

## **EXHIBIT 1**

### **A. The Class Benefit Fund Board of Trustees**

1. The Board of Trustees (“Board”) of the Class Benefit Fund (“CBF”) shall be composed of five members selected as described in the Stipulation of Settlement (“Stipulation”), who shall serve as long as the CBF or any of its programs exists.
2. The Board shall implement and fund new programs, to fund existing programs, or to make grants that it believes (a) will directly or indirectly benefit class members, and (b) are consistent with the purposes of the CBF as set forth in the Stipulation. The Board shall be bound by the “Basic Program Parameters” and “Program Funding Restrictions,” and shall be guided by the “Examples of CBF Programs” set forth below. The Board’s decisions are subject to the approval of the Court presiding over the underlying matter and in the case of program formation, such approval shall be obtained prior to implementation. Any party to the Stipulation may challenge any decision made by the Board pursuant to this Paragraph and may seek resolution of the issue by the Court presiding over the underlying matter. The Board shall also adopt and abide by an appropriate conflict of interest policy concerning the exercise of its discretion under this Paragraph.

### **B. Basic Program Parameters**

1. Any member of the class may apply for any benefit funded by the CBF and may apply for more than one such benefit; provided, however, that the Board shall set reasonable limits on:
  - i. the total amount of benefits that an individual residential class member may receive in a given year and over the life of the CBF or its programs, and
  - ii. the total amount of benefits that an individual non-residential class member may receive in a given year and over the life of the CBF or its programs.

In setting these limits, the Board shall take into consideration the Class Compensation Formulae approved by the Court and give appropriate weight to the amounts of direct payments that each type of class member is or was entitled to receive under the Stipulation, and to the need to avoid giving an undue or disproportionate share of CBF benefits to any class member or type of class member.

2. Even if it is not a member of the class, a not-for-profit entity may apply for funding available from the CBF so long as it agrees (a) that no less than 95% of the funding will be provided directly to class members for purposes approved by the Board, and (b) to provide such benefits to class members within Duke Energy Ohio’s service territory.

3. The Board should familiarize itself with existing energy-related programs in the Duke Energy Ohio service territory and should endeavor, where appropriate, to extend, augment, supplement, and/or complement such programs without unreasonably adding to their overall costs.
4. The Board should foster and pursue opportunities to combine CBF dollars with matching funds from other organizations to facilitate any CBF program.
5. The Board should foster and pursue opportunities to distribute CBF funds in the Duke Energy Ohio service territory for the benefit of class members residing in that territory, but may, where reasonable and consistent with the restrictions contained herein, grant applications to class members who no longer reside in the service territory, so long as the application seeks funding that meets the other parameters set forth herein.
6. Except as limited by Paragraphs C (1), (2), and (3) below, the Board may institute programs designed to: (a) educate class members about energy efficiency measures, (b) facilitate follow up with class members on, and encourage them to implement, energy efficiency recommendations, and (c) provide or facilitate financing options for energy improvement or weatherization projects.

**C. Program Funding Restrictions**

1. Duke Energy Ohio must fulfill certain federal and Ohio regulatory requirements within the Duke Energy Ohio service territory, including requirements related to energy efficiency. Attachment A-1 lists energy efficiency and related programs that Duke Energy Ohio currently offers in its service territory, and intends to continue offering at least through December 31, 2016, in order to fulfill the current Ohio (and potentially federal) regulatory energy efficiency requirements. The Board shall avoid instituting or funding any program that duplicates, or would prevent Duke Energy Ohio from carrying out, any program listed in Exhibit A-1 or requires Duke Energy Ohio to provide any customer-specific information (e.g., account number, address, and other personal information). To the extent that Duke Energy Ohio offers any of the programs listed in Exhibit A-1 beyond December 31, 2016, the same restrictions stated above shall remain in place. If in the future Duke Energy Ohio has to institute any additional program not listed in Exhibit A-1 in order to comply with federal or Ohio regulatory requirements, the Board shall work to ensure that no CBF program or grant would prevent Duke Energy Ohio from carrying out such additional program(s).
2. No CBF funds shall be used for any municipal or other aggregation of electricity purchases.
3. No CBF funds shall be used to establish any solar energy program or project.

4. No program established, supported, or funded through the CBF shall seek to impact competition in the retail electric market or otherwise alter the supply of electric generation.
5. To the extent the Board approves a project for capital improvements, such project shall be funded at no more than 15% of the approved amount at the start of the project, with the remainder to be paid upon proof of its completion.
6. The Board shall require quarterly reporting from grant recipients to ensure that funds are being expended as expected.
7. Over the life of the CBF, the Board must use some portion of the CBF funds to benefit each of the different types of class members.

**D. Examples of CBF Programs**

Subject to the restrictions set forth in Section C above, the following are examples of programs that would be consistent with the “Basic Program Parameters” and the “Program Funding Restrictions” set forth above:

1. Energy efficiency programs beneficial to residential customers, to commercial, industrial or business customers, or to rental housing stock customers. Such programs may include weatherization programs; education and outreach regarding energy efficiency; energy audits/assessments; direct install of basic energy efficiency products and measures; co-pay funding for energy efficiency measures; and lower cost financing for capital investments.
2. Programs providing grants to public assistance programs (“PAPs”) that would provide energy-related benefits for low-income residential customers in Duke Energy Ohio’s service territory (e.g., related to heating, cooling, or energy efficiency), which assistance is not currently being provided.
3. Programs providing grants to not-for-profit entities to enable them to offer and provide energy-related improvements to low-income and lower-middle-income residential customers.
4. Programs providing training to employees of industrial and commercial businesses that is designed to improve the energy efficiency of such businesses or their facilities.
5. Grants to non-residential customers (e.g., businesses or manufacturers) within Duke Energy Ohio’s service territory for specified energy-related applications that are designed to enhance the energy efficiency, or reduce the environmental impact, of such business or manufacturing facility (e.g., upgrades to HVAC, insulation, use of electric forklifts, etc.).



**FINAL 4**

**OHIO CUSTOMER EFFICIENCY PROGRAMS**

***PRODUCT OFFERS***

***July 27, 2015***



## Non-Residential Product Offers – Greg Tiernan

Non-Residential Product Offers Greg Tiernan						
Prescriptive Programs	<b>Lighting</b>			Incentive Amount	\$1 - \$400	
	Eligibility: : All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		Commercial Prescriptive offerings are designed to reward businesses for installing energy efficient equipment. In turn, these programs will benefit area businesses, including industrial customers and governmental customers, by providing incentives to implement energy-saving measures. New efficient lighting technologies provide direct or indirect lighting and use up to 30 percent less energy than standard fluorescent lighting equipment. That can mean energy savings and significantly lower operating costs for Duke customers.			
	<b>Food Service/Refrigeration</b>			Incentive Amount	\$1 - \$1500	
	Eligibility: All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		Investing in high-efficiency food service equipment can help cut energy costs by 10 to 30 percent. In addition, it can improve the quality of food prepared, increase productivity and contribute to a cleaner environment, all making high-efficiency equipment a worthwhile investment.			
	<b>Process Equipment</b>			Incentive Amount	\$1 - \$75	
	Eligibility: : All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		While processes vary significantly, several technologies can offer significant energy savings and can be applied easily and consistently. Engineered nozzles can be used on various compressed air systems to reduce the compressed air needed for a specific job, significantly reducing compressor run-time. Incentives are also available for industries using barrel wraps for injection molding and extrusion and duct wraps for pellet drying. Both provide the insulation needed to avoid temperature loss, which also saves energy.			
	<b>Pumps/VFDs</b>			Incentive Amount	\$40 - \$400	
	Eligibility: All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		Pumps can account for 75 percent or more of your energy use. By replacing pumps or investing in new high-efficiency pumps, customers can significantly lower your energy costs. A variable frequency drive is one of the most effective ways for businesses to reduce energy consumption. With Duke Energy's VFD incentives, the return on investment is even more appealing.			

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Prescriptive Programs	<b>HVAC</b>			Incentive Amount	\$0.10 - \$240	
	Eligibility: All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		Temperature in the workplace plays an important role in providing a comfortable environment for employees and customers. High-efficiency HVAC equipment not only helps create a pleasant and productive atmosphere, but can also provide energy savings of up to 15 to 20 percent.			
	<b>Information Technology</b>			Incentive Amount	\$4 - \$3069	
	Eligibility: : All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		Computer, monitors, printers, servers and other data processing equipment play an important part in business today. The right products and the right configuration can lower operating cost.			
	<b>Chillers/Thermal Storage</b>			Incentive Amount	\$1.50 - \$64.30	
	Eligibility: All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		While keeping work areas comfortable is essential to productivity, cooling commercial and industrial facilities can have a serious impact on their bottom line. By installing or retrofitting with high-efficiency chillers and thermal storage technologies, customers can significantly reduce your summer energy costs.			
	<b>Mercantile Self-Direct</b>			Incentive Amount	\$.05 - \$1534.50	
	Eligibility: Non-residential customers who have completed past projects and initiatives that have not received incentives through Duke Energy programs. Projects completed on or after January 1, 2012. Customers must also use more than 700,000 kilowatt-hours (kWh) per year – or be part of an account with multiple locations.		Rebates are available for projects that would usually fall under Duke Energy's Smart \$aver prescriptive and custom programs. Mercantile Self Direct rebates are also offered for no-cost and low-cost measures, such as behavioral initiatives that improved energy efficiency.			
Custom Programs	<b>Smart \$aver®</b>			Incentive Amount	Typically \$0.065/kWh plus \$150/peak summer kW	
	Eligibility: All non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		Designed to meet the needs of Duke Energy customers with measures not covered by standard Prescriptive Smart \$aver® incentives			

Non-Residential Product Offers Greg Tiernan						
Custom Programs	<b>Mercantile Self-Direct</b>			Incentive Amount	Typically \$0.0325/kWh plus \$75/peak summer kW	
	Eligibility: Single non-residential customer accounts with 700,000kWh or more annual consumption as well as national/regional accounts customers (as defined by statute) are eligible to participate.		Incentives buy down the incremental cost difference between standard and energy efficient equipment. Provides expertise to complicated technologies. Self-Direct rebates are available for past projects and initiatives that have not previously received a Duke Energy incentive.			
Small Business Direct Install	<b>Small Business Energy Saver</b>			Incentive Amount	Paid per kWh saved, up to 80% of total project price	
	Eligibility: Active non-residential accounts with average annual demand of 100 kW or less.		Small Business Energy Saver is a turn-key program offer which guides small business customers through the energy efficiency upgrade process and provides up to 80% upfront towards the cost of select energy efficiency improvements in lighting, refrigeration and HVAC.			
Business Assessments	<b>Business Assessments/ Business Energy Check</b>			Incentive Amount	50% of Assessment Cost	
	<b>Eligibility:</b> Large (typically 100,000+ square foot facilities) non-residential customer accounts that are currently paying the EE programs rider are eligible to participate.		No matter the size or type of building, business assessments provide the power to take control of a building's energy consumption. Whether you need to drive down operational costs, increase efficiency, meet corporate sustainability goals or address aging infrastructure, energy assessments will help identify areas of inefficiency and make improvements. Assessments bring engineering and energy-related expertise from initial assessment through implementation. Each audit identifies, simplifies, and verifies energy-saving opportunities by following a highly specific methodology.			
Online	<b>Duke Energy Savings Store</b>			Incentive Amount	Incentives are included in pricing.	
	Eligibility: Single Family Residential customer in DEO.		With Duke Energy's Smart Saver Incentive program, businesses can receive cash for installing high-efficiency lighting, HVAC, pumps and other qualifying equipment. The use of energy efficient equipment enables a business to improve its bottom line by reducing energy consumption.			

## Residential Product Offers – Rick Mifflin

	Residential Product Offers Rick Mifflin				
Community Outreach	<b>Neighborhood Energy Saver Program</b>			Incentive Amount	Free to Customer
	Eligibility: : Neighborhoods consisting of 50% of more of households at or below 200% of the Federal Poverty Guidelines.	Direct install of up to 16 low-cost measures for income-eligible customers in selected neighborhoods.			
	<b>Refrigerator Replacement</b>			Incentive Amount	Free to Customer
	Eligibility: Residential customers meeting 200% of Federal Poverty Guidelines owning their refrigerator.	Replacement of inefficient refrigerators of income-qualified customers through state weatherization agencies.			
	<b>Weatherization</b>			Incentive Amount	Free to Customer up to \$4,000
	Eligibility: Residential customers meeting 175% of Federal Poverty Guidelines.	Installation of energy efficient measures, such as insulation, duct sealing, etc. of income-qualified customers through the state weatherization agencies.			
	<b>Heating System Replacement</b>			Incentive Amount	Free to Customer up to \$6,000
	Eligibility: Residential customers meeting 175% of Federal Poverty Guidelines.	Replacement of non-working or inefficient heat pumps with SEER 14 heat pumps for income-qualified customers through the state weatherization agencies.			
	<b>Customer Assistance Funds – Heat Share</b>			Incentive Amount	Up to \$300
	Eligibility: A Duke Energy Ohio homeowner or renter in Adams, Brown, Butler, Clermont, Clinton, Hamilton, Highland or Warren Counties who have Duke Energy Ohio as their heat provider.	Customer Assistance Funds (customer and employee donations and a company match) provided to non-profit agencies to assist customers in bill payment. Share The Warmth also provides space heating or room fans.			
	<b>Gas Low Income Weatherization – Non EE</b>			Incentive Amount	Free to Customer up to \$4,000
Eligibility: Residential customers meeting 175% of Federal Poverty Guidelines.	Weatherization for income-eligible customers with gas heat.				



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Community Outreach	<b>Maintenance Services – Non EE</b>			Incentive Amount	Free to Customer	
	Eligibility: Residential customers meeting 175% of Federal Poverty Guidelines.	Helps elderly and/or disabled homeowners maintain their heating and air conditioning equipment. Must be income-eligible to participate.				
	<b>Gas Furnace Replacement – Non EE</b>			Incentive Amount	Free to Customer	
	Eligibility: Residential customers meeting 175% of Federal Poverty Guidelines.	Furnace replacement for income-eligible customers.				
	<b>Habitat Lighting</b>			Incentive Amount	Free to Customer	
	Eligibility: Single Family Residential customer meeting Habitat requirements	Provides funding to Habitat for Humanity to install energy efficient lighting in newly built homes.				
Direct Offer Programs	<b>Lighting – Free CFLs</b>			Incentive Amount	Up to 15 free CFLs per active residential account.	
	Eligibility: Single Family Residential customer in DEO.	Free opt-in CFLs for qualified residential customers.				
	<b>Lighting – Saving Store</b>			Incentive Amount	Discounted lighting products offered through an online store. Discounts vary by product but the final price is often more than 75% of similar retail prices.	
	Eligibility: Single Family Residential customer in DEO.	Discounted lighting products available through online store.				
	<b>Appliance Recycling</b>			Incentive Amount	Free pick up and \$30 incentive for each working refrigerator or freezer between 10 and 30 cubic feet.	
	Eligibility: Single Family Residential customer in DEO. (Gas only customers are not eligible.)	Incentives offered for turning in refrigerators and freezers that are in working condition. Includes home pick up and recycling of more than 95% of materials.				

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Direct Offer Programs	<b>K12 Performance</b>			Incentive Amount	Free energy saving kit to qualified student families that participate in a brief energy survey.	
	Eligibility: Single Family Residential customer in DEO. Household must have received the curriculum from a participating school and not received a K12 kit in the last 36 months.	Live performance delivered through school assemblies that promote energy education and efficiency. Students/families that opt-in can receive an energy efficiency kit delivered to their home. The kit includes lighting and water saving measures.				
	<b>Home Energy House Call (HEHC)</b>			Incentive Amount	Free in-home energy assessment and an energy saving kit which can be directly installed by the Duke representative.	
	Eligibility: Single Family Residential customer in DEO. With four months usage history, electric heating, water heating and/or central air.	A free in-home walk through assessment that evaluates the energy efficiency of single family homes, educates the customer about energy efficiency, recommends changes to save energy and directly installs energy efficiency measures authorized by the customer. Direct install measures include CFLs, low flow water devices, outlet gaskets and weather stripping.				
	<b>Single Family Low Flow Water Measures (Jan 2016)</b>			Incentive Amount	Free kit of shower heads, faucet aerators and pipe insulation for electric water heating residences.	
	Eligibility: Single Family Residential customer in DEO.	A free kit of energy and water saving measures available to single family customers that have an electric water heater. After enrollment and validation, a kit with low flow faucet aerators, showerhead(s) and insulating pipe wrap is mailed directly to the home. The kit contents vary with the size of the home and estimated number of bathrooms.				
	<b>Multi-Family Energy Efficiency Program</b>			Incentive Amount	Free CFLs, low flow shower heads & faucet aerators and pipe insulation directly installed by Duke Energy representatives. Apartments are enrolled by the property owner or property manager	
	Eligibility: Multifamily properties with four or more units that are individually metered in DEO. To qualify for water measures, water must be heated electrically. Units	Targets apartment complexes that want to make their apartments more energy efficient. Property managers/owners enroll the property in a free direct installation program that replaces permanent fixture incandescent lamps with CFLs and installs low flow water measures for apartments that have individual electric water heaters. Measures are				

	Residential Product Offers Rick Mifflin					
Direct Offer Programs	that have already participated in the Property Manager CFL program are not eligible for lighting.	installed by Duke Energy crews and energy education materials are provided to the property to educate tenants about the program and new measures.				
	<b>GoGreen</b>			Incentive Amount	\$2.00 per Month	
	Eligibility: Single Family Residential customers and business customers in DEO.	Residential Duke Energy customers can purchase a minimum of 2 – 100 kWh blocks or green power for \$2.00 per month.				
Market Partner Programs	<b>HVAC – Central Air Conditioner</b>			Incentive Amount	\$200 to eligible customers for installing a qualified new central air conditioner. Minimum 14 SEER and include an ECM on the indoor unit.	
	Eligibility: Single Family Residential customer in DEO.	Provides incentives to residential customers that install high-efficiency air conditioners.				
	<b>HVAC – Heat Pump</b>			Incentive Amount	\$200 to eligible customers for installing a qualified new central air conditioner. Minimum 14 SEER and include an ECM on the indoor unit.	
	Eligibility: Single Family Residential customer in DEO.	Provides incentives to residential customers that install high-efficiency heat pumps.				
	<b>HVAC – Duct Insulation</b>			Incentive Amount	\$200 to eligible customers for installing a qualified new heat pump, minimum 14 SEER and include an ECM on the indoor unit.	
	Eligibility: Single Family Residential customer in DEO.	Provides incentives to residential customers that increase their duct insulation.				
	<b>HVAC – Duct Sealing</b>			Incentive Amount	\$75 for qualified duct insulation projects in unconditioned space	
	Eligibility: Single Family Residential customer in DEO.	Provides incentives to residential customers that have their ducts sealed.				
	<b>HVAC – Tune Ups</b>			Incentive Amount	\$100 for qualified duct sealing projects in unconditioned space	
Eligibility: Single Family Residential customer in DEO.	Provides incentives to residential customers that have their HVAC units tuned up resulting in energy savings.					

Residential Product Offers Rick Mifflin							
<b>Market Partner Programs</b>	<b>Attic Insulation and Air Seal</b>			Incentive Amount	\$50 for completing a qualified Health Check that implements required energy savings improvements for central air conditioning and heat pumps		
	Eligibility: Single Family Residential customer in DEO.		Provides incentives to residential customers that improve their home's energy efficiency with attic insulation and air sealing.				
	<b>Heat Pump Water Heaters</b>			Incentive Amount	\$250 for a qualified attic insulation and air sealing project.		
	Eligibility: Single Family Residential customer in DEO.		Provides incentives to residential customers that install high-efficiency heat pump water heaters.				
	<b>Variable Speed Pool Pumps</b>			Incentive Amount	\$350 for a qualified installation of a heat pump water heater		
	Eligibility: Single Family Residential customer in DEO.		Provides incentives to residential customers that install variable speed pool pumps.				

## Behavioral Programs – Bill Mann

Behavioral Programs Bill Mann						
<b>Behavioral Programs</b>	<b>My Home Energy Report (MyHER)</b>				Incentive	Report
	Eligibility: All Residential customers are eligible.	My Home Energy Report (MyHER) helps customers better understand their energy usage. The report educates customers about their energy use with simple and easily understood graphics, compares customers’ energy use with similar homes in their area based on home size, age and heating source and motivates customers to change behavior and reduce their energy use by presenting them with timely tips and program offers. My Home Energy Interactive is a website that compliments the report and will be rolled out in 2015.				
	<b>HōM™ Energy Manager</b>				Incentive	Free Thermostats
	Eligibility: Eligibility Criteria: <ol style="list-style-type: none"> <li>1. Digital meter installed</li> <li>2. Central AC/heat</li> <li>3. Up to 2 thermostats</li> <li>4. Owner occupied</li> <li>5. Detached, single family home</li> <li>6. Broadband internet</li> <li>7. Secure Wi-Fi</li> </ol>	HōM™ Energy Manager is a two-way Wi-Fi thermostat based program that offers customers the ability to save energy and participate in demand response programs. This program provides customers with a free Wi-Fi enable thermostat, an online engagement and energy management app and the functionality to potentially enable a variety of energy savings opportunities from anywhere, anytime. The energy management platform provides relevant usage information and tips; energy savings tips tailored to the customer’s specific account and comparisons against similar homes in their neighborhood.				
<b>Time of Use Rates (TOU) (Pilot)</b>				Incentive	Lower Bill	
Eligibility: All pilot participants for TD-13 must meet the following requirements: <ol style="list-style-type: none"> <li>1. Minimum to sign up is 1,000 maximum is 5,000 –we will accept participants through 5/1/14</li> <li>2. Open to active gas and electric accounts served by Duke Energy in Ohio</li> <li>3. Open to residential customers, renters included</li> </ol>	Rate program where the customer pays a lower rate during designated off-peak hours and a higher rate during designated on-peak hours. If the customer is able to shift usage away from on-peak hours, they may be able to save money. The shift in demand away from on-peak periods provides the benefit of a lower peak load for the company.  TD-13 (OH) customer acquisition ended on 5/31/15 so it is no longer open to new customers. There are currently about 600 customers on the pilot, which concludes on 5/31/16.					