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February 12, 2016

The Honorable Jocelyn Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
P. O. Drawer 11649
Columbia, South Carolina 29211

Re: Application for Approval of Residential Service Home Energy Improvement Program HEIP-4C
Docket No. 2016-36-E

Dear Mrs. Boyd:

Please allow this letter to provide notice to the Public Service Commission of South Carolina ("the Commission") that, pursuant to Order No. 2016-120, Duke Energy Progress, LLC has filed the tariff for Residential Service Home Energy Improvement Program HEIP-4C electronically using the Commission's E-Tariff System. The Office of Regulatory Staff reviewed the tariff prior to submission.

Please let me know if you have any questions.

Very truly yours,

Charles A. Castle

cc: Service List

RESIDENTIAL SERVICE
HOME ENERGY IMPROVEMENT PROGRAM HEIP-4C

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 of high efficiency central air conditioning (AC) and heat pump systems, (2) to encourage attic insulation and sealing, (3) to perform maintenance in combination with diagnostic audits on heat pumps or central AC units, (4) to encourage the installation of heat pump water heaters, (5) to encourage high efficiency room air conditioning, and (6) to encourage the installation of high efficiency variable speed pool pumps.

AVAILABILITY

The program is available to customers whose premise is at least one year old, is 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.

Incentives are only applicable to measures installed by a prequalified contractor approved by Company; however, high efficiency room air conditioners may be self-installed and do not require the use of a prequalified contractor.

INCENTIVE PAYMENTS

For installations on and after December 15, 2011, Customer shall receive incentives for qualifying equipment or other measures:

1. For air duct repair, 50% of the repair cost, not to exceed $190 per dwelling.
2. For increasing attic insulation to a minimum of R30 and attic air sealing, 37.5 cents per square foot, not to exceed $500 per dwelling.
3. For the installation of high efficiency central AC, heat pumps, and geothermal heat pumps, $300 per unit.
4. For an HVAC audit, consisting of condenser coil cleaning plus correcting refrigerant charge and adjusting air flow using Company approved diagnostic tool, $100. Customer shall be eligible for an HVAC audit incentive only once for the HVAC equipment life.
5. For the installation of heat pump water heater(s), $350 per dwelling.
6. For high efficiency room air conditioner(s), $25 per unit with a maximum of 4 units per customer account subject to an incentive.
7. For the installation of high efficiency variable speed pool pump(s) in owner-occupied single-family residences, $300.

Incentive Payments for qualifying energy efficient window installations, HVAC tune-up - level I and duct testing under Program HEIP-2 shall continue to be available for installations completed on or before January 14, 2012.

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. The work performed for all measures must be completed by a Company prequalified contractor who has met the program training requirements and guidelines as set forth by the Program; however, high efficiency room air conditioners may be self-installed and do not require the use of a prequalified contractor.

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 that date will not be eligible to receive an incentive payment.

All energy conservation measures shall be subject to inspection by Company for the purposes of 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 replacement unit(s) shall be a minimum SEER (Seasonal Energy Efficiency Ratio) of 15.

High Efficiency Central AC Replacements - the replacement unit(s) shall be a minimum SEER of 15.

Geothermal Heat Pumps - shall be a minimum EER (Energy Efficiency Ratio) of 19.

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

Heat Pump Water Heaters – the replacement unit(s) shall have a minimum Energy Factor of 2.0.

High Efficiency Room Air Conditioning – the unit(s) shall be Energy Star qualified.

High Efficiency Variable Speed Pool Pumps – the unit(s) shall be Energy Star qualified.

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.

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.

Supersedes Program HEIP-4B
Effective for service rendered on and after February 10, 2016
SCPSC Docket No. 2016-36-E, Order No. 2016-120