

SMART \$AVER® PRESCRIPTIVE PROGRAM

APPLICABILITY

Available to non-residential customers in the Company's electric service area taking service under all non-residential rates who choose to participate by completing and submitting an application.

PROGRAM DESCRIPTION

The Smart Saver Energy Prescriptive Program is part of Duke Energy Kentucky's portfolio of programs offered through Rider Demand Side Management Program (Rider DSM) and recovered through the Company's Rider DSMR (Demand Side Management Rate). The purpose of this program is to encourage the installation of high efficiency equipment in new and existing nonresidential establishments. The program will provide incentive payments to offset a portion of the higher cost of energy efficient equipment. The program also encourages maintenance of existing equipment in order to reduce or maintain energy usage.

The Company may vary the incentive by type of equipment and differences in efficiency in order to provide the minimum incentive needed to drive customers to purchase higher efficiency equipment. The Company reserves the right to adjust the incentive, for specific equipment, on a periodic basis, as equipment efficiency standards change, and as customers naturally move to purchase higher efficiency equipment. The following types of equipment are eligible for incentives.

- High efficiency lighting
- High efficiency heating, ventilation and air conditioning equipment
- High efficiency food service equipment
- Other high efficiency equipment as determined by the Company on a case by case basis
- Maintenance to increase the efficiency of existing equipment

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In order to receive an incentive payment under this program, the owner must submit an application before or within ninety (90) days of installation, along with the required documentation and verification that the installed efficiency measures meet the requirements of this program. The Company reserves the right to inspect the premises of the customer both before and after implementation of the measure for which payment is requested. Incentive payments will be made only after the equipment has been installed, and is operable, as verified by the Company. Multiple incentive payments may be requested for each establishment; however, the Company reserves the right to limit the payments per establishment per year. The amount of the incentive payment for various standard types of equipment will be filed with the Commission annually, for information, and posted to the Company's website at www.duke-energy.com.



Issued by authority of an Order by the Kentucky Public Service Commission dated September 13, 2018 in Case No. 2017-00427.

Issued: December 19, 2018
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Issued by Amy B. Spiller, President /s/ Amy B. Spiller

PROGRAM DESCRIPTION (Contd.)

In addition, Duke Energy Kentucky may support several channels to offer instant prescriptive incentives that reduce the price of energy efficient products at the time of purchase. Channels may include an online store, customer purchases made through a distributor, and other channels which will increase participation in the program. The incentives offered through these channels will be consistent with current program incentive levels.

The incentive payment to the customer or owner will not exceed the percentage limit, as stated on the posted application forms, of the installed cost difference between standard equipment and higher efficiency equipment or the cost of the maintenance service. With Company approval, the customer or owner may designate that payment be made to the vendor or other third party.

Duke Energy Kentucky may limit payments of prescriptive rebates through a reservation system in which customers and trade allies seeking a prescriptive reservation submit a Pre-Application in advance of starting an energy efficiency project.

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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, Duke Energy Kentucky 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.

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SERVICE REGULATIONS

The provisions contained in this tariff sheet do not supersede or replace any of the charges and terms contained in the standard base rate and rider tariff sheets. The standard base rate and rider charges apply to all customers.

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as approved by law.



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