SMART THERMOSTAT Program

Palmetto Electric Cooperative, Inc. ("PEC") is offering a residential peak control smart thermostat program to provide qualifying members the opportunity to receive incentives for participating. The terms and conditions below ("Terms and Conditions") set forth the enrollment requirements, program procedures and details related to incentives members may receive. By signing and joining the program member agrees to comply with and be bound by the Terms and Conditions.

TERMS AND CONDITIONS

1. To qualify for the program incentives, the service location must be serviced by Palmetto Electric Cooperative, Inc., homeowner must be a Palmetto Electric Cooperative member with an active account in good standing at the location listed on the enrollment form, complete an enrollment application and abide by all Terms and Conditions.

2. For a minimum of three (3) years, homeowner must have a properly installed smart thermostat, which must remain a functioning part of the home's heating and air conditioning system. Homeowner must also maintain enrollment in PEC's Smart Thermostat program. Only approved models of ecobee and Emerson brand thermostats may participate.

3. Homeowner must grant permission to PEC to monitor and control the thermostat during high energy load periods through the homeowner's Wi-Fi system.

4. Homeowner must have and maintain an active Wi-Fi internet subscription service and allow the smart thermostat to be connected to the service. The Wi-Fi router must broadcast on a 2.4 GHz network.

5. Peak control events: There will be up to six control events per month. During each event, the thermostat's temperature settings may be adjusted as needed, up to 4 degrees above or below member's desired setting. To help improve comfort during the events, pre-cooling or pre-heating may be utilized.

6. Event Opt-Out: Prior to each peak control event, a notification message will be sent via the Thermostat, Email, or the mobile app. This notification will provide notice of an upcoming peak control event and an opportunity to opt-out of the event.

7. Homeowner can opt-out any time after a control event has started, however, if a member optsout and overrides more than 30% of the peak control events, future incentives will be voided, enrollment in the program will be cancelled and homeowner may be subject to exit fee in section 14

8. Homeowner will receive monthly incentives, Smart Rewards, based on peak control event participation percentage. Systems with gas heat are not eligible for monthly incentives, Smart Rewards. Maximum of two thermostats per household will be eligible for incentives. A "zoned system" with more than one thermostat is eligible for only one Smart Reward. Incentives may be

awarded as a bill credit or other type as selected by PEC. Incentives are subject to change. See palmetto.coop for current incentives.

9. Monthly incentives, Smart Rewards, are only guaranteed for 3 years from member start date in this program.

10. Thermostat must be connected per mfg. specifications and all state and local codes. Some smart thermostats may not support proprietary features supported by communicating thermostats such as variable fan speed. Depending on the make and model of your equipment, you may need to contact your equipment manufacturer to verify compatibility.

11. Homeowner should report ecobee thermostat problems to ecobee technical support 1-877-932-6233 or https://support.ecobb.com/hc/en-us or the installation service company.

12. Mobile home customers must own the land on which the home resides, and the home must be attached to a permanent foundation.

13. During the program term, PEC must be allowed to inspect the thermostat as needed to insure proper operation and program compliance.

14. Exit Fee: If homeowner elects to cancel program enrollment, closes the electric account, or becomes out of compliance with these terms and conditions for any reason during the 3-year term, member will be charged an exit fee up to \$200 per thermostat.

15. PEC makes no warranty or guarantee on the enrolled smart thermostat, installation, operation of HVAC system, or energy savings. Under certain conditions energy use may increase.

16. This program may end or change without notice at any time.

Rev. 01/31/22