



**OFFICIAL COPY**

May 1, 2009

Ms. Renne Vance, Chief Clerk  
North Carolina Utilities Commission  
430 North Salisbury Street – Dobbs Building  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4325

**FILED**

**MAY 01 2009**

Clerk's Office  
N.C. Utilities Commission

RE: Residential Service Home Energy Improvement Program HEIP-1  
NCUC Docket Nos. E-2, Sub 936

Dear Ms. Vance:

In compliance with the Commission's order dated April 30, 2009 in the above referenced docket, enclosed are 32 copies of the Residential Service Home Energy Improvement Program HEIP-1 tariff that describes demand side management and energy efficiency incentives available for residential dwellings.

Very truly yours,

Len S. Anthony  
General Counsel  
Progress Energy Carolinas, Inc.

Enclosures  
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Progress Energy Service Company, LLC  
P.O. Box 1551  
Raleigh, NC 27602

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**RESIDENTIAL SERVICE – HOME ENERGY IMPROVEMENT  
PROGRAM HEIP-1**

**Clerk's Office  
N.C. Utilities Commission**

**PURPOSE**

The purpose of this program is to offer customers a variety of energy conservation measures designed to increase energy efficiency in existing residential dwellings that can no longer be considered new construction. This Program will utilize a network of customer-selected contractors from a prequalified list provided by Company to install energy efficiency measures: (1) to encourage the installation and maintenance of high efficiency air conditioning (AC) and heat pump systems, (2) to encourage the installation of high efficiency windows, (3) to encourage attic insulation and sealing and (4) to perform tune-up maintenance on heat pumps or central AC units.

**AVAILABILITY**

The program is available to customers served under a residential service schedule by Company and is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter under the provisions of this Program.

Customer shall not be eligible for incentives available under this program, if an incentive was paid as a part of the Home Advantage program for new construction. Incentives are only applicable to measures installed by a prequalified contractor approved by Company.

**INCENTIVE PAYMENTS**

Customer shall receive incentives for qualifying equipment or other measures. The incentive payable to Customer:

1. For air duct testing shall be 50% of the cost of the test, not to exceed \$60 for first unit tested or \$90 for two or more units per dwelling.
2. For air duct repair shall be 50% of the repair cost, not to exceed \$120 for one unit or \$240 for two or more units per dwelling.
3. For increased attic insulation to a minimum of R30 and attic air sealing will be paid at 37.5 cents per square foot, not to exceed \$375 per dwelling.
4. For the installation of high efficiency central AC, heat pumps, and geothermal heat pumps shall be \$300 per unit with a maximum of 2 units per dwelling subject to an incentive.
5. For energy efficient windows shall be \$30 per window, not to exceed \$450 per dwelling.
6. For HVAC tune-up level I, consisting of condenser coil cleaning, shall be \$45. Customer shall not be eligible for a level I incentive for three years following a level I or II tune-up.
7. For HVAC tune-up level II, consisting of level I plus correcting refrigerant charge and adjusting air flow, shall be \$100. Customer shall be eligible for an HVAC tune-up level II incentive only once for the HVAC equipment life.

## RESPONSIBILITY OF PARTIES

A dwelling is eligible to receive an incentive for each central air conditioner or heat pump installed based on the efficiency level, not to exceed 2 units per dwelling. The work performed for all measures must be completed by a Progress Energy prequalified contractor who has met the program training requirements and guidelines as set forth by the Program.

## CONTRACT TERM

Customer shall submit the required incentive application form, including required documentation such as equipment cut sheets and the original contractor invoice as provided by the contractor based upon program requirements, within ninety (90) days of completion of the work. Incentive application forms received after ninety (90) days will not be subject to an incentive payment.

All energy conservation measures shall be subject to inspection by Company for the purposes program evaluation, measurement, and verification.

## OTHER CONDITIONS

The following equipment specifications shall be met in order to be eligible to receive an incentive:

High Efficiency Heat Pump Replacements - the unit(s) replaced shall be a minimum SEER (Seasonal Energy Efficiency Ratio) of 15 and existing equipment shall not be greater than SEER of 13.

High Efficiency Central AC Replacements - the unit(s) replaced shall be a minimum SEER of 15 and existing equipment shall not be greater than SEER of 13.

Geothermal Heat Pumps - shall be a minimum EER (Energy Efficiency Ratio) of 19 and existing equipment shall not be greater than EER of 17.

Attic Insulation - shall bring the insulation up to a minimum of R30 and existing insulation shall not be higher than R19.

Energy Efficient Windows – existing windows shall be replaced with low E glass with a minimum U-value of 0.4 and Solar coefficient heat gain factor of 0.4.

## GENERAL

Service rendered under this Program is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Effective for service rendered on and after April 30, 2009  
NCUC Docket No. E-2, Sub 936