November 29, 2023

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

RE: Application of Duke Energy Progress, LLC and Duke Energy Carolinas, LLC for Approval of Innovation Prototyping Guidelines and Regulatory Approval of Non-Demand Side Management/Energy Efficiency Customer Program Offerings

Docket Nos. E-2, Sub 1330; E-7, Sub 1296

Dear Ms. Dunston,

On October 30, 2023, Duke Energy Progress, LLC and Duke Energy Carolinas, LLC (collectively "Duke Energy" or the "Companies") jointly filed a Request for Approval of Joint Proposed Innovation Prototyping Guidelines for Expedited Review and Regulatory Approval of Non-Demand Side Management/Energy Efficiency Customer Program Offerings ("Request for Approval")—which was also signed by North Carolina Sustainable Energy Association ("NCSEA"), the North Carolina Justice Center, the Southern Alliance for Clean Energy, Vote Solar, and CIGFUR II and III. The North Carolina Utilities Commission ("Commission") subsequently issued its *Order Requesting Comments* on November 3, 2023. This order allows interested parties to petition to intervene and file written comments regarding the Request for Approval. NCSEA submitted a Petition to Intervene on November 17, 2023, and now respectfully submits this letter in lieu of comments in response to the Commission's Order.

NCSEA strongly supports the approval of the proposed Innovation Prototyping Guidelines and Non-Demand Side Management/Energy Efficiency Customer Program Offerings. Further, NCSEA appreciates the iterative, collaborative, and ultimately effective stakeholder engagement process that was able to yield complete alignment across nearly all interested parties. The Request for Approval represents a thoroughly researched and negotiated consensus between the co-signing parties—one that NCSEA believes has great potential to benefit North Carolina ratepayers by allowing for the efficient investigation of new technologies and rate designs for their potential use to further the clean energy transition, as mandated by Session Law 2021-165.

There are three particular aspects of the Request for Approval that NCSEA would like to highlight. First, the creation of the Innovation Prototyping Working Group and its integration into prototyping development, selection, and monitoring provides for—despite the expedited nature of this process—continued, direct stakeholder engagement as well as oversight as this mechanism is utilized. Second, NCSEA believes the inclusion of the requirement to have one prototype every two years address affordability for customers at or below 200% federal poverty level, or to file a report detailing the barriers preventing the Companies from doing so, is important to ensuring that as new technologies and rate designs are developed, all North Carolina ratepayers are in a position to benefit. Finally, the iterative oversight and compliance procedures—requiring detailed reports every six months after approval and within six months of the pilot's conclusion—allow for the Commission and interested stakeholders to monitor both cost and progress towards



learning objectives (among other required components). These reports will also be a vital tool for understanding and developing the next generation of applicable programs.

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

Thank you,

/s/ Ethan Blumenthal
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Enclosures cc: Parties of Record

CERTIFICATE OF SERVICE

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

This the 29th day of November, 2023.

/s/ Ethan Blumenthal
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