of the application period. After communications are sent, a second application period will open. Applications received in the second application period will be added to the waiting list in first come, first served order.

If eligible applications received in the initial application period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks, and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis. If the participation limit is met, applications will be placed on a waiting list in the order they are received.

The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.

Customers who apply prior to installation of the Solar Panels and Battery must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If a Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.

POWERPAIRSM INCENTIVE PAYMENT

PROGRAM PPSB-1NC Original Leaf No. 770

Effective for service rendered on and after May 10, 2024

NCUC Docket No. E-2, Sub 1287, Order dated January 11, 2024

To receive a PowerPairSM Incentive payment, the Customer must submit a Certificate of Completion indicating that installation of the Solar Panels and Battery is complete, and the Company shall confirm that billing under the applicable net metering rider has commenced. The Customer must also complete an enrollment process to provide the Company access to operating data for the Installed Equipment.

Upon confirmation of compliance with all eligibility requirements, the Company will provide to the Customer a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of the Customer's Solar Panels and the kWh nameplate rating of the Customer's Battery up to the capacity requested in the Customer's PowerPairSM application. The PowerPairSM Incentive shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.

PowerPairSM Incentive for Solar Panels: \$0.36/Watt-AC

PowerPairSM Incentive for Battery: ~~\$240~~400/kWh

Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit.

The PowerPairSM Incentive shall only be provided once for Installed Equipment.

CONTRACT PERIOD

The Contract Period for the Pilot shall be 120 months from the start of billing under the applicable net metering rider.

Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of ~~1224~~ months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot immediately upon switching. Switching net metering riders under the Pilot in this manner will not affect the Customer's Contract Period.

Participants in the PowerPair - Residential Solar Choice Rider RSC will be prohibited from participating in EnergyWise - Battery Control for the first 24 months.

EARLY TERMINATION

If any portion of the Installed Equipment is removed or if the Customer fails to comply with any of the Pilot requirements within the Contract Period, an early termination charge may apply unless the termination is for good cause ("Early Termination Charge"). Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.

The Early Termination Charge shall equal to one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive.

Early Termination Charge = (1 - (# of Participating Months / 120)) * PowerPairSM Incentive

Company reserves the right to terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment at any time upon written notice to the Customer in the event that the Customer

PROGRAM PPSB-1NC Original Leaf No. 770

Effective for service rendered on and after May 10, 2024

NCUC Docket No. E-2, Sub 1287, Order dated January 11, 2024

intentionally violates any of the terms or conditions of this Pilot or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate service under this Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Contract Period.

INOPERABLE EQUIPMENT

If any portion of the Installed Equipment is rendered inoperable within the Contract Period, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). Operable systems require a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.

OPERATING DATA

Through the Customer’s enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company’s behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.

~~Effective on and after _____
NCUC Docket No. E-2, Sub 1287~~

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM PPSB (PILOT)
TERMS AND CONDITIONS

- A. **Terms and Conditions.** These Terms and Conditions (the “Terms and Conditions”) apply to the Duke Energy Progress, LLC (the “Company”) PowerPairSM Pilot Program approved by the North Carolina Utilities Commission (the “Commission”) in Docket No. E-2, Sub1287 (the “Pilot”) a copy of which is available at the following link: duke-energy.com/PowerPair. In the event of a discrepancy between these Terms and Conditions and the Pilot, the terms of the Pilot (as may be amended from time to time) shall prevail. These Terms and Conditions and the payment of any incentive under the Pilot is subject to change or cancellation at any time prior to payment to customer.
- B. **Customer Compliance.** By applying for and participating in the Pilot, the customer (the “Customer”) agrees to comply with these Terms and Conditions and the failure to do so may result in the disqualification of the Customer as determined by Company in its sole discretion.
- C. **Availability; Premises.** The Pilot is available to qualifying customers of the Company on a voluntary basis to reduce the costs of installation of certain solar generation (the “Solar Panels”) and stationary energy storage equipment (the “Battery” and collectively with Solar Panels, the “Installed Equipment”) meeting the requirements set forth in the Pilot and installed at Customer's property (the “Premises”).
- D. **Ownership of Installed Equipment.** The Installed Equipment shall be owned or leased by the Customer at all times during the Term (as defined below). In no event shall Company own the Installed Equipment.
- E. **Limitation on Participation.** New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.
- F. **Customer Attestations.** By submitting an application to participate in the Pilot, the Customer attests that each of the following is true:
- a. that Customer is a North Carolina utility customer of the Company;
 - b. that Customer owns or leases the Installed Equipment; and
 - c. That Customer is the owner of the Premises and has the authority to enroll the Premises in the Pilot and to grant Company access rights thereto as contemplated in the Pilot and detailed in these Terms and Conditions.
- G. **Eligibility.** To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:
- a. The Customer must be installing a complying solar generation and a battery storage system at the Premises for the first time or must have completed installation no earlier than 90 days prior to submission of an application to the Pilot program, subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment as determined by the Company, which may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Reservation. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM PPSB (PILOT)
TERMS AND CONDITIONS

- b. Customer must have submitted a valid Interconnection Request for the Installed Equipment before submitting an application to the Pilot program.
 - c. Customer must be a North Carolina customer receiving concurrent electric retail service from the Company and meet the eligibility requirements of and participate in an approved Company residential rate schedule.
 - d. The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
 - e. If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the EnergyWise Program.
 - f. The Customer must agree to and comply with these Terms and Conditions throughout the Term.
 - g. Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be Company-approved prior to Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
 - h. Maximum export to the grid from the Customer's energy system, including but not limited to Installed Equipment, must not exceed 20 kW-AC at any time.
 - i. The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.
 - j. The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.
- H. **Application Requirement:**
- a. Customer must complete and submit an application on the Company's website requesting service under the program in accordance with the random selection process (RSP) system rules outlined in the Pilot.
 - b. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications may be submitted no earlier than the first day of the application period and are applicable to both new installations and installations completed no earlier than 90 days prior to submission of an application.
 - c. Details regarding the application acceptance and review process are further described in the Pilot. Customers may initially apply for the Pilot during a four-week application period. If eligible applications received in the initial four-week period exceed the participation limit, eligible applications will be entered into the RSP. The Company will send communications to customers informing them of their receipt of a PowerPairSM Reservation or placement on a waiting list. After communications are sent, a second application period will open with applications received added to the waiting list in first come, first served order.
 - d. If eligible applications received in the initial four-week period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM PPSB (PILOT)
TERMS AND CONDITIONS

- e. All information requested in the application must be provided, as applicable, and must include nameplate capacity in kW-AC (alternating current) for the Solar Panels and in kW- DC (direct current) and kWh for the Battery for which the PowerPairSM Incentive is sought.
 - f. The Customer may apply prior to installation of the new solar generation and energy storage system in which case a PowerPairSM Reservation will be provided reserving the PowerPairSM Incentive (as defined in the Pilot).
 - g. The Customer must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.
 - h. The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation.
 - i. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.
- I. **PowerPairSM Incentive Payment.**
- a. Payment Terms: To receive an incentive payment the Customer must first submit a Certificate of Completion indicating that the installation of the Installed Equipment is complete, and the Company must confirm that billing under an eligible rate schedule and Rider has commenced.
 - b. The Customer shall receive a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of customer's Solar Panels and the kWh nameplate rating of the customer's Battery. The PowerPairSM Incentive shall not exceed the capacity requested in Customer's PowerPairSM application and in all cases shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.
 - c. Pursuant to the applicable Rider selected for participation, the Customer's total installed capacity shall not be limited by the maximum incentive limits.
 - d. The participating PowerPairSM customer shall receive a one-time incentive payment of \$0.36 per watt for eligible Solar Panel installation and \$400 per kilowatt hour for eligible Battery installation.
 - e. The PowerPairSM Incentive shall only be provided once for Installed Equipment.
- J. **Tax Reporting.** Customer acknowledges and agrees that payments made by Company to Customer will be reported to the IRS on Form 1099 and that Customer is solely responsible for any income tax consequence of the receipt of incentive payback.
- K. **Potential Tax Credits.** If available, Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are solely responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit. Company makes no representations or warranties as to the availability of any such tax credits and any risk as to the availability or non-availability of any such tax credits shall be borne entirely by Customer.

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM PPSB (PILOT)
TERMS AND CONDITIONS

- L. **Term.** Customer agrees to participate in the PowerPairSM Program for a term of 10 years (120 months) commencing with the start of billing under the applicable net metering rider and ending on the 10-year anniversary thereof (the “Term”).
- M. **Early Termination Charges.** If the Installed Equipment is removed, or the agreement for electric service at the Premises is terminated, or electric service at the Premises is discontinued under an applicable rate schedule as prescribed in the availability section of the Pilot prior to the expiration of the Term, the Customer’s participation in the Pilot will be terminated and an early termination charge (“Early Termination Charge”) shall apply unless the termination is for good cause as determined by Company in its reasonable discretion. Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.
- a. The Early Termination Charge shall be calculated as follows:
(one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive = Early Termination Charge)
- Example – for illustration purposes only, is as follows:
(1-(74 months since initial participation / 120 months initial term)) * \$3600 total incentive amount paid = \$1380 total amount due to Company.
- N. **Termination for Cause.** Company reserves the right to terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment paid to Customer at any time upon written notice to the Customer in the event that the Customer intentionally violates any of these Terms and Conditions or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Term.
- O. **Inoperable Equipment Monthly Charge.** If any portion of the Installed Equipment is rendered inoperable within the Term, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). In order to be considered “operable”, the Installed Equipment must be provided with and maintain a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.
- a. Example of Inoperable Equipment Monthly Charge Calculation – for illustration purposes only: \$3600 total incentive amount paid / 120 months initial term = \$30 per

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM PPSB (PILOT)
TERMS AND CONDITIONS

month charge amount.

- P. **No Warranty.** Notwithstanding anything to the contrary set forth in these Terms and Conditions or in the Pilot, Company makes no representations or warranties of any kind regarding the reduction in the actual electricity usage at the Premises or that Customer will realize any savings resulting from the Installed Equipment at the Premises or by Customer's participation in the Pilot.
- Q. **Additional Provisions.** Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of 24 months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot program immediately upon switching. Customers may only switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC twice during the 120-month contract period. Switching net metering riders under the Pilot in this manner will not affect the Customer's Term.
- R. **Access to the Premises.** Customer agrees to allow Company and/or its contractors access to the Premises to inspect the Installed Equipment upon reasonable request by the Company. If the Premises is occupied by a tenant that is not a party to this agreement, Customer shall make arrangements with the tenant to facilitate access to the Premises in accordance with this Section. Failure to allow Company access to the Premises may result in the disqualification of Customer.
- S. **Use of Data.** Through the Customer's enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company's behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.
- T. **Metering Equipment.** Customer hereby grants Company the right, at Company's expense, to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the Installed Equipment. Customer shall provide access and designate a location on the load side of Company's billing meter for Company to furnish, install, own, and maintain metering with capability to record 100% of Customer's output. All metering shall be at a location that is readily accessible by Company.
- U. **Further Assurances.** Customer agrees to cooperate with Company and provide additional information or documents deemed reasonable to determine Customer's eligibility to participate in the Pilot or confirm the accuracy of the information provided in the Interconnection Application.
- V. **No Company Liability.** Customer acknowledges that Customer or its contractor shall be solely responsible for the installation of the installed Equipment at the Premises and neither Company nor any of its affiliates and their respective employees, consultants, contractors, or agents are responsible for or in any way liable for the installation of the

POWERPAIRSM SOLAR AND BATTERY INSTALLATION PROGRAM PPSB (PILOT)
TERMS AND CONDITIONS

installed Equipment, including but not limited to, determining that the installation of the infrastructure complies with any laws, codes, or industry standards.

- W. **Indemnification.** Customer agrees to indemnify and hold Company, its agents, employees, officers, directors, shareholders, representatives, parent and other affiliates harmless from and against any loss, liability, claim, cost, damage or expense (including reasonable attorney's fees) arising out of or in connection with any of the following:
- a. any inaccuracy in or breach of any of the certifications, representations or warranties of Customer contained in these Terms and Conditions or in the Customer's Application;
 - b. any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Customer pursuant to these Terms and Conditions;
 - c. any acts or omissions of, or as a result of acts or inactions by Customer or its contractors or agents, or as a result of negligence by Customer, its contractors, or agents, which resulted in: (i) injury (including mental or emotional injuries) to or death of any person or (ii) damage to, destruction of or loss of any property; or
 - d. Customer's receipt of the incentive payment, a failure to receive the incentive payment, or any taxes associated therewith.
- X. **Responsible for Battery Requirements.** Customer is responsible for verifying that the selected battery storage system meets all requirements for participation.
- Y. **Misrepresentation.** Customer agrees if it intentionally misstates or misrepresents the operating capacity or operating capabilities of the solar photovoltaic (PV) electric generating system and/or the battery storage system, the Company may request repayment of the PowerPairSM Rebate Payment.
- Z. **Appeal Process.** Company decisions may be appealed by the customer contacting or filing an informal complaint with the Public Staff of the North Carolina Utilities Commission (Public Staff) or by filing a formal complaint with the North Carolina Utilities Commission. The Public Staff may be contacted by email at Consumer.Services@psncuc.nc.gov or by telephone at 866.380.9816.
- AA. **Program Website.** Visit us online at <https://www.duke-energy.com>.
- BB. **Contact Us.** Email us at PowerPair@duke-energy.com with any program related questions or concerns.
- CC. **Governing Law.** These Terms and Conditions shall be construed in accordance with the laws of the State of North Carolina.

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- A. **Terms and Conditions.** These Terms and Conditions (the “Terms and Conditions”) apply to the Duke Energy Progress, LLC (the “Company”) PowerPairSM Pilot Program approved by the North Carolina Utilities Commission (the “Commission”) in Docket No. [—E-2, Sub1287](#) (the "Pilot") a copy of which is available at the following link: [↔duke-energy.com/PowerPair](#). In the event of a discrepancy between these Terms and Conditions and the Pilot, the terms of the Pilot (as may be amended from time to time) shall prevail. These Terms and Conditions and the payment of any incentive under the Pilot is subject to change or cancellation at any time prior to payment to customer.
- B. **Customer Compliance.** By applying for and participating in the Pilot, the customer (the “Customer”) agrees to comply with these Terms and Conditions and the failure to do so may result in the disqualification of the Customer as determined by Company in its sole discretion.
- C. **Availability; Premises.** The Pilot is available to qualifying customers of the Company on a voluntary basis to reduce the costs of installation of certain solar generation (the “Solar Panels”) and stationary energy storage equipment (the “Battery” and collectively with Solar Panels, the “Installed Equipment”) meeting the requirements set forth in the Pilot and installed at Customer's property (the “Premises”).
- D. **Ownership of Installed Equipment.** The Installed Equipment shall be owned or leased by the Customer at all times during the Term (as defined below). In no event shall Company own the Installed Equipment.
- E. **Limitation on Participation.** New participation in the Pilot shall be limited to no greater than 30,000 kW-AC of Solar Panels; if and when the participation limit is met, no additional customers shall be enrolled in the Pilot.
- F. **Customer Attestations.** By submitting an application to participate in the Pilot, the Customer attests that each of the following is true:
- that Customer is a North Carolina utility customer of the Company;
 - that Customer owns or leases the Installed Equipment; and
 - That Customer is the owner of the Premises and has the authority to enroll the Premises in the Pilot and to grant Company access rights thereto as contemplated in the Pilot and detailed in these Terms and Conditions.
- G. **Eligibility.** To be eligible to participate in the Pilot and receive the PowerPairSM Incentive, the Customer must meet and comply with all of the following requirements:
- The Customer must be installing a complying solar generation and a battery storage system at the Premises for the first time or must have completed installation no earlier than 90 days prior to submission of an application to the Pilot program, subject to capacity and participation limits. Completion will be determined based on the Operational Date of Installed Equipment as determined by the Company, which may be no earlier than 90 days prior to submission of an application and no later than 270 days following notification of the PowerPairSM Reservation. Customers who are installing additional solar generation to an existing solar generation system are not eligible to participate in the Pilot.

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- b. Customer must have submitted a valid Interconnection Request for the Installed Equipment before submitting an application to the Pilot program.
 - c. Customer must be a North Carolina customer receiving concurrent electric retail service from the Company and meet the eligibility requirements of and participate in an approved Company residential rate schedule.
 - d. The Customer must enroll and participate in either Net Metering Bridge Rider NMB or Residential Solar Choice Rider RSC. The Company may manage new participation under the net metering riders to achieve minimum levels of participation under each.
 - e. If the Customer participates in Net Metering Bridge Rider NMB, the Customer must enroll and participate in the battery control option of the EnergyWise Program.
 - f. The Customer must agree to and comply with these Terms and Conditions throughout the Term.
 - g. Installed Equipment must be installed by a Company-approved installer and shall be subject to inspection and verification upon request by the Company. Installer must be Company-approved prior to Customer submitting an application for a PowerPairSM Incentive for the Installed Equipment.
 - h. Maximum export to the grid from the Customer's energy system, including but not limited to Installed Equipment, must not exceed 20 kW-AC at any time.
 - i. The Customer's Battery must comply with interconnection standards and maintain internet connectivity in order to track usage data. Approved Battery models will be posted on the Company's website.
 - j. The Customer must own the premises for which the PowerPairSM Incentive is sought, including access and rights to the location of Installed Equipment.
- H. **Application Requirement:**
- a. Customer must complete and submit an application on the Company's website requesting service under the program in accordance with the random selection process (RSP) system rules outlined in the Pilot.
 - b. The first day of the initial application period will be posted on the Company's website with at least 30 days' notice. Applications may be submitted no earlier than the first day of the application period and are applicable to both new installations and installations completed no earlier than 90 days prior to submission of an application.
 - c. Details regarding the application acceptance and review process are further described in the Pilot. Customers may initially apply for the Pilot during a four-week application period. If eligible applications received in the initial four-week period exceed the participation limit, eligible applications will be entered into the RSP. The Company will send communications to customers informing them of their receipt of a PowerPairSM Reservation or placement on a waiting list. After communications are sent, a second application period will open with applications received added to the waiting list in first come, first served order.
 - d. If eligible applications received in the initial four-week period do not exceed the participation limit, the Company will continue to accept applications beyond the first four weeks and PowerPairSM Incentives will be allocated to eligible applications on a first come, first served basis.

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- e. All information requested in the application must be provided, as applicable, and must include nameplate capacity in kW-AC (alternating current) for the Solar Panels and in kW- DC (direct current) and kWh for the Battery for which the PowerPairSM Incentive is sought.
 - f. The Customer may apply prior to installation of the new solar generation and energy storage system in which case a PowerPairSM Reservation will be provided reserving the PowerPairSM Incentive (as defined in the Pilot).
 - g. The Customer must complete the installation within 270 days following Company notification of the PowerPairSM Reservation. If Customer receives a PowerPairSM Reservation but does not complete installation within 270 days, then the Customer's application and PowerPairSM Reservation will be canceled, and the resulting unused PowerPairSM Incentive capacity will be made available for other applications.
 - h. The Company may stop accepting new applications before the end of the three-year enrollment window if it becomes evident that the waiting list is too long for new applications to have a reasonable probability of receiving a PowerPairSM Incentive allocation.
 - i. Waitlisted customers who are not allocated unused capacity by the end of the three-year enrollment window will have their applications cancelled.
- I. **PowerPairSM Incentive Payment.**
- a. Payment Terms: To receive an incentive payment the Customer must first submit a Certificate of Completion indicating that the installation of the Installed Equipment is complete, and the Company must confirm that billing under an eligible rate schedule and Rider has commenced.
 - b. The Customer shall receive a one-time PowerPairSM Incentive based upon the kW-AC nameplate rating of customer's Solar Panels and the kWh nameplate rating of the customer's Battery. The PowerPairSM Incentive shall not exceed the capacity requested in Customer's PowerPairSM application and in all cases shall be limited to 10 kW-AC for the Solar Panels and 13.5 kWh for the Battery.
 - c. Pursuant to the applicable Rider selected for participation, the Customer's total installed capacity shall not be limited by the maximum incentive limits.
 - d. The participating PowerPairSM customer shall receive a one-time incentive payment of \$0.36 per watt for eligible Solar Panel installation and ~~\$240~~\$400 per kilowatt hour for eligible Battery installation.
 - e. The PowerPairSM Incentive shall only be provided once for Installed Equipment.
- J. **Tax Reporting.** Customer acknowledges and agrees that payments made by Company to Customer will be reported to the IRS on Form 1099 and that Customer is solely responsible for any income tax consequence of the receipt of incentive payback.
- K. **Potential Tax Credits.** If available, Customers may qualify for United States Federal tax credits as a result of installing the Solar Panels and/or Battery. Customers are solely responsible for confirming tax credit eligibility and if applicable filing for and claiming the appropriate credit. Company makes no representations or warranties as to the availability of any such tax credits and any risk as to the availability or non-availability of any such tax credits shall be borne entirely by Customer.

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- L. **Term.** Customer agrees to participate in the PowerPairSM Program for a term of 10 years (120 months) commencing with the start of billing under the applicable net metering rider and ending on the 10-year anniversary thereof (the “Term”).
- M. **Early Termination Charges.** If the Installed Equipment is removed, or the agreement for electric service at the Premises is terminated, or electric service at the Premises is discontinued under an applicable rate schedule as prescribed in the availability section of the Pilot prior to the expiration of the Term, the Customer’s participation in the Pilot will be terminated and an early termination charge (“Early Termination Charge”) shall apply unless the termination is for good cause as determined by Company in its reasonable discretion. Good cause includes any act or circumstance resulting in early termination, which is beyond the control of the Customer, and includes circumstances where the Customer sells the home where the Installed Equipment is installed.
- a. The Early Termination Charge shall be calculated as follows:
(one minus the number of months since initial participation divided by 120 multiplied by the applicable PowerPairSM Incentive = Early Termination Charge)
- Example – for illustration purposes only, is as follows:
(1-(74 months since initial participation / 120 months initial term)) * \$3600 total incentive amount paid = \$1380 total amount due to Company.
- N. **Termination for Cause.** Company reserves the right to terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment paid to Customer at any time upon written notice to the Customer in the event that the Customer intentionally violates any of these Terms and Conditions or operates the Installed Equipment in a manner which is detrimental to the Company and/or its customers and fails to correct such operation. Company may also terminate Customer’s participation in the Pilot and request repayment of the PowerPairSM Incentive payment if the Customer intentionally misstates or misrepresents the operating capacity or operating characteristics of the Installed Equipment during the Term.
- O. **Inoperable Equipment Monthly Charge.** If any portion of the Installed Equipment is rendered inoperable within the Term, the Customer may be assessed a monthly charge after a 90-day grace period (“Inoperable Equipment Monthly Charge”). In order to be considered “operable”, the Installed Equipment must be provided with and maintain a reliable and functioning internet connection and must be capable of generating electricity (Solar Panels) and storing electricity (Battery). The Inoperable Equipment Monthly Charge shall be equal to the total PowerPairSM Incentive payment amount divided by the total number of months in the term (120 months). The Inoperable Equipment Monthly Charge shall continue to be assessed until such time as the Installed Equipment is rendered operable again or until the end of the Contract Period. If the Customer’s Installed Equipment remains inoperable for a continuous 12-month period beyond the grace period, the Customer may be removed from the Pilot and assessed an Early Termination Charge.
- a. Example of Inoperable Equipment Monthly Charge Calculation – for illustration purposes only: \$3600 total incentive amount paid / 120 months initial term = \$30 per

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month charge amount.

- P. **No Warranty.** Notwithstanding anything to the contrary set forth in these Terms and Conditions or in the Pilot, Company makes no representations or warranties of any kind regarding the reduction in the actual electricity usage at the Premises or that Customer will realize any savings resulting from the Installed Equipment at the Premises or by Customer's participation in the Pilot.
- Q. **Additional Provisions.** Customers may switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC after completion of ~~24~~ months in their selected rider, subject to availability, and will be subject to applicable terms and conditions and eligibility requirements for continued participation in the Pilot program immediately upon switching. Customers may only switch between Net Metering Bridge Rider NMB and Residential Solar Choice Rider RSC twice during the 120-month contract period. Switching net metering riders under the Pilot in this manner will not affect the Customer's Term.
- R. **Access to the Premises.** Customer agrees to allow Company and/or its contractors access to the Premises to inspect the Installed Equipment upon reasonable request by the Company. If the Premises is occupied by a tenant that is not a party to this agreement, Customer shall make arrangements with the tenant to facilitate access to the Premises in accordance with this Section. Failure to allow Company access to the Premises may result in the disqualification of Customer.
- S. **Use of Data.** Through the Customer's enrollment in the Pilot, the Customer grants the Company and, if applicable, a third party working on the Company's behalf, rights to access and use all data associated with operation and operating characteristics of Installed Equipment. The Customer agrees to complete the steps necessary to provide the Company access to operating data for the Installed Equipment before receiving the PowerPairSM Incentive payment.
- T. **Metering Equipment.** Customer hereby grants Company the right, at Company's expense, to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the Installed Equipment. Customer shall provide access and designate a location on the load side of Company's billing meter for Company to furnish, install, own, and maintain metering with capability to record 100% of Customer's output. All metering shall be at a location that is readily accessible by Company.
- U. **Further Assurances.** Customer agrees to cooperate with Company and provide additional information or documents deemed reasonable to determine Customer's eligibility to participate in the Pilot or confirm the accuracy of the information provided in the Interconnection Application.
- V. **No Company Liability.** Customer acknowledges that Customer or its contractor shall be solely responsible for the installation of the installed Equipment at the Premises and neither Company nor any of its affiliates and their respective employees, consultants, contractors, or agents are responsible for or in any way liable for the installation of the

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 - c. any acts or omissions of, or as a result of acts or inactions by Customer or its contractors or agents, or as a result of negligence by Customer, its contractors, or agents, which resulted in: (i) injury (including mental or emotional injuries) to or death of any person or (ii) damage to, destruction of or loss of any property; or
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