



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

April 23, 2024

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

Re: Docket Nos. E-2, Sub 931; E-7, Sub 1032; and E-100, Sub 179  
The Public Staff's Presentation Materials for the Mechanism Review  
Technical Conference

Dear Ms. Dunston:

Attached for filing on behalf of the Public Staff in the above-referenced dockets is the Public Staff's presentation materials, presented at the Mechanism Review Technical Conference on April 22, 2024. These materials include a PowerPoint presentation.

By copy of this letter, we are forwarding a copy to all parties of record by electronic delivery.

Sincerely,

Electronically submitted,  
/s/ Anne M. Keyworth  
Staff Attorney  
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cc: Parties of Record

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# Duke Energy DSM/EE Mechanism Review

## Technical Conference

The Public Staff – North Carolina Utilities Commission

April 22, 2024



# Active Load Management in the DSM/EE Rider Mechanism

# Active Load Management (ALM)

The Public Staff is interested in the concept, but believes it is premature to include an incentive or a definition of the concept in the Mechanism

- Concerned with hardcoded language about new program concepts that may extend beyond DSM or EE measures or programs going into a cost recovery mechanism
- The DSM/EE Collaborative is the ideal place for program design discussions
- Rapid prototyping structures currently pending before the Commission would provide the ability to investigate unknown costs and benefits of an ALM program as well as insight on the appropriate cost recovery methods

# Introduces New Savings Categories

Savings for DSM/EE measures are quantified using avoided energy, avoided capacity, and/or avoided T&D

As proposed by Duke and Efficiency Advocates, ALM would result in additional categories of savings that would need to be studied and have not historically been recognized in the DSM/EE rider savings

- Enhance or maintain resource adequacy
- Reduce grid congestion
- Efficiently manage variable renewable energy output

# Proposed Incentive

The incentive proposed by Duke and the Efficiency Advocates is approximately three times the approved or proposed mid-level PPI

However, we do not have any savings assumptions to justify why such a significant incentive is required

# Inclusion of Language in the Mechanism is Unnecessary

The Mechanism does not prevent Duke from proposing ALM programs

- Any program that satisfies N.C.G.S. § 62-133.8 and Commission Rule R8-68 may be considered for inclusion in the Companies' DSM/EE riders

The Companies are free to initiate a Duke-specific ALM or VPP market potential study which could be used as the basis of future program applications, the nature of which would determine its appropriateness for inclusion in the DSM/EE rider



# Questions?

Thank you!