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Sep 11 2023

September 11, 2023

VIA ELECTRONIC FILING

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Proposed Income Qualified Residential Load Control Program ("Power Manager"); Docket No. E-7, Sub 1032.

Dear Ms. Dunston:

Enclosed for filing with and approval by the North Carolina Utilities Commission (the "Commission") is Duke Energy Carolinas, LLC's ("DEC" or the "Company") proposed Income Qualified Residential Load Control Program (the "Program"), an energy efficiency ("EE")/demand-side management ("DSM") program filed in accordance with Commission Rule R8-68. The proposed Program would provide income-qualified customers with incentives to facilitate participation in the Company's demand response ("DR") program.¹

The Program and its associated tariff are outlined in the attached filing package, prepared in accordance with Rule R8-68(c)(2)-(3). The objective of the proposed Program is to provide DR measures for income-qualified customers utilizing eligible (i) Company or customer supplied smart thermostat devices configured in a manner which allows the Company to remotely communicate and control Customer's equipment via the internet or (ii) load control devices where the load control signal can be satisfactorily received at the Customer's premise. This Program will aid in the Company's efforts to deliver DR benefits to the entirety of the Company's energy delivery system by expanding participation in DR programs.

The Program is available to individually metered income qualified residential customers who have participated in income qualified programs, including, but not limited to, EE programs, within the past 36 months from the date of enrollment in the Program. The Program would provide participants with financial incentives in exchange for employing a control device (either a Company-provided Load Control Device or an eligible thermostat) that enables the Company to interrupt service to an installed, approved electric heat pump(s) used for cooling and/or approved

¹ The Company currently offers a cost-effective version of the Power Manager program that is not targeted at income-qualified customers.

electric heating source providing primary or backup electric resistance heat. By providing the Company the ability to interrupt service, the Company can control these devices during peak electric demand periods (such as when summer or winter temperatures are extreme causing high-levels of electricity demand and strain, on the electric grid). The Program thus shifts energy usage away from peak periods of energy usage, and reduces the electric load to the grid. More importantly, the Program targets income-qualified customers who have significant need and could derive a great economic benefit from the Program. As a result, the Program aims to expand access and ease implementation for income-qualified customers by providing technology that integrates with existing programs to create a more holistic product experience for those customers. Taken together, the Program is in the public interest.

The Company has modeled the Program's cost effectiveness results, and the Program achieves cost-effectiveness under each test. The results are below:

Cost Effectiveness Test	Results
Utility Cost Test (UCT)	1.66
Total Resource Cost Test (TRC)	2.10
Rate Impact Measure Test (RIM)	1.66
Participant Cost Test (PCT)	1.57

The Company respectfully requests the Program and its associated tariff become effective upon the earlier of (i) November 1, 2023, or (ii) the date on which the Commission approves the Program. The Company is also aware that under Commission Rule R8-68(d)(2) other parties have thirty days from the date of the filing in which to petition for intervention, protest, or file comments.

In conclusion, the Company respectfully requests that the Commission:

1. Approve the Program and tariff (provided on Attachment G) to become effective upon the earlier of (i) November 1, 2023, or (ii) the date on which the Commission approves the Program, until such time that the Commission orders otherwise.
2. Find that Program meets the requirements of a "new" DSM/EE program consistent with Rule R8-69.
3. Find that all costs incurred by the Company associated with the Program are eligible for cost recovery through the annual DSM and EE rider in accordance with Rule R8-69(b).
4. Approve the proposed utility incentives for inclusion in the annual DSM/EE rider in accordance with Rule R8-69.

Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Will M.", is centered within a light gray rectangular box.

Marion "Will" Middleton, III

*Appearing as counsel for Duke Energy Carolinas,
LLC*

N.C. State Bar No. 50877

Enclosure

cc: Parties of Record

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Proposed Income Qualified Residential Load Control Program, filed in Docket No. E-7, Sub 1032, has been served on all parties of record either by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid.

This 11th day of September 2023.

A handwritten signature in blue ink, appearing to read "Will M.", is centered within a light gray rectangular box.

Marion "Will" Middleton, III