



November 29, 2022

Ms. Shonta Dunston  
Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699

**RE: Duke Energy Progress, LLC's Proposed Multi-Family New Construction  
Tariffed On-Bill Pilot  
Docket No. E-2, Sub 1307**

Dear Ms. Dunston,

On October 25<sup>th</sup>, 2022, the North Carolina Utilities Commission (Commission) issued an Order Granting Extension of Time (Order) for interested parties to comment on Duke Energy Progress, LLC's (DEP) proposed new energy efficiency program, the Residential Multi-Family New Construction Tariffed On-Bill Pilot program. The North Carolina Sustainable Energy Association (NCSEA) respectfully submits this letter in lieu of comments in response to the Commission's Order. This energy efficiency program was designed and developed through the collaborative efforts of the Tariffed On-Bill (TOB) Working Group, which was established by the parties to a Stipulation of Settlement from each of Duke Energy Carolinas, LLC's (DEC) and DEP's 2019 general rate cases, filed on July 23, 2020 in Docket Nos. E-7, Sub 1214 and E-2, Sub 1219, respectively.

Attached to this letter please find a statement from Mr. Daniel Pate, Energy Program Manager at NCSEA (Attachment A), who facilitated the TOB Working Group



that designed the proposed Residential Multi-Family New Construction Tariffed On-Bill Pilot Program along with the other participants in the TOB Working Group.

NCSEA thanks the Commission for its consideration of these matters. By copy of this letter, I am serving copies of the attached to all parties of record by electronic delivery. Please do not hesitate to contact me if any questions or concerns arise in connection with this filing.

Thank you,

/s/ Taylor Jones

Taylor Jones

Regulatory Counsel for NCSEA

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Enclosures

cc: Parties of Record





November 29, 2022

To the North Carolina Utilities Commission,

I appreciate the opportunity to have participated in the Tariffed On-Bill (TOB) Working Group on behalf of the North Carolina Sustainable Energy Association (NCSEA), which focused on a collaborative approach to developing a residential new construction multifamily energy efficiency pilot program. This filing was informed by the working group's efforts that involved extensive discussions between Duke Energy, the Public Staff, and a wide range of other stakeholders over the past 18 months.

This program provides a unique opportunity where the utility finances the incremental energy improvements in the construction of a multifamily building to help reduce energy costs for customers. It also provides Duke Energy an opportunity to achieve emissions reductions goals set forth by House Bill 951, particularly to achieve a 70 percent reduction of emissions by 2030 and carbon neutrality by 2050.

Duke Energy and regional stakeholders have collaborated in the TOB Working Group since April 2021 to develop and file two TOB residential energy efficiency programs. TOB is a customer-focused program where energy improvements are capitalized up front by the utility and costs are recovered through a monthly charge on the bill that is less than the estimated savings, helping customers remove the upfront cost barrier to energy efficiency. The Commission approved a settlement agreement in which

(Attachment A - 1)



Duke Energy committed to developing a TOB program in consultation with NCSEA, the North Carolina Justice Center, the North Carolina Housing Coalition, the Natural Resources Defense Council, and the Southern Alliance for Clean Energy as part of Duke Energy's 2019 general rate cases. In October 2021, House Bill 951 ordered that Duke Energy "establish an on-utility-bill repayment program related to energy efficiency investments."

NCSEA led the working group starting in September 2021 after the departure of the former working group facilitator. The group consisted of more than 40 regional stakeholders meeting monthly to explore each program development stage that included market research, data gathering, data analysis and program design. NCSEA also met with the Duke Energy team between full working group meetings to develop meeting agendas and strategize on working group engagement.

When the working group kicked off in April 2021, the focus was primarily on developing a residential retrofit energy efficiency pilot program to fulfill the rate case settlement requirement. After House Bill 951 was passed, Duke presented the idea and the working group agreed to develop a multifamily new construction program pilot to satisfy the rate case settlement requirement, and to make the retrofit pilot a full program to be developed in parallel with the new construction pilot to meet the HB 951 requirement.

Throughout the TOB Working Group period, Duke Energy has shown commitment and urgency in working with stakeholders to develop the program. While

(Attachment A - 2)



there were differences in opinion on the methodology and vision of the program at the beginning of the working group's process, over time Duke made a concerted effort to learn from the group and incorporate real-time feedback into the TOB program design process. The utility's buy-in and efforts to consider the interests of all stakeholders involved appears to have led to a program that meets the core objectives of all involved.

Additionally, NCSEA has had the chance to review the comments being submitted by the NC Justice Center, NC Housing Coalition, and Southern Alliance for Clean Energy, and agrees with their comments and recommend minor adjustments.

NCSEA remains committed to working with Duke Energy and other stakeholders in the working group to implement the pilot program and track its progress throughout the rollout period. We appreciate the Commission's interest in and engagement with TOB and likewise we appreciate Duke Energy's collaborative approach to working with stakeholders to put together the Residential Multi-Family New Construction Tariffed On-Bill Pilot. NCSEA requests that the Commission approve this program to become effective on January 1, 2023, so that Duke Energy and the working group can continue to build on the momentum from recent TOB Working Group meetings and begin implementation of the program. Thank you for considering these comments.

Sincerely,

Daniel Pate

Energy Program Manager

NC Sustainable Energy Association

(Attachment A - 3)

**CERTIFICATE OF SERVICE**

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing filing by hand delivery, first class mail deposited in the U.S. mail, postage pre-paid, or by email transmission with the party's consent.

This the 29<sup>th</sup> day of November, 2022.

/s/ Taylor Jones  
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