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Sent: Wednesday, May 30, 2018 10:22 AM
To: Statements
Cc: rschaaf@sahfnet.org; sgunter@nchousing.org
Subject: Docket No. E-7 Sub 1164 Comments NHT, SAHF, NCHC
Attachments: Docket No. E-7 Sub 1164 Comments NHT.SAHF.NCHC.pdf

MAY 31 2018

**Clerk's Office
N.C. Utilities Commission**

Hello,

Please find the attached joint comments from the National Housing Trust (NHT), North Carolina Housing Coalition, and Stewards of Affordable Housing for the Future (SAHF) regarding Docket No. E-7, Sub 1164, Application for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider.

Thank you,

Dana

Dana Bartolomei

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May 30, 2018

Edward S. Finley, Jr.
Chairman
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Comments of the National Housing Trust, North Carolina Housing Coalition, and Stewards of Affordable Housing for the Future submitted via statements@ncuc.net

RE: Docket No. E-7 Sub 1164, Application for Approval of Demand-Side Management and Energy Efficiency Cost Recovery Rider

Dear Chairman Finley:

Our organizations are affordable housing providers committed to energy efficiency as a cost-effective way to maintain affordable housing and provide healthier, more comfortable homes for residents.

As the North Carolina Utilities Commission considers Duke Energy Carolina's plans for Demand-Side Management programs (Docket No. E-7, SUB 1164), we write to ask that the Commission support increased investments in and attention to energy efficiency that reaches affordable multifamily housing.

The multifamily sector represents a large, relatively untapped opportunity for cost-effective energy savings. It also presents unique challenges, including split incentives and owners and residents who often lack upfront capital to make needed energy-related repairs and improvements. Well-designed and carefully implemented programs are needed to overcome these barriers. Despite a robust portfolio of DSM programs, to date, Duke's portfolio has been modest in reaching rental housing generally, and multifamily in particular, both in terms of funding and program scope.

One study indicated there are nearly 100,000 affordable apartments in DEC's service territory.¹ It is reasonable to expect many of these apartments need efficiency improvements such as weatherization, more efficient heating and cooling systems, and better insulation. Many of the most affordable apartments are older, and represent a significant potential for energy and cost savings. In many communities, these apartments are the only remaining affordable housing.

¹Optimal Energy, Affordable Multifamily Energy Efficiency Potential Study, commissioned by Natural Resources Defense Council, January, 2015, located at <http://www.energyefficiencyforall.org/efficiency-potential>.

The lack of energy efficiency investments in this sector has contributed to high energy costs that place a heavy energy burden on low-income residents. More efficient housing also provides important benefits beyond bill savings, including improved health, safety and comfort.

To help address this gap, we encourage the North Carolina Utility Commission to consider the following:

Establish a goal for DEC to capture all cost-effective efficiency from the multifamily affordable housing sector. A commitment to capture all cost-effective efficiency will provide the utility, implementers and stakeholders with the funding, support, and flexibility necessary to implement good programs with a process of continual improvement. Doing so will help assure utilities have funding to implement a robust portfolio energy efficiency programs. Cost-effective energy efficiency is by definition the lowest-cost resources for electric utilities.

Direct DEC to develop more robust programs to reach multifamily buildings. Multifamily buildings typically do not fit neatly into standard residential or commercial programs. In addition to assuring programs of general application (e.g. heat pump air conditioner incentives) reach the sector, DEC should develop a stand-alone program that allows building owners to access incentives for both commercial common-areas and residential units in one program.

Successful energy efficiency programs require a concerted, ongoing effort to coordinate across sectors, programs and industries. We encourage both the Commission and Duke to use its Collaboratives to tap into a range of expertise to develop and deliver programs that produce the highest level of savings and benefits to customers.

DEC's 2019 plan for Demand Side Management shows that Duke is and will continue to be a leader on energy efficiency in the Southeast. We very much appreciate all that Duke and the Commission have done to achieve the current level of savings. This Docket provides an opportunity to build on that success and make significant progress in reducing the energy burden for Duke's most vulnerable customers, and shoring up the state's scarce and aging affordable rental housing.

Please do not hesitate to contact us for more information. You may reach Dana Bartolomei at the National Housing Trust at dbartolomei@nhtinc.org.

Respectfully submitted,

National Housing Trust

North Carolina Housing Coalition

Stewards of Affordable Housing for the Future