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Income-Qualified Programs

A. **Description**

The purpose of Income-Qualified Programs (Program) for DEP is to assist low-income customers with installing energy efficiency measures in their homes that will help reduce their energy cost. There are two offerings currently in the Program:

- Neighborhood Energy Saver (NES)
- Low-Income Weatherization Pay for Performance Pilot

Neighborhood Energy Saver

The purpose of Duke Energy Progress's ("DEP") Neighborhood Energy Saver program (the "Program") is to reduce energy usage through the direct installation of energy efficiency measures within the households of income-qualified residential customers. The Program utilizes Franklin Energy, which was awarded the contract through a competitive bid process, to (1) to identify appropriate energy conservation measures through an on-site energy assessment of the residence, (2) to install a comprehensive package of energy conservation measures at no cost to the customer, and (3) to provide one-on-one energy education. Program measures address end-uses in lighting, refrigeration, air infiltration and HVAC applications.

Program participants receive a free energy assessment of their homes followed by a recommendation of energy efficiency measures to be installed at no cost to the resident. A team of energy technicians install applicable measures and provide one-on-one energy education about each measure, emphasizing the benefit of each and recommending behavior changes to reduce and control energy usage. The goal is to serve a minimum of 4,000 households each year. NES participants may have the measures listed below installed in their homes based on the opportunities identified during the energy assessment.

1. Energy Efficient Bulbs - Up to 15 energy efficient bulbs (LEDs) to replace incandescent bulbs
2. Electric Water Heater Wrap and Insulation for Water Pipes
3. Electric Water Heater Temperature Check and Adjustment
4. Water Saving Faucet Aerators - Up to three faucet aerators
5. Water Saving Showerheads - Up to two showerheads
6. Wall Plate Thermometer
7. HVAC Winterization Kits – Up to three kits for wall/window air conditioning units will be provided along with education on the proper use, installation, and value of the winterization kit as a method of stopping air infiltration.
8. HVAC Filters - A one-year supply of HVAC filters will be provided along with instructions on the proper method for installing a replacement filter.
9. Air Infiltration Reduction Measures - Weather stripping, door sweeps, caulk, foam sealant and clear patch tape will be installed to reduce or stop air infiltration around doors, windows, attic hatches and plumbing penetrations.

In 2020, the NES Program received authorization to begin offering additional NES 2.0 measures to income-qualified customers with high energy burdens in the designated NES neighborhoods. This addition to the program has an annual goal of 1,460 measures.

Based on the opportunities identified during the energy assessment, customers could be eligible to receive the following NES 2.0 measures:

1. Attic insulation
2. Duct Sealing
3. Air Sealing w/Blower Door
4. Floor/Belly Insulation in Mobile Homes
5. Smart Thermostat

Income-Qualified Programs

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Pay for Performance

The Low-Income Weatherization Pay for Performance Pilot Program (Pilot) limited to dwellings in Buncombe County North Carolina provides monetary incentives to local weatherization assistance providers and other non-profit organizations involved in weatherizing residential low-income households. Incentive payments is based on the kilowatt-hours (kWhs) saved from the additional Energy Efficiency (EE) measures installed. EE measures such as attic or wall insulation, air sealing, refrigerator replacement, lighting, or water measures could qualify for the incentives. The Pilot seeks to provide additional funding to weatherization assistance organizations that would allow them to extend EE more deeply into the projects they undertake. This is likely to include the deployment of additional EE measures that may or may not be covered by traditional weatherization assistance organizational funding, but it could also include weatherization of additional homes. The Pilot is completed the originally approved 36-month period December 31, 2021. The North Carolina Utility Commission approved an extension until June 30, 2022.

Audience

Neighborhood Energy Saver

The Program is designed for individually metered residential homeowners and tenants within DEP. Implementation of the program is done in neighborhoods designated by DEP. Income-eligible neighborhoods must have at least 50% of households with income equal to or less than 200% of the poverty level set by the U.S. Department of Energy. Participants are only able to participate in the Program once.

Pay for Performance

Eligible participants will be selected by participating weatherization assistance and other non-profit organizations using current United States Department of Energy Low Income Home Energy Assistance Program grant requirements (must be less than 200% of the federal poverty guidelines, with the number of disabled, elderly, and minors in the household taken into consideration, as well as a high energy burden).

B & C. Impacts, Participants and Expenses

Neighborhood Energy Saver

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	4,699	2,765	-1,934
Savings (MW)	1.02	0.72	-0.30
Participants		4,812	
2022 Program Expenses		$ 2,615,315	

Weatherization - Electric

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	160	80	-80
Savings (MW)	0.03	0.015	-0.01
Participants		995	
2022 Program Expenses		$ 48,976	

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Income-Qualified Programs

D. Qualitative Analysis

Highlights

Neighborhood Energy Saver

After receiving regulatory approval from both the North Carolina Utilities Commission and the South Carolina Public Service Commission in the fall of 2009, the Program was officially launched by the Company in November 2009. The yearly goal has been to serve a minimum of 4,000 households. In 2020 Franklin Energy was awarded the contract through a competitive bid process to administer the Program.

The Program stopped all field work in March 2020 due to the COVID-19 virus pandemic while in an Erwin NC neighborhood with only approximately 40% complete. Since returning to field implementation in late March 2021 work has been in Smithfield NC, Franklinton NC, and Kenly NC under strict COVID protocol. In 2022, the Program was implemented in Goldsboro, Erwin, Raleigh, Henderson NC, and Timmonsville, SC neighborhoods. There were 1,506 NES 2.0 measures installed in 2022.

The program has been very successful and widely accepted by the eligible Duke Energy Progress customers. Nearly 70 percent of the eligible customers in the neighborhoods where the program has been offered have participated.

Pay for Performance

The Program received North Carolina Utility Commission approval on November 27, 2018. Since receiving program approval two vendors participated in the program. Community Action Opportunity signed a contract on January 28, 2019, and Green Built Alliance did the same on April 24, 2019. Both vendors stopped work in March 2020 due to the Covid-19 virus but resumed their field work in June 2020. The Program ended effective June 30, 2022, at the end of the extension period.

Issues

Neighborhood Energy Saver

The program continues to operate with minimal issues. The implementers are constantly striving to install the best quality measures using techniques that will produce energy savings from the measures installed and motivate better energy efficiency customer behavior.

Pay for Performance

The Program ended effective June 30, 2022, at the end of the extension period.

Potential Changes

No changes are being considered.

E. Marketing Strategy

Neighborhood Energy Saver

Current methods of marketing the program have been very successful in driving participation. The Company will continue the following marketing strategies in 2022:

Direct mail (letters and postcards to qualifying customers)
Secure local support from community leaders and organizations
Community outreach events

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Publicized neighborhood information events
Door-to-door canvassing

These marketing efforts are designed to create customer awareness of the Program, educate customers on energy saving opportunities and emphasize the convenience of Program participation.

F. Evaluation, Measurement and Verification

The combined DEC/DEP NES evaluation was completed in May of 2022.The evaluation focused on participation from July 1, 2018, through June 30, 2019, and found that the program served 5,619 DEP households and 10,277 DEC households in 25 neighborhoods. At the program level, DEP participants saved 3,031 MWh, 488 summer coincident kW and 508 winter coincident kW while DEC participants saved 2,276 MWh, 413 summer coincident kW and 418 winter coincident kW.
The next combined DEC/DEP NES evaluation is in the beginning stages of data collection and surveying, with a final report scheduled for November of 2023.

A DEP Pay for Performance Pilot evaluation was completed in August of 2022. This evaluation consisted of utilizing deemed savings measure values from the 2022 DEC LI Weatherization Program evaluation as well as DEP and Pilot Program-specific information from the program-tracking database. In addition, the evaluators leveraged in-service rates (ISRs) from the 2022 DEC LI Weatherization Program evaluation and the Pilot Program participation data.369 households participated in the pilot from January 1, 2019, to December 31, 2021, and collectively these participants saved 475 MWh, 76 kW in summer coincident demand and 99 kW in winter coincident demand.

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Energy Efficient Appliances and Devices

A. Description

The Energy Efficient Appliances and Devices program ("Program") offers a variety of measures to eligible Duke Energy Progress, LLC (the "Company") customers to facilitate a reduction in their energy consumption. The Program includes offers for lighting measures, smart thermostats, water measures and other energy efficient measures.

Online Savings Store

The Duke Energy Savings Store ("Store") is an on-demand ordering platform enabling eligible customers to purchase a variety of energy efficient products for their home. The Store launched in July 2019 and offers a variety of Light Emitting Diodes lamps ("LEDs"), smart thermostats, smart strips, water fixtures, and small appliance dehumidifiers and air purifiers. The incentive levels vary by product, and the customer pays the difference. Various promotions run throughout the year, offering customers reduced prices as well as shipping promotions, ranging from free to a reduced flat rate price.

The maximum number of incented products are listed below with the associated limits (per account)

- LED lighting, 36 per account.
  - LED lighting product offering is comprised of - reflectors, globes, candelabra, 3-way, and dimmable bulbs. The incentive levels vary by bulb type.
- Smart thermostats, 2 total
- Water measures, 3 total
- Smart Strips, 4 total
- LED fixtures (direct wire, portable, & outdoor photocell), limit 8 total
- Small appliance, dehumidifiers & air purifiers, limit 2 each total

Customers may choose to order additional products without the Company's incentive.

The Store is managed by a third-party vendor, Uplight, Inc. (Uplight). Uplight is responsible for maintaining the Store website, fulfilling all customer purchases, supporting the program call center, and recommending products. The store's landing page provides information about the store, product offerings, promotions, featured items and order history. Support features include a toll-free number, email, chat, package tracking and frequently asked questions. Product pages include application photos, product images, product specifications, purchase limits, and program pricing. Customers may place items in their shopping carts to purchase at a later time. Customers check their eligibility for incentives and pay for their purchases with a credit card in the check-out process.

Save Energy and Water Kit Program

The Save Energy and Water Kit Program ("SEWK") launched in November 2015. The program is designed to increase the energy efficiency of residential customers by offering customers energy efficient water fixtures and water heater pipe insulation wrap for use within their homes.

The SEWK program is offered through a selective eligibility process, enabling eligible customers to request a kit and have it shipped directly to their homes. Kits are available in two sizes for homes with one or more full bathrooms and contain varying quantities of wide spray showerheads, two bathroom aerators, one kitchen aerator and two, three-foot sections of water heater pipe insulation wrap. Program participants are eligible for one kit shipped free of charge to their home.

Audience

The Save Energy and Water Kit Program is offered to customers residing in a single-family home with an electric water heater who have not received similar measures through another company-offered energy efficiency program.

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Energy Efficient Appliances and Devices

B & C. Impacts, Participants and Expenses

EE Appliances and Devices

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	34,104	20,159	-13,945
Savings (MW)	2.72	2.45	-0.27
Participants		401,456	
2022 Program Expenses		$ 2,480,291	

D. Qualitative Analysis

Online Savings Store

Highlights

The Online Savings Store provides an ecommerce platform that allows customers to purchase a variety of energy efficient products, including LEDs, smart thermostats, smart strips and more, at any time—delivered to their home. During 2022, the program delivered the following to North Carolina customers: 89,024 specialty LED bulbs, 7,917 smart thermostats, 597 thermostat trim kits, 479 smart strips; 187 water products, 13 LED fixtures, 284 air purifiers and 109 dehumidifiers.

Respectively, during 2022 the program delivered the following to South Carolina customers: 6,420 specialty LED bulbs, 290 smart thermostats, 41 thermostat trim kits, 42 smart strips, 11 water products, 23 air purifiers and 4 dehumidifiers.

Issues

Educating and bringing awareness to the variety of products on the Store to eligible customers.

Potential Changes

The program continues to explore opportunities to facilitate ease of use shopping online as well as additional product offerings for consideration to enhance energy savings.

Save Energy and Water Kit

Highlights

In 2022, the program distributed 254,783 water measures in 24,291 kits to North Carolina Progress customers. These kits delivered 48,582 bath aerators, 24,291 kitchen aerators, 36,164 showerheads and 145,746 feet of pipe insulation.

Respectively, the program distributed 41,232 water measures in 3,988 kits to South Carolina Progress customers. These kits delivered 7,976 bath aerators, 3,988 kitchen aerators, 5,340 showerheads and 23,928 feet of pipe insulation.

Issues

The program continues to review customer satisfaction surveys to identify opportunities for improvement with installation rates and overall customer satisfaction

Potential Changes

The program transitioned to a new vendor in Q1 of 2022, AM Conservation. AM Conservation will provide a new online platform in Q1 2023, allowing customers who navigate to it from the BRC or email to request a kit with an option to upgrade their showerhead to a hand-held model for a discounted price. The platform will also provide a new fresh design and improved customer experience, increasing participation, installation of the measures, and overall satisfaction with the program.

Energy Efficient Appliances and Devices

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E. Marketing Strategy

Online Savings Store

The marketing efforts for the Store include the following:

- Duke Energy Program website
- Bill messages and inserts
-
- General awareness and special promotion email and direct mail campaigns
-
- and digital media channels

Awareness and education will continue to be a focus in collateral messages to eligible customers, as well as highlighting great pricing and other promotional offerings such as free shipping.

Save Energy and Water Kit

The overall strategy of the program is to reach residential customers who have not adopted low flow water devices.

Marketing channels include both a direct mail business reply card (BRC) and direct email. Customers receiving the BRC may request a free kit by returning the BRC. Customers receiving a direct email simply click on a redemption link to redeem the offer online. Upon receiving the order from the customer through one of these methods, the program vendor will ship the pre-determined kit to the customer. Due to the unique eligibility requirements of this program, direct mail (BRCs) and direct email are the only two methods being used to solicit customers for participation.

The program has a website in place that customers can access to learn more about the program or to download an installation guide to aid in installing the kit measures.

F. Evaluation, Measurement and Verification

The evaluation for the DEC/DEP Online Saving/Marketplace Program included participation from Jan 2019 - March 2021. The evaluation report was completed November 30, 2021 and presented at the July 2022 collaborative. The next evaluation is expected to begin in the second quarter of 2023.

High level findings found that the DEP program achieved 14% higher savings than reported and evaluated savings for DEC were about 4% less than expected. NTG results indicated net-to-gross ratios varied significantly between measures.

Save Energy & Water

The evaluation for combined DEC/DEP, including participation from July 2020 - June 2021 is currently underway, with a final report scheduled for the first quarter of 2023. As part of this evaluation, the evaluator will also survey non-participants to better understand their decisions to not participate in the program.

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Energy Efficiency Education Program

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A. Description

The Energy Efficiency Education Program ("Program") is an energy efficiency program available to students in grades K-12 enrolled in public and private schools who reside in households served by Duke Energy Progress in North and South Carolina. The current curriculum administered by The National Theatre for Children ("NTC") provides performances in elementary, middle and high schools.

The Program provides principals and teachers with an innovative curriculum that educates students about energy, resources, the relationship between energy and resources, ways energy is wasted and ways they can be more energy efficient. The centerpiece of the curriculum is a live theatrical production focused on concepts such as energy, renewable fuels and energy efficiency and performed by two professional actors. Teachers receive supportive educational materials for their classrooms and assignments for students to take home. The workbooks, assignments, and activities meet state curriculum requirements.

School principals are the main point of contact for scheduling their school's performance. Once the principal confirms the performance date and time, all materials are scheduled for delivery two weeks prior to the performance. Materials include school posters, teacher guides, and classroom and family activity books.

Students are encouraged to compete an online request form with their family, to receive an Energy Efficiency Starter Kit. The kit contains specific energy efficiency measures to reduce home energy consumption. It is available at no cost to eligible Duke Energy customer households at participating schools.

Similar to 2021, many of the aspects of the Energy Efficiency Education program continued to be impacted by the COVID-19 pandemic in 2022. No in-person school performances were permitted for the first half of the year. As a result, the program continued to offer livestream performances so schools and students could still participate. At the beginning of the Fall 2022 semester, in-school live performances resumed as the effects of the pandemic lessened and troupes were allowed back into the schools. More details are provided below in section D.

Audience

Eligible participants include the Company's residential customers, with school-age children enrolled in public and private schools, who reside in households served by Duke Energy Progress.

B &C. Impacts, Participants and Expenses

Energy Education Program for Schools

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	5,778	1,664	-4,113
Savings (MW)	0.69	-0.28	-0.97
Participants		3,332	
2022 Program Expenses		$ 365,968	

D. Qualitative Analysis

Highlights

The Company is supporting arts and theatre in schools while providing an important message about energy efficiency for students through an innovative delivery channel. Enhancing the message with a live theatrical production captivates the students' attention and reinforces the classroom curriculum materials provided.

Energy Efficiency Education Program

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Starting in the spring semester of the 2019-2020 school year, the COVID-19 pandemic brought on unprecedented challenges to the program with schools temporarily closing and reverting to virtual learning. As a result, live performances ceased on March 13, 2020. This continued to be the case for the first half of 2022. During the Summer, the program resumed the booking of in-school live performances.

For the first half of 2022, the program continued to offer these educational performances via online livestream for all three levels of schooling in the Spring semester. This consisted of a live host providing educational information and narrating between four different segments of the theatrical performance that would normally be given in schools by professional acting troupes. In addition, for added flexibility, the program offered a video recording of a livestream performance for schools/ classrooms that preferred to share the content when it best fit into their lesson plan, at a later date. In the late Spring, the program received internal approval to resume live in-person performances beginning in the Fall semester, while adhering to the customer engagement safety protocols established by the company.

Consistent with past years, each performance had content that was appropriate with its educational level. In the Spring, Elementary schools were able to view livestream performances of “Nikki Neutron’s Energy Adventure”; “Energy Agents” was made available to Middle schools and High Schools were able to watch “Global Gamble”. For the Fall 2022 Semester, the aforementioned titles will be replaced with live in-school performances of “Eco Guardians”, “Conservation Café” and “Your Planet, Your Future” respectively. Though these titles changed for 2022-2023 school year, the core of the educational content remained the same; as has been the case in previous years. Students and teachers also had access to a Q&A with the host and an e-learning package that includes games, quizzes and lesson plans for the class that reinforce concepts from the show.

In addition, students and teachers will still have the ability to request an Energy Efficient kit and download the program’s educational gaming app, Kilowatt Krush.

Overall, in 2022, a total of 237schools (NC: 199; SC: 38) participated in the program in the Company’s DEP service territory, reaching 52,318 students (NC: 41,820; SC: 10,498) and spurring the distribution of 3,332 kits (NC: 2,692; SC: 640).

Once an eligible customer submits a completed energy efficiency, the Energy Efficiency Starter Kit is shipped for delivery within two to four weeks.

In order to help encourage student participation, NTC rewarded teachers $50 for every 20 Energy Efficient kit requests. Additionally, various rewards for schools and participating families were offered to encourage additional kit requests.

Updates

The Company continues to enhance the Program by the following:

- Introducing new productions each school year to refresh and refocus the materials and scripts to keep participating schools engaged.
- Promoting the program through social media to encourage awareness, recognition and participation.
- Partnering with Duke Energy Account and District Managers to leverage existing relationships in the community to develop positive media stories while encouraging kit sign ups.
- Inclusion of the Kilowatt Krush mobile gaming application that will allow users to learn about smart energy use and conservation through an engaging arcade of action-packed, energy themed games. Students build and customize virtual houses in the neighborhood of their choice while learning about energy efficiency and safety education.

Energy Efficiency Education Program

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E. Marketing Strategy

The National Theatre for Children is responsible for all marketing campaigns and outreach. The marketing channels may include but are not limited to the following:

- Direct mail (letters to school administrators)
- Email
- In-Person
- Program Website
- Events or assemblies
- Printed materials for classrooms
- Social media promotions

These marketing efforts engage students and their families in energy conservation behavior and provide energy saving opportunities through the Energy Efficiency Starter kits.

F. Evaluation, Measurement and Verification

The final DEC/DEP evaluation covering the period of August 2019 – July 2020 was completed in December 2021. Results were presented at the December 2021 DEC/DEP Collaborative. The 2022 process and impact evaluation are underway and will consist of a consumption and engineering analysis. The evaluation is scheduled to be completed during the third quarter of 2023.

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A. Description

The Energy Efficient Lighting Program partners with lighting manufacturers and retailers across North and South Carolina to provide marked-down prices at the register to DEP customers purchasing energy efficient lighting products. Participation continues to be high, and the success of this Program can be attributed to high customer interest in energy efficiency, increased knowledge of the benefits associated with energy efficient lighting, and effective promotion of the Program.

The Energy Efficient Lighting Program continues to incentivize customers to adopt a wide range of energy efficient lighting products, including LEDs and fixtures. Customer education is imperative to ensure customers are purchasing the right bulb for the application, to obtain high satisfaction with lighting products and to encourage subsequent purchases.

Audience

The Program is available to residential customers. Customers simply shop for their lighting needs at a wide variety of retail locations. Incentives are provided at the point of purchase.

B & C. Impacts, Participants and Expenses

Energy Efficient Lighting

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	19,952	40,278	20,326
Savings (MW)	3.68	6.61	2.92
Participants		1,669,509	
2022 Program Expenses		$ 7,021,269	

D. Qualitative Analysis

Highlights

In 2022, the Program incentivized a total of 1,669,509 measures; 1,416,468 of which were purchased at retailers in NC and 253,041 from retailers in SC. The DEP Energy Efficiency Program had 12 lighting retail channels actively participate in 2022. While the top five retail channels account for 91% of the Program sales, all retail channels allow access to the Program for a diverse and geographically wide population of DEP customers. The Program is designed to reach 90% of customers within 30 miles of a participating retail location.

In addition, a key strategy for the program was continuing to increase its presence in Hard-to-Reach stores that have a high propensity of shoppers that would not adopt EE lighting had incentives not been made available to patrons at these locations. These stores include Dollar Tree, Habitat ReStore, Goodwill, Family Dollar and Dollar General. Overall, approximately 68% of program sales came from these types of stores.

The Program continues to operate efficiently with 84% of overall Program costs going directly to customers in the form of incentives. Additionally, a total of 15% of the Program costs are spent on implementation and administration of the Program, including management fees. Therefore, only 1% is spent on marketing, labor and other costs.

In November, the program expanded it's offering to include incentives on Smart Thermostats, Air Purifiers, Dehumidifiers and Ceiling Fans at participating retailers (Best Buy, Home Depot, Lowes, ecobee.com, and Google Store). To take advantage of the program offers, store patrons will need to validate that they are a Duke Energy customer by accessing the instant rebate portal on their smart phone or personal computer. If eligible, the customer will receive a barcode to be scanned at checkout

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(in-store or online) to receive the instant rebate. While the program saw 157 coupon reservations, due to launching late in 2022 and expected lag in sales data from manufacturers, program participation was not seen until early 2022.

Issues

No Issues to report at this time.

Potential Changes

As a result of changes to upcoming EISA guidelines resulting in many of the programs lighting products being pulled from the shelves, the Retail Lighting Program is scheduled to discontinue by 6/30/2023. In the early part of the 2023, the program will continue to operate while program sunset activities will commence as we get closer to the Summer. This will be inclusive of, but not limited to, notification of program discontinuance to all program partners, removal of in-store signage attributable to the program and removing of program store locator website.

While incentives will be removed from stores by 6/30/2023, with customers no longer being able to make a purchase on Duke Energy incentivized products, the program will continue to receive sales data from manufacturers through 9/30/23 for purchases made prior to 6/30/2023. This is driven by standard delays in receiving point-of-sales data from manufacturers.

E. Marketing Strategy

The Program's marketing efforts for both lighting and the program expansion to non-lighting measures included the following:

- Point of purchase materials at the participating retailer locations
- Duke Energy Progress Program website
- General awareness email and direct mail campaigns
- Cross-promotional opportunities in via internal marketing channels (Other programs, Residential newsletters)

In general, marketing efforts are designed to create customer awareness of the Program, to educate customers on energy saving opportunities, and to emphasize the convenience of Program participation.

In addition, the program also had in-store retail events to assist store patrons with any questions related to their lighting needs.

F. Evaluation, Measurement and Verification

The DEC/DEP Retail Lighting evaluation commenced during the first quarter of 2022 with a report completed during the fourth quarter of 2022. This revised timeframe reflected an extension to allow for increased participation in the hard-to-reach retailer channels. The evaluation methodology consisted of engineering algorithms to determine energy, summer demand, and winter demand savings. Net-to-gross estimates were determined through sales data modeling and retailer and manufacturer interviews.

Home Energy Report

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A. Description

The Home Energy Report program ("HER" or the "Program") helps Duke Energy Progress ("DEP") customers put their energy use in perspective with simple and easily understood graphics that compare customers' energy use with homes of similar size, age, and heating source. The reports motivate customers to change their behaviors and reduce their consumption by presenting them with timely tips and program offers.

The Home Energy Report Interactive website links customers to a portal where they can complete their home energy profile, explore a robust library of energy savings tips, and get answers to their personal energy questions from an energy expert. Customers can also see how much electricity they might use in the coming months based on their usage history.

Audience

Program participants are identified through demographic information and must reside in an individually metered, single-family residence served on a residential rate schedule and must have at least 13 months of electric usage with the Company. These customers receive up to 8 paper reports per year. Electronic versions of the report are distributed 12 times a year for customers who have enrolled in Home Energy Report Interactive and/or who have a registered email address with the Company.

Customers who live in an individually metered, multi-family dwelling served on a residential rate schedule and who have at least 13 months of electric usage with the Company may also participate. Multi-family customers who have registered their email address with the Company receive up to 4 printed reports and 12 electronic reports throughout the year. Multi-family customers without a registered email address with the Company receive up to 6 printed reports throughout the year with a strong call to action to provide their email address to receive more energy efficiency tips and information through additional reports delivered.

B & C. Impacts, Participants and Expenses

My Home Energy Report

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	157,153	193,193	36,040
Savings (MW)	54.94	37.17	-17.77
Participants		820,496	
2022 Program Expenses		$ 3,608,353	

D. Qualitative Analysis

As of December 31, 2022, over 732 thousand DEP single-family customers and 87 thousand multifamily customers were receiving the HER, and over 21 thousand DEP single-family customers and over 2 thousand multifamily customers were enrolled in the HER Interactive portal.

Highlights

In 2021, the program launched a new HER design for the paper and email reports as well as an updated interactive website with new insights for customers. New website capabilities for customers include single sign-on (a more seamless way to sign-in to the site using Duke Energy credentials, updated profile experience that updates usage disaggregation real time, current week and month daily comparisons of energy usage compared to similar homes, and the ability for customers to see how their monthly energy usage by category compares to other similar homes.

In Q4 2021, the program also launched the first Seasonal HER experience. This winter seasonal HER sent to customers via paper, email, also had a new web page that highlights for customers their

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heating usage, how it compares to similar homes, and provides a checklist of tips to complete that would reduce heating usage and heat loss in the home. This Seasonal HER experience was expanded in 2022 to provide the program's first summer seasonal HER. The summer seasonal experience follows the same channels of communication as the winter seasonal and instead highlights customers' cooling usage and provides a checklist of tips to complete that would reduce cooling usage.

E. Marketing Strategy

Since the HER paper report is an opt-out program, customers who meet the eligibility requirements automatically receive the report. Less than 0.004% of DEP participants chose to opt-out in 2022. The HER Interactive portal is an opt-in portal. Marketing for the portal includes email campaigns and messages in the paper report and on its envelope.

In 2021, the program introduced a new Welcome Letter mailed to all customers with their report to further awareness of the interactive portal. In 2022, the program continued on-report marketing campaigns.

F. Evaluation, Measurement and Verification

The combined DEC/DEP evaluation, covering the period Feb 2020 – Jan 2021, was completed March 6, 2022 and presented at the July 2022 collaborative. High level evaluation findings, determined through consumption analyses, reflect DEP single-family per household savings of 243.2 kWh and 64.1 kWh per household savings for treatment participants in multifamily dwellings. The next evaluation is scheduled to begin in the first quarter of 2023.

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A. Description

The Home Energy House Call Program ("Program") is offered under the Energy Assessment Program where Duke Energy Progress, LLC ("Company") partners with several key vendors to administer the Program.
The Program provides a free in-home assessment performed by an energy specialist certified by the Building Performance Institute ("BPI"). The BPI-certified energy specialist completes a 60- to 90-minute walk through of a customer's home and analyzes energy usage to identify energy savings opportunities. The energy specialist discusses behavioral and equipment modifications that use less energy. The customer also receives a customized report identifying actions the customer can take to increase their home's efficiency. The following are examples of recommendations that might be included in the report:

Turn off vampire load equipment when not in use.
Use energy efficient lighting.
Use a programmable thermostat to manage heating and cooling usage.
Replace old equipment.
Add insulation and seal the home.

In addition to a customized report, customers receive an energy efficiency starter kit with a variety of measures that can be directly installed by the energy specialist. The kit includes measures such as energy efficient lighting, a shower head, faucet aerators, outlet/switch gaskets, weather stripping and a booklet of energy saving tips.

Additionally, bath aerators and pipe wrap are also available for free at the time of the assessment. New discounted measures may be purchased and installed during the assessment including LED specialty lighting (i.e., globes, candelabra and recessed), hand-held showerhead, smart thermostats, and a blower door test.

Audience

Residential customers that own a single-family residence with central air, electric heat or an electric water heater and that have at least four months of billing history are eligible to participate in the Program.

B & C. Impacts, Participants and Expenses

Residential Energy Assessments

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	15,282	5,888	-9,394
Savings (MW)	1.83	0.69	-1.14
Participants		22,556	
2022 Program Expenses		$ 1,791,591	

D. Qualitative Analysis Highlights

The Company continues with a multi-channel approach which includes Duke Energy website pages, website banners, online services banner, paid search campaigns, Facebook, email, bill inserts, bill messages, direct mail, and customer segmentation to reach customers with a high propensity to participate. Program staff explores other channels for marketing campaigns to reach the target audience and maximize both program performance as well as customer experience.

Vendors, partners, and the team at Duke Energy collaborate regarding marketing initiatives, future scheduling, availability, routing, targeting, backlog, etc. to drive efficient operations as well as customer satisfaction

From January 1 through December 31, 2022, the program conducted 4,963 assessments. The program

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additionally installed 6,777 feet of pipe insulation and 1386 additional bathroom aerators. The program also installed the following discounted measures, 2,848 specialty LED globes, 2,098 recessed bulbs, 3,712 candelabra LEDs and 366 hand-held showerheads. There were also 375 Smart Thermostats installed and 31 Blower Door tests to eligible customers. The program continues to focus on maximizing measures installed as well as cross promoting other Duke Energy programs and offerings.

The program also continues to focus on cross promotion of other programs and integration of in-field referrals for FindItDuke (FID).

Issues

Duke has been working with the vendor to evaluate resource requirements, improve the appointment scheduling process, improve customer satisfaction, and update call center training documentation. The program continues to coordinate closely with the vendor to monitor incoming demand, evaluate marketing strategies, improve customer communication, and ensure adequate appointment slots are available.

Potential Changes

- Continuing to optimize the online scheduling tool and mobile application to enhance the customer experience
- Evaluating Virtual Audit capabilities to include townhomes/condos/manufactured homes
- Add customer survey link to audit report to increase customer satisfaction response rate

Currently, Program implementers are evaluating the need for a plan to obtain customer feedback proactively and identify improvement or EM&V opportunities.

E. Marketing Strategy

The Program continued to use a multichannel marketing approach including targeted mailings to pre-qualified residential customers, bill inserts, online promotions and online video. For those who elect to receive offers electronically, email marketing is used to supplement direct mail. The Program management team continues to explore additional channels to drive awareness such as social, event marketing and other cross-promotional opportunities. The creative team continues to drive engagement and interest in the program based on online survey results and enrollment. In between larger initiatives, such as bill inserts, the program utilizes direct mail which can easily be modified based on demand. The program has also incorporated seasonal thermostat promotions as part of the marketing campaigns. Core messaging is simple and focuses on key benefits (a free energy assessment from Duke Energy can help save energy and money while also increasing comfort) and three easy steps (You Call, We Come Over, You Save).

Home Energy House Call program information and an online assessment request form are available at www.duke-energy.com.

F. Evaluation, Measurement and Verification

To accommodate the additional measures now included in the energy assessment program and to work around the program suspension due to COVID, the combined DEC/DEP evaluation timeframe has been pushed back to cover the period Sept 2020 – Aug 2021. The activities began in earnest in Fall 2021 with a final report scheduled for First Quarter 2023.

It is anticipated that the evaluation will consist of a billing analysis that will compare the consumption of program participants to future program participants. Engineering estimates for the kit measures will also be conducted to provide insight into the behavioral impacts achieved through the program and to provide impacts for the Additional Bulbs and other optional measures provided to program participants. Participants surveys will be used to determine in-service rates and determine free ridership at the measure level.

Residential Smart $aver® Energy Efficiency Program

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A. Description

The purpose of this Program is to offer customers a variety of energy conservation measures that increase energy efficiency in existing residential dwellings. The Program utilizes a network of participating contractors to do the following: (1) to encourage the installation of high efficiency central air conditioning (AC) and heat pump systems with an optional add on measure such as Smart Thermostats, (2) to encourage attic insulation and sealing, (3) to encourage the installation of heat pump water heaters, and (4) to encourage high efficiency variable speed pool pumps.

Incentives are only applicable to measures installed by a contractor approved by the Company.

Duke Energy contracts with a third-party vendor for application processing, incentive payment disbursement, and customer/contractor support.

Audience

The Program is available to customers whose premise is at least one year old, who are served on a residential rate, and who meet the service delivery qualifications.

B & C. Impacts, Participants and Expenses

Residential Smart $aver

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	5,747	5,283	-464
Savings (MW)	1.48	1.48	0.01
Participants		16,116	
2022 Program Expenses		$ 3,218,317	

D. Qualitative Analysis

Highlights

As of December 31, 2022, Duke Energy Progress participation was 16,116, substantially lower than the 20,972 participants from 2021. Starting January 1, 2022, the program rebate structure for HVAC was modified with reduced incentive amounts for both heat pumps and air conditioners in an effort to remain cost effective. As a result of lower incentives, the program realized a reduction in Air Conditioning rebates of 1,621, Heat Pump rebates of 1,950, and Smart Thermostat rebates of 1,928.

The program team continues to emphasize best practices and to build support by offering additional training to the Trade Allies (i.e., streamlined rebate processing, rebate submission training, selling higher efficiency products) and modifications to program requirements when needed.

Customer engagement also continues to be a focus of the Program especially through the “Find It Duke referral platform that positions Duke Energy as a trusted advisor by providing free home improvement referrals through a premier network of qualified contractors who deliver exceptional customer service. Several enhancements were made to the Find it Duke website that improved the presence of available rebates as well as special offers that are available from time to time. These enhancements intercept customers that may not be aware of our rebates as they enter the site to generate a referral. Available rebates and special offers are shown to the customer based on the referral category they have chosen.

In 2022, the Find it Duke referral channel experienced a 58% increase in referral volume due to increased recruitment of Trade Allies and coverage across non-major markets.

The buy-in and participation of the Trade Ally network is vital to the success of the Program. Trade Allies

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are important to the Program's success because they interface with the customer during the decision-making event. Customers who responded to a survey to rate their experience provided an average contractor rating of 4.70 out of 5.0 stars during 2022.

E. Marketing Strategy

Promotion of the rebate Program is targeted to HVAC and home performance contractors as well as pool and plumbing contractors that install variable speed pumps and heat pump water heater technology.

Information to educate customers about the Program and encourage participation and Trade Ally enrollment links are available on the Program's website. Improvements were also made the Smart Saver website to improve the visibility and ease for trade allies to learn about our program and easily register. Increasing the overall awareness of the Program and the participation of Trade Allies ensures more customers are considering the benefits of the Program at the time of purchase. Rebate marketing materials remain in place throughout the Carolinas in Lowe's and Home Depot stores that inform customers about the water heater rebates available and how to apply for them post-purchase. The Midstream channel has also been used to promote Pool Pump rebates through one national distributor along with local Pool Retailers throughout NC/SC.

Various customer marketing campaigns during 2022 leveraged channels such as TV, radio, social media and email and direct mail to build awareness of the available rebates and the referral service. Other marketing efforts, such as paid search and co-branded special offer campaigns throughout the year created awareness and drove referral volumes up for the channel.

F. Evaluation, Measurement and Verification

The joint DEC/DEP evaluation for the HVAC measures is currently underway. A participant survey was fielded in October of 2022 and a final evaluation report is scheduled for June of 2023.

The evaluation will consist of a mix of methodologies, including a metering study for the HVAC measures, a consumption analysis for the smart thermostat measure, and engineering algorithms for the remaining measures. Participant surveys will be utilized to refine inputs into the engineering algorithms.

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A. Description

The Multifamily Energy Efficiency program ("Program") provides energy efficient lighting and water measures to reduce energy usage in multi-family properties. The Program allows Duke Energy Progress ("Company") to target multi-family apartment complexes with an alternative delivery channel. The measures are installed in permanent fixtures by Franklin Energy, the program administrator. Franklin Energy oversees all aspects of the Program including outreach, direct installations, and customer care.

The Program helps property managers save energy by offering energy efficient lighting and water products. The Program offers LED lighting measures including A-Lines, globes, candelabras, recessed, and track bulbs, and energy efficient water measures such as bath and kitchen faucet aerators, water saving showerheads, and pipe wrap. Water measures are available to customers with electric water heating. Property Managers are able to purchase discounted smart thermostats and have them installed along with the lighting and water measures. These measures assist with reducing maintenance costs while improving tenant satisfaction by lowering energy bills.

The Program offers a direct install ("DI") service by Franklin Energy. Franklin Energy installs the lighting and water measures during scheduled visits. If a Property Manager purchases the discounted smart thermostats, those will also be installed by Franklin Energy. Crews carry tablets to keep track of which measures are installed in each apartment.

After the installation, Quality Assurance ("QA") inspections are conducted on 20 percent of the properties that completed installations in each month. The QA inspections are conducted by an independent third party. Any QA adjustments are provided to the Company to update participation records.

Audience

The target audience is property managers who have properties served on an individually metered residential rate schedule. To receive water measures, apartments must have electric water heating.

B & C. Impacts, Participants and Expenses

Multi-Family

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	10,550	2,670	-7,880
Savings (MW)	1.39	0.32	-1.07
Participants		49,692	
2022 Program Expenses		$ 570,492	

D. Qualitative Analysis

Highlights

For2022, North Carolina had 40 properties serviced, which included 3,895 units (apartments) and 47,368 measures. These measures consisted of 29,297 light bulbs, 5,058 aerators, 2,636 showerheads, and 9,524 pipe wraps. Since we have started offering thermostats, DEP NC has seen the highest number of installs. In 2022, DEP NC had 853 smart thermostats installed.

South Carolina had 3 properties completed in 2022, which included 249 units (apartments) and 2,324 measures. These measures consisted of 1,067 LED bulbs, 615 aerators, 314 showerheads and 328 pipe wraps. There have been no smart thermostat installs in DEP SC as of the end of 2022.

New technology enhancements were implemented to increase the accuracy of recording the measures installed and the bulb wattages removed, to increase efficiencies with scheduling units, and to improve the tracking of new opportunities from both the direct installers and energy advisors.

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Issues

Reducing unit cancellations has been a focal point for the program. These cancellations can be a result of COVID, loose pets, safety issues, or not having access to the unit. DEP SC only saw three cancellations in 2022.
Resource constraints have continued to be the major issue with the program. Turnover of direct installers has been high and filling these positions has been difficult. The Program currently has 4 direct installers of the 14 total positions that were planned for the program in DEP. Franklin Energy is working with recruiters in order to find more candidates.

Properties are experiencing a shortage of maintenance employees which has caused delays getting into these properties to install.

Potential Changes

The Program exploring new measures to offer to customers, including T8 LED tubes, weather stripping, and additional thermostat offerings.

E. Marketing Strategy

As program implementer, Franklin Energy is responsible for marketing and outreach to property managers in the Company's service territory. Marketing is primarily done through outbound calls and on-site visits to gauge initial interest in the program. The Program also uses local apartment association memberships to obtain access to contact information for local properties and to attend association trade shows and events to promote the program.

A Multi-Family Energy Efficiency public website landing page is available for property managers to learn more about the Program. A program brochure and a frequently asked question sheet are available for download. All marketing materials were updated to include the new measures, the 1.25 GPM showerheads and discounted smart thermostats. This website was recently updated and a request for assessment was added. Duke also sent out emails to customers in December to encourage participation.

Other ways a property manager may learn more about this Program are through the MyDuke Portal, an online tool used to pay the utility bills of vacant units at their property. The MyDuke Portal presents a promo link that directs the user to the Program website for more information.

Once enrolled, Franklin Energy provides property managers a variety of marketing tools to create awareness of the Program among their tenants. The tools include letters to each tenant informing them of what energy efficient measures are being installed and when the installations will take place. Tenants receive educational leave-behind brochures when the installation is complete.

Feedback from both property managers and tenants is important for the Program's continued success. Property managers are provided with leave-behind materials about the program which also includes survey for them to complete and return. For tenants, the educational leave-behind brochure includes a satisfaction survey to return to Duke Energy. Online versions of both the Program Manager and Tenant surveys are also available.

After the installation, window clings are placed in strategic areas throughout the property. Placement of the window clings at a minimum will be at the common areas, entry, and each residential building on site (to the extent applicable). Using the window clings ensures that the program and Duke Energy are recognized long after the installation has taken place.

F. Evaluation, Measurement and Verification

The combined DEC/DEP EM&V evaluation for the Multifamily program covered participation from July 2019 - June 2021 and included an impact and process evaluation. As part of the impact evaluation, virtual site verifications were conducted to measure installations and collect data for use in the engineering analysis. The evaluation was completed April 20, 2022 and presented at the July 2022 collaborative. The next evaluation is scheduled to begin in the second quarter of 2023.

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G. Appendix

Tenant Post Installation Summary Report

Multifamily Energy Efficiency Program

DUKE ENERGY®

Thank You for Participating in the Duke Energy Multifamily Energy Efficiency Program!

Together with your neighbors, you helped Duke Energy provide and install energy-saving products in your home. Doing so is good for the environment AND your power bill!

As a result of your participation, the average unit could see energy savings of around **[$XXX]** every year.*

Our community could save **[XX]** kilowatt-hours annually, which is the environmental equivalent to planting **[XX]** trees or taking **[XX]** cars off the road!

Please take Duke Energy's survey by scanning this QR code: SAMPLE

*Actual savings will vary by floor plan and usage

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Program Brochure-

Updated to add Commercial Offerings partnership and new water measures

FAQ for Property Managers

What does the install process look like?
On your scheduled installation days, our team will arrive at 8:45 a.m. to begin working by 9 a.m. A member of your staff will need to accompany our installers and handle keys throughout the installation process. The time spent in each unit varies depending on the layout and products being replaced. We will leave a flyer for each resident explaining what was installed and a survey providing an opportunity to give us feedback. It's that simple and that fast!

How do we qualify?
The Multifamily Energy Efficiency Program is available to eligible customers of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Kentucky and Duke Energy Indiana. Additional qualifications depend on several factors such as metering, existing products, and method for water heating. To see which offerings your property qualifies for, you will need to schedule a complimentary energy assessment with one of our Energy Advisors by calling **888.297.1671** or emailing **dukeenergymultifamilyeep@franklinenergy.com**.

How much does it cost?
Products are offered at no cost with the exception of smart thermostats, which are available for installation at a discounted price. This program is part of many programs Duke Energy offers its customers from funds set aside to help reduce energy use. There are two parts to our program: residential (inside tenant units) and commercial (common areas). There are no limits on how many products we can install. Your Energy Advisor will go over your qualifications during the energy assessment.

What safety precautions should we know before installation?
As we are going through the units, if there are any unsecured pets or unattended minors, we will not be able to enter to perform the installation. During product installation, we ask that all small children be kept at a safe distance from the installers. The installers will provide further direction once on-site.

What precautions are you taking for COVID-19?
We will take precautions for the safety of our customers and workers including: asking about the health of the home's occupants prior to appointments, wearing protective equipment, practicing social distancing on-site and limiting in-home contact as much as possible. We will ask property staff to do the same during the install process.

What is the next step?
Call **888.297.1671** or email **dukeenergymultifamilyeep@franklinenergy.com** to schedule an appointment for an energy assessment.

This program is administered by Franklin Energy, a contractor of Duke Energy with experience in the installation of home energy-saving products.

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Contact us today!

Phone
888.297.1671

Website
duke-energy.com/multifamily

Email
dukeenergymultifamilyeep@franklinenergy.com

This program is administered by Franklin Energy, a contractor of Duke Energy with experience in the installation of home energy-saving products.

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DUKE ENERGY

Multifamily Energy Efficiency Program

It's what's on the inside that counts.
Our **FREE** energy-saving lightbulbs and water-saving devices can help your residents save money.

DUKE ENERGY
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Start saving now with the latest **FREE** energy-saving products.

Multifamily Energy Efficiency Program
If you are a Duke Energy customer, your residents may receive energy-saving products – installed in each multifamily residence and qualifying common areas at no cost. Optional smart thermostats are available for installation at a discounted price. The Multifamily Energy Efficiency Program is available to customers of all Duke Energy utilities.

See what other property managers had to say.

You guys got top marks
"I received the satisfaction survey and filled it out. You guys got top marks. I received a lot of compliments about how friendly and professional you all were. Thank you again for all that you did!"
– Asheville Property Manager

They were so polite and professional
"I just wanted to let you know that your team did a wonderful job installing the energy-saving products. They were so polite and professional, which made the residents feel more at ease with the installation. I really appreciate all the hard work that went into making this project run so smoothly. We are now officially energy efficient!"
– Raleigh Property Manager

Standard, Globe, Candelabra, Recessed and Track LEDs

ENERGY STAR® light-emitting diodes, or LEDs, use **up to 90% less energy** and **can save at least $80** over their lifetime in energy costs compared to traditional incandescent bulbs. A popular residential option, LEDs can be installed in bathrooms, track lights, ceiling fans, recessed lights and other high-usage permanent fixtures. A19 models are not available for common areas, and T8 LEDs are available for common areas only.

Exit Sign LEDs

Exit signs are necessary to keep your residents safe. Save on operating and labor costs by replacing incandescent exit sign bulbs with LEDs.

Google Nest

The optional **Google Nest Thermostat** can help you save an average of 10% to 12% on heating costs and 15% on cooling costs.[2]

Bathroom and Kitchen Faucet Aerators

These faucet aerators use **up to 55% less water** than traditional 2.2-gallons-per-minute (gpm) faucets, which can reduce water and sewer costs, as well as the amount of energy used to heat the water.[1]

Outer ring allows for adjustable flow

1 If water is heated by electricity, savings are not guaranteed.
2 Independent studies conducted in the U.S. showed that Nest thermostats saved people an average of 10% to 12% on heating and 15% on cooling. Individual savings are not guaranteed. Learn more at nest.com/real-savings.

Water-saving Showerheads

These showerheads use **up to 40% less water** than traditional 2.5-gpm showerheads, which can reduce water and sewer costs, as well as the amount of energy used to heat the water.[1]

Outer ring allows for adjustable flow

Hot Water Pipe Wrap

Pipe wrap insulation reduces water and energy use by preventing heat loss while hot water travels through your building's pipes.[1]

Google, Google Nest and Google Nest Thermostat are trademarks of Google LLC.
This program is administered by Franklin Energy, a contractor of Duke Energy with experience in the installation of home energy-saving products.
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Sorry We Missed You
Door post-it

Window Cling

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Tenant Notice

You're Invited!

Save money on your energy bill with free products from Duke Energy.

Dear Resident:

Congratulations! Your property manager has enrolled your building in the **Multifamily Energy Efficiency Program**. Based on an assessment of your home, a selection of these complimentary products may be installed to help reduce your monthly energy usage:

Standard, globe, candelabra, recessed and track LED lightbulbs to replace your outdated incandescent lightbulbs. *(Track lighting can get very hot; please make sure your track lights are turned off before our installers arrive.)*

Water-saving showerheads to replace your existing fixtures.

High-efficiency faucet aerators for your kitchen and bathroom sinks.

Hot water pipe wrap to reduce heat loss.

Google Nest Thermostat to help you save an average of 10% to 12% on heating costs and 15% on cooling costs[1]

Help Us Help You!

In preparation for your installations, please make sure to:

- Safely contain your pet(s) during our visit
- Provide access to your water heater, shower(s), sinks and light fixtures
- Put away your valuables
- Have an adult present during installation
- Keep a safe distance while installers are working in your home

Trained technicians will perform the **free** installations in each residence on the date and time indicated below. The technicians will be accompanied by a member of the maintenance or management staff, who will provide access to your residence if you are not home at the time of installation. Additionally, the technicians will be in uniform with proper photo identification. We will take precautions for the safety of our customers and workers including: asking about the health of the home's occupants prior to appointments, wearing protective equipment, practicing social distancing on-site and limiting in-home contact as much as possible.

Technicians will be in your building:

XXXXXXX, XXXXXXX, XXXXXX

After the installations are completed, you will receive documentation and other educational materials about the energy-saving products that were installed free of charge in your home. Included in these materials is a customer satisfaction survey that we would appreciate your completing.

The Multifamily Energy Efficiency Program is available to eligible customers of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Kentucky and Duke Energy Indiana. For additional information about this offering, or other offerings from Duke Energy, contact the Multifamily Energy Efficiency Program at **888.297.1671**, email **dukeenergymultifamilyeep@franklinenergy.com** or visit **duke-energy.com/multifamily**.

Thank you!
Multifamily Energy Efficiency Team

[1]Independent studies conducted in the U.S. showed that Nest thermostats saved people an average of 10% to 12% on heating and 15% on cooling. Individual savings are not guaranteed. Learn more at nest.com/real-savings.

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This is also available in Spanish.

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Case Study

MULTIFAMILY ENERGY EFFICIENCY PROGRAM CASE STUDY

Here's What They're Saying About Us

"The Duke Energy Multifamily program has been instrumental in reducing the cost of living in Bell communities, enhancing our environmental stewardship and differentiating our NC/SC properties in the marketplace. We look forward to a continued partnership with Franklin Energy and Duke Energy."

– Wes Winterstein, Vice President, Ancillary Services, Bell Partners Inc.

ESTIMATED SAVINGS FOR RESIDENTS

Annual Electric Savings	Annual Electric Bill Savings
1,015 kWh	$107

Value and Savings for Bell Partners and Its Residents Through 2018

Annual Electric Savings	Value of Products and Energy Savings
2,771,664 kWh	$434,089

Going Green Makes a Difference

	Cars Taken Off the Road	Trees Planted
So far Bell Partners and Duke Energy have delivered energy savings equivalent to:	314	37,653

DUKE ENERGY AND BELL PARTNERS ARE GOING GREEN!

To date, Bell Partners and Duke Energy have collaborated to make nine communities more energy efficient by replacing standard lighting with LED bulbs, replacing inefficient faucets and showerheads with water-saving products, and insulating hot water heater pipes. The cost to Bell Partners and its residents? Nothing! In 2017 and 2018, Duke Energy provided and installed:

- $152,000 worth of energy-saving products
- Over 26,000 LED lights
- Nearly 5,600 water-saving faucet aerators
- Over 1,800 energy-saving showerheads
- Nearly 14,000 feet of pipe insulation

Bell Partners residents can save an average of $107 annually on their electric bill. The communities save ongoing O&M expenses. And with the help of Duke Energy, Bell Partners continues to be a leader in the green multifamily market.

DUKE ENERGY.
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BELL PARTNERS
APARTMENT INVESTMENT & MANAGEMENT

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Program Process Map

Multifamily Energy Efficiency Program

11 Steps to Energy Efficiency

We make saving energy at your property easy. Here are the steps we'll guide you through – from beginning to efficiency!

Before Your Installation

- [ ] **1. Schedule On-Site or Virtual Energy Assessment**
  Our team will check your property's eligibility during the energy assessment so we can determine which savings opportunities you qualify for.
- [ ] **2. Provide Property Information and Signed Agreement**
  To schedule your installation, we'll need a unit address list and a signed Service Agreement.
- [ ] **3. Schedule Your Installation Appointment**
  Your Energy Advisor will contact you to schedule the installation and provide a reminder call before we come.
- [ ] **4. Let Your Tenants Know We're Coming**
  Please distribute the personalized notices we give you 24 hours in advance of the installation, letting tenants know what to expect.
- [ ] **5. Select a Staff Member and Pull Apartment Keys**
  We will need a member of your staff (maintenance, leasing agent, intern) to accompany our team inside each unit throughout the installation. Please make sure they have apartment keys ready.

During Your Installation

- [ ] **6. Have Staff Member and Keys Ready by 8:45 a.m.**
  The installation team will arrive at your office by 8:45 a.m., ready to begin at 9 a.m. We will take precautions for the safety of our customers and workers including: asking about the health of the home's occupants prior to appointments, wearing protective equipment, practicing social distancing on-site and limiting in-home contact as much as possible.
- [ ] **7. Receive Regular Check-Ins from Installers**
  Our installers will check in each day to keep you updated on their progress. Please note that as installers are going through the units, if there are any unsecured pets or unattended minors, they will not be able to enter to perform the installation.
- [ ] **8. Review Installation Summary Report**
  Once the installation is completed, the team will check for any missed units and then provide you with a report summarizing what was installed.

After Your Installation

- [ ] **9. Watch for a Possible Quality Assurance Visit**
  To ensure your complete satisfaction, your property may be selected for a quality assurance inspection. If selected, you will be informed within 22 days of the installation, and the inspector will check at least 20% of the units to verify the products were properly installed.
- [ ] **10. Watch for a Possible Call from an Evaluator**
  This program undergoes an annual evaluation process to review and confirm the program's efficiency and effectiveness claims. You may receive a call from a third-party evaluator who will ask you about your experience.
- [ ] **11. Enjoy the New Products and Energy Savings**

Have questions?

Give me a call. I'm here to help!

You can also contact the Multifamily Energy Efficiency Program at 877.334.2680 or dukeenergymultifamilyeep@franklinenergy.com.

The Multifamily Energy Efficiency Program is available to eligible customers of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Kentucky and Duke Energy Indiana.

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Google Nest E Sell Sheet

Multifamily Energy Efficiency Program

Help Your Residents Save Energy and Money

DISCOVER THE CONTROL, CONVENIENCE AND SAVINGS OF THE GOOGLE NEST THERMOSTAT E[1]

Give your residents something to smile about with the Google Nest Thermostat E. Not only can this smart device help reduce energy usage, it can also help provide a unique level of luxury, convenience and control.

Thanks to Duke Energy, you'll only pay $100 for each thermostat, a price which includes free installation from our professional technicians![2]

BENEFITS FOR YOUR RESIDENTS:

- Can help save an average of 10% to 12% on heating costs and 15% on cooling costs[3]
- Has smart features that allow the Google Nest Thermostat E to turn itself down when no one's home
- Controlled from anywhere using the Google Home app

Want to learn more? Call 888.297.1671 or email dukeenergymultifamilyeep@franklinenergy.

Notes for Property Managers:

- It is required that your property's HVAC technician accompany the installers during the installation process.
- If you are experiencing any issues with the Google Nest Thermostat, please call Nest support at 855-VIP-NEST.

1 Duke Energy does not endorse specific products, services or companies – only energy-efficient technologies.

2 All air conditioning and heating systems must be electric-powered to be eligible for the Google Nest Thermostat E installation.

3 Independent studies conducted in the U.S. showed that Nest thermostats saved people an average of 10% to 12% on heating and 15% on cooling. Individual savings are not guaranteed. Learn more at nest.com/real-savings.

Google, Google Home and Google Nest Thermostat E are trademarks of Google LLC.

The Multifamily Energy Efficiency Program is available to eligible Duke Energy and Duke Energy Progress customers in the Carolinas, Kentucky and Indiana.

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Google Nest E Setup Sheet

Multifamily Energy Efficiency Program

Your guide to your new Google Nest Thermostat E

Find what you need to know about setting up and using your thermostat below!

How to Control Your Thermostat

The Google Nest Thermostat E does not have a touch screen. Use the outer wheel, or bezel, to control the thermostat. Turn the dial to toggle between options and press the button to select.

How to Switch Between Modes

Your Google Nest Thermostat E has five available modes: Heat, Cool, Heat/Cool, Off, and Eco. You can switch between these modes using the Google Nest Thermostat E itself.

- Press the button at the bottom of the display to open the menu.
- Rotate the bezel to switch between different modes.
- Press the button at the bottom of the display to confirm your selected mode.

The Heat/Cool mode helps keep your house between a range of temperatures you select. When set to *Heat*, the selected temperature will be orange. When set to *Cool*, the selected temperature will be blue.

How to Turn on Auto Schedule

Auto Schedule is a smart feature that can help you save energy by learning your daily routines. Follow these steps to turn on this feature:

- Rotate the bezel until *Settings* is displayed and press the button.
- Press the button on the bottom of the display screen to confirm your selection.
- Rotate the bezel until *Nest Sense* appears.
- Press the button on the bottom of the display screen to select *Auto Schedule*.
- Press the button on the bottom of the display screen to select *Yes*.
- Press the button on the bottom of the display screen to select *Ok*.

Your Auto Schedule feature is now turned on.

How to Turn on Eco Mode

The Eco mode setting allows your Google Nest Thermostat E to adjust itself when no one is home. Prior to using the Eco mode setting, you must set your preferred temperature settings. Suggested eco settings are: Heat 68 and A/C 78

- Rotate the bezel until *ECO* appears.
- Press the button on the bottom of the display screen to confirm your selection.
- You will see a screen displaying the *Heat* to: temperature and the *Cool* to: temperature.
- Using the bottom button to confirm selection and the bezel to adjust the temperatures, set your preferred Eco mode settings.
- Once you have selected your preferred settings, rotate the bezel to Done and confirm selection.

Next, turn on *Home/Away Assist*.

- Go to *Settings*.
- Rotate the bezel until *Home/Away Assist* appears.
- Press the button on the bottom of the display screen to confirm your selection.
- Press the button on the bottom of the display screen to select *Use Eco*.

Scroll to *Done* and confirm select to turn on Eco mode display.

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Google Nest E Setup Sheet (Cont.)

Multifamily Energy Efficiency Program

Signing Up in the Nest App

To sign up for the Nest app and connect your thermostat to your phone, first download the Nest app from the Google Play store or the App Store. Then, follow these instructions:

1. Open the Nest app and tap *Sign Up*.
2. Enter your preferred email address.
3. Enter your password.
4. Read and agree to the Google Nest Terms of Service.
5. Check your email for a "Welcome to Google Nest" message and tap on the link to activate your Google Nest account.

Pairing Your Google Nest Thermostat E to the Nest App

Pair your Google Nest Thermostat E with your account:

1. Press the thermostat's bezel to open the Quick View menu.
2. Choose *Settings*.
3. Turn the bezel to Nest Account and press the bezel to select it.
4. Select QR code.
5. Open the Nest app and scan the QR code.

Additional Users Need Both the Google Home App and a Gmail Account

1. Download Google Home app.
2. Click the plus and invite home member.
3. Send invite email.
4. The new user will get an invite to register and log in.

If you are having trouble logging in to the Google Home app, do the following:

- Make sure you are using the latest version of the mobile app.
- Verify that you have entered the correct email address and password.
- Try resetting your password.

For questions about your new thermostat, please visit https://support.google.com/googlenest/gethelp. If you are still having issues, please call the Google Nest support team at 1.855.469.6378.

Google, Google Nest and Google Nest Thermostat E are trademarks of Google LLC
https://widgets.nest.com/nest-thermostat-troubleshooter/

The Multifamily Energy Efficiency Program is available to eligible Duke Energy and Duke Energy Progress customers in the Carolinas, Kentucky and Indiana.

Duke Energy does not endorse specific products, services, or companies – only energy-efficient technologies.

Note that this program is administered by Franklin Energy, a contractor of Duke Energy with experience in the installation of home energy-saving products.

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A. Description

The purpose of this Program is to incent new construction that falls within the 2018 North Carolina Residential Building Code to meet or exceed the 2018 North Carolina Energy Conservation Code High Efficiency Residential Option("HERO"). If a builder or developer constructing to the HERO standard elects to participate, the Program offers the homebuyer an incentive guaranteeing the heating and cooling consumption for the dwelling's total annual energy costs. Additionally, the Program incentivizes the installation of high-efficiency heating ventilating and air conditioning("HVAC") and heat pump water heating ("HPWH") equipment in new residential construction.

Audience

The Program is available to builders and developers installing high-efficiency HVAC and HPWH equipment in new single family, manufactured, and multi-family residential housing units that are served under any of the Company's residential rate schedules.

The program is also available to builders and developers of new single family and multi-family residential dwellings (projects of three or fewer stories) that comply with all requirements of the 2018 HERO standard and are served under any of the Company's residential schedules. Manufactured housing, multi-family residential housing projects over three stories in height, and any other dwellings which do not fall within the 2018 North Carolina Residential Building Code, are not eligible for any whole-house incentives.

The Program also supports the initial homeowner for any home constructed to meet or exceed the HERO standard when the builder or developer elects to extend a heating and cooling energy usage guarantee to the homeowner. At the sole option of the builder or developer, homeowners may be offered a Heating and Cooling Energy Usage Limited Guarantee for homes with a HERS Index Score verified by a certified HERS rater calculating the heating and cooling energy usage that the home should use during an average weather year.

B & C. Impacts, Participants and Expenses

Residential New Construction

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	17,933	21,859	3,926
Savings (MW)	5.19	5.44	0.24
Participants		18,377,303	
2022 Program Expenses		$ 20,606,411	

D. Qualitative Analysis

Highlights

The Program move to a whole-house incentive structure which pays incentives to builders for HERO-compliant homes based solely on annual kWh savings continues to drive builders toward increasing savings. The Program requested approval from RESNET to offer 34 courses online for rater CEU's. In 2022 a total of twenty-eight courses were completed and CEU certificates awarded The Program has provided on-site instruction to over 300 builders and trade allies.

Currently there are 598 builders and 19 approved raters registered in the Program. For 2022 the Program invoiced homes from 302 builders and 19 raters. ICF is responsible for the operational oversight of Home Energy Raters and builders or developers participating in the Program.

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Whole-House Requirement	Eligibility	Incentive
HERO	Meet 2018 NCECC HERO standards	$750
HERO plus HERS Score	Meet HERO standards and submit confirmed annual kWh savings from the Energy Summary Report.	$0.90/kWh
	Equipment Description	**Incentive**
Tier 1	AC or heat pump with SEER (Seasonal Energy Efficiency Ratio) of 15 or greater but less than 16. The HVAC system must meet the Quality Installation Standard of 90%. High Efficiency Heat Pumps: The unit(s) shall be a minimum SEER of 14 with ECM. High Efficiency Central AC: The unit(s) shall be a minimum SEER of 14 with ECM.	$250 per unit
QI	Quality Installation Standard (Optional for Tier 2).	$75 per unit
Tier 2	AC or heat pump with SEER of 16 or greater.	$300 per unit
Heat Pump Water Heater	ENERGY STAR qualified HPWH(s) with minimum Energy Factor of 2.0.	$350 per unit

Issues

The federal tax credit incentivizing ENERGY STAR homes including Heat Pump Water Heaters (HPWHs) has several builders researching transitioning from a standard water heater to a HPWH. Builders are receiving pushback from a few plumbers not wanting to make the transition as it is new technology they are not as familiar with installing. Program staff are working with builders, Home Energy Raters (HERS), and plumbers to improve their knowledge and comfortability with this newer technology. The Program team will provide information that will increase Program savings and the efficiency of the homes being built.

Potential Changes

The Program continues to monitor measures and will consider modifying the incentives and eliminating non-cost-effective measures and measures. Those changes may include removing Quality Installation and Heat Pump Water Heater measures, as they are typically included when building to HERO standards and rarely implemented on a stand-alone basis.

E. Marketing Strategy

The Company promotes awareness through various marketing channels that include but are not limited to the following:

- Duke Energy Progress website
- Community outreach events/HBA Parade of Homes
- NCHBA events
- Local HBA events/webinars
- Social media promotions

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These marketing efforts are designed to create customer awareness of builders participating in the Program and to educate customers on the quality, comfort and energy savings these homes offer.

F. Evaluation, Measurement and Verification

The evaluation for RNC is currently underway with a final report expected in the third quarter of 2023. The evaluator will conduct an engineering-based analysis to estimate the energy and demand impacts achieved by the program via developing energy simulation models, calibrating simulated models using AMI billing data and weather. Prescriptive measures will be evaluated through the use of appropriate technical resource manuals.

Net-to-gross will be determined by surveys conducted with participating builders, non-participating builders, and HERS Raters.

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EnergyWise Home Program

A. Description

EnergyWise Home ("Program") allows Duke Energy Progress, LLC ("Company") to:

Option 1- install load control switches at the customer's premise to remotely control the following
residential appliances:

- Central air conditioning or electric heat pumps
- Auxiliary strip heat on central electric heat pumps (Western Region only)
- Electric water heaters (Western Region only)

AND/OR

Option 2- enroll a customer's qualified smart thermostat (System-wide)

For each of the appliance options mentioned in item 1, Program participants receive an initial one-time bill credit of $25 following the successful installation and testing of load control device(s) and an annual bill credit of $25 for participation in the program.

For each customer's premise that enrolls their qualified smart thermostat the Program participants receive a one-time initial e-gift card of $75 following the successful enrollment and an annual e-gift card of $25 in exchange for allowing the Company to control the enrolled thermostat(s).

Customers cannot be enrolled in both options for the same appliance.

Audience

The Program is available to all of the Company's residential customers residing in owner-occupied or leased, single-family, or multi-family residences. Water heater option is only available in the Western Region only.

B & C. Impacts, Participants and Expenses

EnergyWise Home

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	N/A	N/A	N/A
Savings (MW)	474.28	456.45	-17.83
Participants (256,737 Devices)		456.45	
2022 Program Expenses		$ 15,304,162	

1. MW Savings at the generator include Summer MW for AC participants and Winter MW for Heat Strip and Water Heater Participants

D. Qualitative Analysis

Highlights

After receiving regulatory approval from both the North Carolina Utilities Commission and the South Carolina Public Service Commission late in 2008, the Company officially launched the Program in April of 2009. Itron (Comverge), which specializes in integrated demand response solutions, was awarded the contract for the load management system software and switch technology, and Franklin Energy (GoodCents) was awarded the contract for enrollment, field implementation, and call center support. In 2019 EnergyHub was awarded the contract for the smart thermostat option (BYOT).

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Smart Thermostat Introduction/Option

Winter-focused option was made available November 13, 2020, in North Carolina and a few weeks later in South Carolina as well. Winter-focused control required smart thermostat heat validation by smart thermostat vendors and was available for control in January of 2022.

E. Marketing Strategy

The Company continues to deploy Program marketing efforts through various channels that include but are not limited to the following:

- Door-to-door canvassing
- Outbound calling
- Duke Energy Progress website
- Email
- Direct mail (letters and postcards to qualifying customers)

Additional detailed program information is located at https://www.duke-energy.com/home/products/energywise-home

F. Evaluation, Measurement and Verification

The EnergyWise Home Winter 2021/2022 evaluation is currently underway with a final report expected fourth quarter of 2022. EnergyWise Home's Summer 2021 "mini" evaluation will be included in the formal 2022 Summer evaluation.

Business Energy Saver

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A. Description

The purpose of the Duke Energy Progress ("Company") Business Energy Saver program ("Program") is to reduce energy usage through the direct installation of energy efficiency measures within qualifying non-residential customer facilities. The Program is offered through two options: Small Business Energy Saver (SBES) and SmartPath.

SBES
All aspects of SBES are administered by a single Company-authorized vendor, Willdan Services. SBES measures address major end uses in lighting, refrigeration, processes, and HVAC applications. SBES is designed as a pay-for-performance offering, meaning that the Company-authorized vendor administering SBES is compensated for energy savings produced through the installation of energy efficiency measures.

Program participants receive a free, no-obligation energy assessment of their facility and a recommendation of energy efficiency measures along with the projected energy savings, costs of all materials and installation, and up-front incentive amount from the Company. If the customer decides to move forward with the proposed project, the customer will make the final determination of which measures will be installed. The vendor then schedules the measure installation at a time convenient for the customer. The Program provides the customer payment options including financing of the remaining project cost.

SmartPath
In 2020 a program modification was approved by the NC & SC utility commissions for SmartPath under the Business Energy Saver Program. SmartPath is meant to build upon the traditional SBES offering by minimizing financial barriers to customer participation by allowing customers to finance and implement energy efficiency upgrades at little to no upfront costs to the customer. SmartPath is implemented by a qualified Trade Ally network who develops proposals and implements the projects on the program's behalf.

Audience

SBES is available to existing non-residential customers that are not opted-out of the Company's Energy Efficiency Rider. Program participants must have an average annual demand of 180 kW or less per active account.

SmatPath is available to all existing non-residential customers that are not opted-out of the Company's Energy Efficiency Rider. There are no kW limits associated with the SmartPath option.

B & C. Impacts, Participants and Expenses

Business Energy Saver

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	52,366	21,332	-31,034
Savings (MW)	10.52	4.03	-6.49
Participants		19,847,445	
2022 Program Expenses		$ 5,060,788	

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D. Qualitative Analysis

Highlights

Willdan Services is the Company-authorized vendor administering the SBES Offering in both DEC and DEP service areas. In 2022, SBES continued to provide services to the Company's small and medium business customers. SBES finished below target due to market conditions. In 2021 SBES closed almost 50% of the project proposals in about 28 days. In 2022, the SBES only closed about 45% of the projects and it took about 50 days to get decisions. The lower close percentage and the delayed decisions slowed the Program in reaching the targets during 2022.

Even with the slowdown, customers were still accepting of SBES and interested in the energy efficiency to help with inflation and growing concerns with market conditions. However, there are concerns from Customers and it is slowing the decision process.

The Company continues to administer a customer satisfaction survey to SBES participants since SBES launched in DEP. Customers continue to give the SBES high scores and indicates SBES generates a positive view of the Company.

SmartPath was well received by customers and Trade Allies in 2022. Currently the program has enrolled 58 SmartPath Trade Allies to offer the program to Duke Energy customers. In 2022 SmartPath had 78 projects being initiated, up from 22 in 2021. 34 projects totaling 11,500 MWh savings were completed utilizing SmartPath and the project pipeline currently stands at 60 active projects and 31,000 MWh in energy savings heading into 2023.

Issues

While LED lighting measures are expected to remain the primary driver of kWh savings in SBES for the foreseeable future, the Company has been actively working with our vendor Willdan to implement initiatives focused on increasing refrigeration and HVAC measure adoption. With the impacts of COVID, the Program experienced a decline in refrigeration and HVAC measures. Willdan kicked off the year with additional training of their sales staff to promote and sale not only the refrigeration and HVAC measures but also the new process measures added.

Potential Changes

SBES and the Authorized vendor Willdan is working to add additional technologies to the direct install platform. This is being accomplished by working out agreements with equipment manufactures and installers working in the DEC territory. As SBES continues to mature, the Company will continue to evaluate opportunities to add incentivized measures which fit the direct install program model and are suitable for the small business market. Some of the measures currently being considered are window film, ice machine and vent/exhaust hood controls.

E. Marketing Strategy

The Program is marketed primarily using the following channels:

- Willdan field representatives
- Direct mail (letters and postcards to qualifying customers)
- Duke Energy Progress website
- Email & Duke Energy Business E-Newsletters
- Social media and search engine marketing
- Direct marketing & outreach via Program administrator
- Outreach via Duke Energy Business Energy Advisors
- Community events

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All marketing efforts are designed to create awareness of the Program, to educate customers on energy saving opportunities, and to emphasize the convenience of participation for the target market.

F. Evaluation, Measurement and Verification

No evaluation activities occurred in 2022. An evaluation report is tentatively planned for the fourth quarter of 2023.

Non-Residential Smart $aver Program

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A. Description

The Non-Residential Smart $aver Program ("Program") provides incentives to Duke Energy Progress, LLC's ("DEP" or the "Company") commercial and industrial customers to install high efficiency equipment in applications involving new construction and retrofits and to replace failed equipment.

Commercial and industrial customers can have significant energy consumption but may lack knowledge and understanding of the benefits of high efficiency alternatives. The Program provides financial incentives to reduce the cost differential between standard and high efficiency equipment so that customers see a quicker return on their investments into high efficiency equipment and so that the money they save on utility bills can be reinvested in their businesses. Incentives are determined based on the Company's modeling of cost effectiveness over the life of the measure. In addition, the Program encourages dealers and distributors (or market providers) to stock and provide these high efficiency alternatives to meet increased demand for the products.

The Program provides incentives through prescriptive measures, custom measures and assessment/ technical assistance.

Prescriptive Measures:
Customers receive incentive payments after they install certain high efficiency equipment from the list of pre-defined measures, including lighting; heating, ventilating and air conditioning equipment; and refrigeration measures and equipment. A list of eligible equipment and measures and specific incentive amounts are available at the Program website: https://www.duke-energy.com/business/products/smartsaver.

Custom Measures:
The Smart $aver Custom Program is designed for customers with electrical energy-saving projects involving more complicated or alternative technologies or measures not covered by the Non-Residential Smart $aver Prescriptive Program. The intent of the Program is to encourage the implementation of energy efficiency projects that would not otherwise be completed without the Company's technical or financial assistance.

Unlike the Non-Residential Smart $aver Prescriptive Program, the custom program requires pre-approval prior to the project initiation. Proposed energy efficiency measures may be eligible for customer incentives if they clearly reduce electrical consumption and/or demand.

The two approaches for applying for incentives for this Program are Classic Custom and Smart $aver Tools. Each approach has a method by which energy savings are calculated, but the documents required as part of the application process vary slightly between the two.
Currently the application forms listed below are located on the Company's website under the Smart $aver® Incentives (Business and Large Business tabs).

- Custom Application, offered in word and pdf format.
- Energy savings calculation support:
  - Classic Custom excel spreadsheet approach (> 700,000 kWh or no applicable Smart $aver Tool)
    - Lighting worksheet (excel)
    - Variable Speed Drive (VFD) worksheet (excel)
    - Compressed Air worksheet (excel)
    - Energy Management System (EMS) worksheet (excel)
    - General worksheet (excel), to be used for projects not addressed by or not easily submitted using one of the other worksheets
  - Smart $aver Tools approach (< 700,000 kWh)
    - HVAC & Energy Management Systems
    - Lighting (no project size limit)
    - Process VFDs
    - Compressed Air

Non-Residential Smart $aver Program

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Energy Assessments and Design Assistance:
Incentives are available to assist customers with energy studies such as energy audits, retro commissioning, and system-specific energy audits for existing buildings and with design assistance such as energy modeling for new construction. Customers may use a contracted Duke Energy vendor to perform the work, or they may select their own vendor. Additionally, the Program assists customers who identify measures that may qualify for Smart $aver Incentives with their applications. Pre-approval is required.

The Company contracts with AESC to perform technical reviews of applications. All other Program implementation and analysis is performed by Duke Energy employees or direct contractors.

Audience

This Program is designed for all of the Company's non-residential customers billed on an eligible Duke Energy Progress rate schedule.

B & C. Impacts, Participants and Expenses

Energy Efficiency for Business – Total Program

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	91,764	57,274	-34,489
Savings (MW)	15.68	10.30	-5.38
Participants		3,030,519	
2022 Program Expenses		$ 12,553,097	

Custom Measures Only

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	20,863	8,557	-12,305
Savings (MW)	2.93	1.95	-0.98
Participants		3,565	
2022 Program Expenses		$ 2,922,086	

Prescriptive Measures

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	70,901	48,717	-22,184
Savings (MW)	12.75	8.35	-4.40
Participants		3,026,954	
2022 Program Expenses		$ 9,631,011	

D. Qualitative Analysis

Highlights

The prescriptive, custom, and assessment/technical assistance programs continue to generate substantial savings and customer satisfaction by leveraging internal staff focused on providing solutions to participants. Prescriptive measures foster high-volume participation for common retrofit projects, while custom programs seek ways to provide in-depth technical expertise required to bring in larger and more unique projects.

Non-Residential Smart $aver Program

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Over the years, the Program has worked closely with Trade Allies (TAs), which are energy-efficiency equipment vendors, contractors, engineers, architects and energy services providers in the Carolinas registered with the Program, to promote incentives to our business customers at the critical point in time when customers are considering standard or high efficiency equipment options. The Smart $aver® outreach team builds and maintains relationships with TAs in and around Duke Energy's service territory. Existing relationships continue to be cultivated while recruiting new TAs remains a focus. Duke Energy's efforts to engage TAs include the following activities:

- Trade Ally Search tool located on the Smart $aver® website
- Inspections of a sample of all projects to ensure quality control
- TA co-marketing including information about the Smart $aver Program in the TAs marketing efforts
- Online application portal training and support
- Midstream channel support
- TA year-end awards
- TA quarterly newsletter
- Technology- and segment-specific marketing collateral
- TA discussion group (20 trade allies that give input on the Program)
- TA training
- Sponsorship of TA events
- Online collateral toolkit for access to marketing materials

The TA outreach team educates TAs on the Program rules and the Smart $aver Program expectations for TA conduct. The Company engages the TAs in promoting the Program as well as targeting TAs more effectively based on market opportunities.

Over the years, the Program has developed multiple approaches to reaching a broad and diverse audience of business customers through incentive payment applications, paper and online options, and instant incentives offered through the midstream marketing channel and the online energy savings store. The Company continues to consider ways to expand participation through new channels that offer instant incentives thus reducing the price of energy efficient products at the time of purchase and reducing or eliminating the need for a separate incentive application.
Several 2022 program trends are listed below.

- Customers continue to show interest in energy efficiency; however, the program is still in the midst of a significant decline due to the negative effects of the COVID-19 pandemic on businesses, including inflation, product shortages, and contractor (TA) labor shortages.
- Customers continue to utilize the midstream marketing channel by taking advantage of instant incentives through participating equipment distributors; however, product shortages due to the pandemic have caused energy efficiency project delays.
- Outreach continues to support Trade Allies working with the program, with a mix of virtual and phone outreach to Trade Allies, as well as in-person meetings when safe
- A dedicated team of representatives responded to customer questions via phone and email, providing high levels of customer service.

Customers have several options for participating in the Program. The following chart summarizes 2022 participating customers by Program channel::

Prescriptive Program Option	Participating Customers*	% 2022 Repeat Customer
Paper and Online Application Form	284	67%
Midstream Marketing Channel	982	48%
Online Energy Savings Store	661	33%
Multifamily Free Channel**	18	78%

*May include multiple facilities/sites for one customer.

Non-Residential Smart $aver Program

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In 2022, 511 applications, consisting of 1,885 measures, were paid for Duke Energy Progress prescriptive measures. In total, paid application volume was down in 2022 vs. 2021 by 10%. The average payment paid per application was $6,402, which was up 30% vs. 2021. Duke Energy utilizes an internal database that allows the Program to self-administer applications and track data.

Many TAs participating in the application process reduce the customer's invoice by the amount of the Smart $aver® Prescriptive incentive and then receive reimbursement from DEP. Customers often prefer this approach rather than paying the full cost of equipment upfront and receiving an incentive check from DEP later.

The midstream marketing channel provides instant prescriptive incentives to eligible customers at a participating distributor's point of sale. Approved midstream distributors validate eligible customers and the lighting, HVAC, food service and IT products they selected to purchase through an online portal and use that information to show customers the reduced price of high efficiency equipment. Upon purchase, the distributor reduces the customer's invoice for the eligible equipment by the amount of the prescriptive incentive. Distributors then provide the sales information to DEP electronically for reimbursement. The incentives offered through the midstream channel are consistent with current Program incentive levels.

The Duke Energy Business Savings Store on the Duke Energy website uses a third-party vendor that fulfills orders directly for the customers. The site gives customers the opportunity to take advantage of a limited number of prescriptive measure incentives by purchasing products from the on-line store at a purchase price reduced by the amount of the incentive. The discounts in the store are consistent with current incentive levels.

In order to grow the number of accounts participating in EE, particularly in market segments where knowledge of EE is limited, the Program is now collaborating with the Residential Multifamily Direct Install program to offer free low-cost measures to multifamily common areas as well as tenant spaces. Multifamily properties that are being approached by the Residential Multifamily program's vendor, Franklin Energy, are now eligible to add on limited quantities of common area measures. The common area must be on an eligible commercial rate to participate. Measures such as LED screw-in lamps, LED exit signs, low flow shower heads, faucet aerators and pipe insulation are now being installed where possible in multifamily common areas as well as in residential spaces. For those properties that accept the measures, Franklin Energy will directly install them in the common areas when they are on site for the residential installations. Franklin Energy tracks the measures installed by property, as well as total installations and reports this information to the Program team. This channel is up and running again in 2022 on a limited basis after being suspended along with the Residential Multifamily Direct Install program for the majority of 2021 due to COVID-19.

Smart $aver Custom Incentives program uses a flat rate incentive for both energy and demand savings.

Efforts to educate trade allies and vendors who sell energy efficient equipment have been very successful. In many cases, vendors will submit the paperwork for the customer, eliminating a barrier for customers that do not have the resources to devote to completing the application. Additionally, in 2021, Application Assistance and Calculation Assistance were introduced to further help trade allies and customers in applying for Custom incentives. For a fee that is deducted from the final incentive amount, assistance can be provided to complete the Smart $aver application and/or complete the energy calculations needed for a Custom application.

As new technologies are introduced and changes occur in the energy efficiency marketplace, performance incentives are the perfect tool to influence and reward customers who invest in energy efficiency. The Smart $aver Performance Incentives program was launched on January 1, 2017. Efforts to encourage internal resources, trade allies and vendors who sell energy efficient equipment to promote the Program and assist customers to participate are continuous and on-going. In addition, the Program is marketed closely with the Smart $aver Custom Program.

Non-Residential Smart $aver Program

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In in the first half of 2022, the Smart $aver Custom and Performance Incentives program received 22 new applications.

The program experiences large fluctuations in performance due to long project lead times, long monitoring and verification times, and the timing and sizes of projects.

The program is now able to offer both top and bottom cycle CHP to customers.

The Program launched a new marketing channel in 2017 called New Construction Energy Efficiency Design Assistance (NCEEDA) to identify projects for customers currently underserved in the small and medium business market. This channel utilizes the vendor Willdan Energy Solutions to help find those opportunities, provide energy consulting, and complete savings calculations as well as submit applications for the customer. In 2022, 55 projects have enrolled in the DEP - NCEEDA offering. The offer will be expanding in 2023 allowing buildings as small as 5,000 square feet to participate.

Issues

The primary issues that faced the program in 2022 were all related to the lasting negative effects of the COVID-19 pandemic on business customers. Inflation, energy efficiency product supply shortages, and Trade Ally labor shortages have all brought challenges that persist in the market and have caused Smart $aver® Prescriptive Program participation to decline compared to pre-pandemic levels.

Program Management implemented a significant change on June 1, 2022 by raising the majority of Smart $aver® Prescriptive incentives as a reaction to inflation and rising product prices. Incentive levels were increased on average by 10% on all cost-effective measures in an effort to boost participation in the second half of 2022 and beyond. Additionally, on July 1, 2022, the flat rate Custom incentives were raised over 10%.

Standards continue to change, and new, more efficient technologies continue to emerge in the market. DEP periodically reviews major changes to baselines, standards, and the market for equipment that qualifies for existing measures and explores opportunities to add measures to the approved Program for a broader suite of options.

DEP is also considering new and innovative ways to reach out to customer segments that have had a lower rate of prescriptive incentive applications and considering options to partner with other DEP EE programs to cover gaps in the market and ultimately, make it easier for customers to participate in Smart $aver incentives. Also, the Duke program team would like to drive deeper customer savings and increase participation in technologies beyond lighting.

E. Marketing Strategy

The marketing plan for 2022 included direct marketing such as email and direct mail, online marketing, print marketing and supporting partnerships.

The internal marketing channel consists of assigned Large Business Account Managers, small and medium Business Energy Advisors, and Local Government and Community Relations, who all identify potential opportunities as well as distribute program informational material to customers and Trade Allies. Duke Energy has Business Energy Advisors in the Carolinas area to perform outreach to unassigned small and medium business customers. The Business Energy Advisors follow up on customer leads, assist with program questions, and steer customers who are not already working with a trade ally to the trade ally search tool. In addition, the Business Energy Advisors contact customers with revenue between $60,000 and $250,000 to promote the Smart $aver® programs. The Economic and Business Development groups also provide a channel to customers who are new to the service territory.

Non-Residential Smart $aver Program

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F. Evaluation, Measurement and Verification

Non-Residential Smart $aver Prescriptive Program

A combined DEC/DEP Prescriptive evaluation is currently underway. The evaluation will consist of an impact evaluation and a limited process evaluation. Impacts will be determined from a mix of activities, including deemed savings, engineering desk reviews, participant surveys to refine input parameters, and onsite visits with a sample of main channel and midstream channel participants. NTG will be established through surveys with participants and trade allies.

The evaluation is scheduled to be completed in the third quarter of 2023.

Non-Residential Smart $aver Custom Program

DEC Non-Residential Custom evaluation activities, combined with DEP, was completed in the second quarter of 2022.

A combined DEC/DEP Custom evaluation for Program Years 2018-2019 was completed in the second quarter of 2022. The evaluation of Program Years 2020-2021 is underway and began in Q3 of 2022.

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Non-Residential Smart $aver® Performance Incentive

A. Description

Duke Energy Progress, LLC's (the "Company") Non-Residential Smart $aver® Performance Incentives (the "Program") offers financial assistance to qualifying commercial, industrial and institutional customers to enhance their ability to adopt and install cost-effective electrical energy efficiency projects.

The Program encourages the installation of new high efficiency equipment in new and existing nonresidential establishments as well as efficiency-related repair activities designed to maintain or enhance efficiency levels in currently installed equipment. The Program provides incentive payments to offset a portion of the higher cost of energy efficient installations that are not eligible under either the Smart $aver® Prescriptive or Custom programs. The types of projects covered by the Program include projects with some combination of unknown building conditions or system constraints, or uncertain operating, occupancy, or production schedules. The specific measures incentivized are stated in the agreement with the customer. The Program coordinates closely with the existing custom program team and shares resources for administrative review and payment processing. The Program requires pre-approval prior to project initiation. Only projects that demonstrate that they clearly reduce electrical consumption and/or demand are eligible for incentives.

The intent of the Program is to broaden participation in non-residential efficiency programs by being able to provide incentives for projects that previously were deemed too unpredictable to calculate an acceptably accurate savings amount, and therefore ineligible for incentives. This Program provides a platform to understand new technologies better.

The key difference between the Performance Incentive Program and the custom program is that the performance incentive customers get paid based on actual measure performance. A plan is developed to verify actual performance of the project upon completion and is the basis for the performance portion of the incentive.

The incentive is typically paid out on the following schedule, though the quantity & timing of payment installments may vary:

- Incentive #1: For the portion of savings that are expected to be achieved with a high degree of confidence, an initial incentive is paid once the installation is complete.
- Incentive #2: After actual performance is measured and verified, the performance-based part of the incentive is paid. The amount of the payout is tied directly to the savings achieved by the measures.

The Company contracts with Alternative Energy Systems Consulting, Inc. (AESC) to perform technical review of the applications. All other program implementation is performed by Duke Energy employees or direct contractors.

Audience

All the Company's non-residential electric accounts billed on qualifying rate schedules are eligible, except accounts that are opted out of the rider.

B & C. Impacts, Participants and Expenses

Non-Residential Smart $aver Performance Incentive

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	2,544	275	-2,269
Savings (MW)	0.29	0.01	-0.28
Participants		2	
2022 Program Expenses		$ 105,218	

Non-Residential Smart $aver® Performance Incentive

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D. Qualitative Analysis

Highlights

As new technologies are introduced and changes occur in the energy efficiency marketplace, performance incentives are the perfect tool to influence and reward customers who invest in energy efficiency. The Smart $aver Performance Incentives program was launched on January 1, 2017. Efforts to encourage internal resources, trade allies and vendors who sell energy efficient equipment to promote the Program and assist customers to participate are continuous and on-going. In addition, the Program is marketed closely with the Smart $aver Custom Program.

The program experiences large fluctuations in performance due to economic conditions, long project lead times, long monitoring and verification times, and the timing and sizes of projects.

The program is able to offer both top and bottom cycle CHP to customers.

Issues

Program management is monitoring a few areas.

- Continued participation issues post-COVID19 pandemic.
- The preferred method for measurement and verification of performance is gathering, monitoring and analyzing customer billing history. However, energy savings are not significant enough at times to evaluate effectively through the review of billing information. If this is the case, sub-metering is required at the customer's expense and may be a hurdle due to the time and expense of monitoring and verifying savings.
- The Performance program cannot be offered to customers who are opted out of the EE Rider. Performance projects can easily carry over into multiple calendar years because of the monitoring and verification requirement, a situation which could make opting in more difficult to justify.
- Sometimes project M&V can span multiple years thus requiring a customer to be opted-in for multiple years. This is often not preferred, and customers are beginning to forfeit a portion of their project incentives to opt-out of the rider.
- Customers may not participate because of the risk of measured energy savings being less than expected and resulting in a smaller incentive payout.
- The program is having difficulty in finding cost effective projects. Typical Performance project with uncertainty in savings have been controls related, where savings are determined based on the part-load characteristics of the measure or system optimization. These types of projects typically have the following characteristics which makes costs-effectiveness challenging:
  - High first costs
  - Little demand savings – low avoided costs
  - Low measure life

  The program will continue to evaluate projects on a case-by-case basis to ensure cost effective projects are incentivized.

Non-Residential Smart $aver® Performance Incentive

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Potential Changes

The Company will continuously consider functional enhancements to enhance participation, processing speed, and program efficiency.

E. Marketing Strategy

The 2022 marketing strategy for the Smart $aver Performance Incentive Program aligned closely with the Custom Program. The goal is to educate non-residential customers about the technologies incentivized through both programs, as well as the benefits of installing energy-efficient equipment. These efforts utilize a multi-channel approach, which includes the following:

- Email
- Direct Mail (letters to qualifying customers)
- Duke Energy Progress website
- Webinars
- Small Business Group outreach events
- Paid advertising/mass media
- Industry Associations
- Large Account Managers
- Business Energy Advisors
- Trade Ally Outreach

These marketing efforts are designed to create awareness of the Program, to educate customers on energy saving opportunities, and to emphasize the convenience of participating.

Non-residential customers are informed of programs via targeted marketing material and communications. Information about incentives is also distributed to trade allies, who in turn sell equipment and services to all sizes of non-residential customers. Large business or assigned accounts are targeted primarily through assigned Company account managers. Unassigned small to medium business customers are supported by the Company's business energy advisors. The business energy advisors follow up on customer leads to answer questions and steer customers who are not already working with a trade ally to the trade ally search tool. In addition, the business energy advisors contact customers with electrical costs between $60,000 and $250,000 to promote the Non-Residential Smart $aver Program.

The internal marketing channel is comprised of assigned Large Business Account Managers, Business Energy Advisors, and Local Government and Community Relations who all identify potential opportunities as well as distribute program collateral and informational material to customers and trade allies. In addition, the Economic and Business Development groups also provide a channel to customers who are new to the service territory.

F. Evaluation, Measurement and Verification

No evaluation activities are planned for 2022-2023. Future evaluation timing will depend upon sufficient participation.

EnergyWise Business

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A. Description

The Duke Energy Progress, LLC ("Company") EnergyWise Business ("Program") is an energy efficiency and demand response program for non-residential customers that allows the Company to reduce the operation of participants' air conditioning units during the summer and winter (Direct Load Control option) or allow the customer to modify their operations when requested during the winter (Bring Your Own KW option) to help manage the power grid. The Program provides customers with options for how they would like to participate. In exchange for participation, the Company applies an annual incentive directly to their bills or an incentive check.

Direct Load Control Option - For each air conditioning or heat pump unit that they have, Program participants can choose between a Wi-Fi thermostat or a load control switch professionally installed for free by the Program. In addition to choosing the equipment, participants also choose the cycling level at which they participate—30%, 50% or 75%. The levels represent the percentage of the normal on/off cycle of the unit that is reduced. During a conservation period, Company sends a signal to the thermostat or switch to reduce the amount of time a unit is on by the percentage the participant selected. For participating at the 30% level the customer receives a $50 annual bill credit for each unit, $85 for 50% cycling, and $135 for 75% cycling. Finally, participants that have a heat pump unit with electric resistance emergency/back up heat and choose the thermostat can also participate in a winter option that allows the Company to control the emergency/back up heat. For 100% control of the emergency/back up heat, the Company provides an additional $25 annual bill credit.

Participants choosing the thermostat are given access to a portal that allows them to control their units from anywhere they have internet access. They can set schedules, adjust the temperature set points and receive energy conservation tips and communications from the Company. In addition to the portal access, participants also receive conservation period notifications. Notifications allow participants to make adjustments to their schedules or notify their employees of the upcoming conservation period. Participants are allowed to override two conservation periods per year either before or during the conservation period.

Bring You Own KW Option – This option was filed and approved in NC during 2022 and filed in SC. This option allows customer to reduce their energy usage when asked by the Company and in return the customer will receive $30 per KW average reduction during the winter season. The customer can accomplish these reductions by making manual adjustments to their equipment or by connecting their equipment to receive communications for the Company.

Audience

The Program is available to existing non-residential customers that are not opted-out of the DSM Rider, have at least one air conditioner or heat pump that operates to maintain a conditioned space on weekdays during the calendar months of May through September, and are not served under Schedules LGS-RTP and SI, Riders NM, DRA, 57, 68 IPS, LLC or NFS.

B & C. Impacts, Participants and Expenses

EnergyWise ® for Business

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	0.00	24.45	24
Savings (MW)	7.93	3.15	-4.79
Participants (EE & DR)		2,122	
2022 Program Expenses		$ 1,194,060	

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D. Qualitative Analysis

Highlights

During the majority of 2022, the Program continued to operate in maintenance mode with what is now the Direct Load Control option. The Program tried to maintain summer load as reported in the IRP. In 2022, the Program continued to promote the Program, enroll customers and install equipment. The Program recovered some of the lost summer capacity from the pandemic but did not reach the pre-pandemic level.

The Bring Your Own KW option was filled and approved in NC during 2022 and filed in SC (approval received in Jan 2023). This option will allow the Program to grow and target winter capacity and improve the performance of the Program.

Issues

With the program struggling with cost effectiveness, and the change in DEP from a summer peaking utility to mostly winter peaking, the Direct Load Control option was moved to maintenance mode. We have negotiated price reductions with our vendor that will improve the cost effectiveness and allow the program to maintain its current summer capacity levels.

E. Marketing Strategy

For the Direct Load Control option in 2022 the Program continued the efforts of door-to-door marketing using a dedicated canvassing vendor. In addition to canvassing, the Program targets slightly larger and multi-location customers through Duke Energy's Business Energy Advisors.

For the Bring You Own KW option a campaign to reach technology providers kicked off to create a network of providers with technologies that are already connected to the control system. Through these technologies customers can easily participate in load control events call by the Company. Some examples of technologies would be thermostat manufactures, HVAC controls companies and generator companies.

F. Evaluation, Measurement and Verification

The evaluation for the Smart Thermostat (EE) measure for the period of January 2018 – February 2019 was completed in February 2021 and presented at the July 2021 DEC/DEP Collaborative. Impacts for the demand response portion (Summer 2021) for the program were completed in July 2022 and presented at the Carolinas Collaborative held in July 2022.

DR impact findings reflect full capability, expected impacts of 0.8 kW per thermostat device and 0.5 kW per switch device. During winter events at an assumed temperature of 20°F, thermostats are estimated to deliver 0.7 kW of curtailment per device.

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A. Description

Demand Response Automation ("Program") allows Duke Energy Progress, LLC ("Company") to install data acquisition and optional load control devices to remotely monitor and control the following electrical equipment:

HVAC
Lighting
Standby generation
Variable speed motors
Non-critical, interruptible operations

Program participants agree to reduce their total metered demand by the seasonal contracted kilowatt (kW) amount during the time specified in the event notification. Participants may reduce their demand using any method, including the use of other power sources. In return, these businesses receive valuable incentives as follows:

1. A one-time participation incentive of $50/kW for demonstrated demand reduction during initial summer event(s) on the program,
2. Monthly credits of $4.25/kW for the contracted amount of curtailable demand, and
3. Performance credits of $6/kW for demand reduced during each curtailment event.

Audience

The Program is available to commercial, industrial and governmental customers with a service base that is capable of contracting for a minimum of 50 kW in curtailable demand. Some exclusions apply based on rate schedules and participation in other riders.

B & C. Impacts, Participants and Expenses

CIG DRA

2022 YTD Results	Annual Forecast	Actual at 12/31/2022	Variation
Savings (MWH)	N/A	N/A	N/A
Savings (MW)	38.21	34.87	-3.34
Participants		34.87	
2022 Program Expenses		$ 2,239,857	

D. Qualitative Analysis

Highlights

The Program experienced a slight decrease in program capabilities during 2022 due to the loss of participants, but an increase in enrollments is still expected in early 2023 based on the number of interested customers in the pipeline.

In addition to the June 14, 2022, event, which satisfied the rider minimum of one summer event each calendar year, the Company dispatched the program on December 24, 2022, from 6:30-10:00 and on December 26, 2022, from 6:00-10:00.

Potential Changes

The Company continues to work with stakeholder groups to evaluate opportunities for developing new options within the large nonresidential DSM programs that will enhance the flexibility of grid reliability resources available to our system operators.

E. Marketing Strategy

The Company continues to market the Program directly through Large Account Management and has expanded efforts to reach eligible unassigned customers through various channels that include but are not

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limited to the following:

Direct mail (letters and postcards to qualifying customers)
Duke Energy Progress website
Email
Promotion by the Medium Business Energy Advisors team
Additional detailed program information is located at www.duke-energy.com/dra.

F. Evaluation, Measurement and Verification

PY 2020-2021 evaluation activities began the first quarter of 2021 with a report completed in the first quarter of 2022.

Impact findings are that the evaluator's replicated settlement baselines did not differ materially from those reported by the Company. The verified realization rate for summer demand impacts was 99%, which was slightly higher than the average realization rate reported across prior year (96%).

Process findings included: 1) financial interests were the biggest motivator to participate in the program; 2) participants felt the events did not disrupt their businesses; 3) participants had limited use of the Energy Tool; 4) more load could be allocated if aggregation was allowed; 5) participants remain satisfied with the program and Account Executive service associated with the program.

The EM&V summary for the program was presented to the Collaborative in July 2022.