Jan 19 2023



## NORTH CAROLINA PUBLIC STAFF UTILITIES COMMISSION

January 19, 2023

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

> Re: Letter in Lieu of Reply Comments – Docket No. E-100, Sub 189 Consideration of Certain Standards to Promote Utility Demand Response Pursuant to the Infrastructure Investment and Jobs Act (IIJA)

Dear Ms. Dunston:

Pursuant to the Commission's *Order Allowing Comments* issued in the above-captioned docket on November 10, 2022 (Order), the Public Staff respectfully submits this letter in lieu of reply comments in response to the Letters in Lieu of Comments filed on December 22, 2022, by Duke Energy Carolinas, LLC, and Duke Energy Progress, LLC (Duke), Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC), and the North Carolina Sustainable Energy Association (NCSEA).

The Order referenced several statutory laws, orders, and policies applicable to electric utilities and electric utility service that already promote demand response and demand flexibility practices implemented by regulated electric utilities. Duke, DENC, and NCSEA each highlighted the efficacy of Duke's and DENC's portfolio of demand side management (DSM) and energy efficiency (EE) programs in providing retail customers with opportunities to participate in demand response and demand flexibility programs that improve system efficiencies and reduce carbon emissions. Duke and DENC already incorporate these programs in their integrated resource planning, either as dispatchable capacity resources or as load reductions resulting from less energy use per customer.

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As highlighted by NCSEA these policies can work to address and potentially mitigate the impacts associated with electrification of transportation and other uses that are likely to increase electric loads. NCSEA further highlights the potential for additional consumer products and services that could broaden the potential for flexible demand response, DSM, and EE. The Public Staff concurs with NCSEA that the Commission should continue its comprehensive approach to promoting demand response and demand flexibility through periodic evaluation and analysis of these resources. The Public Staff would add that load management strategies, whether to programs such as electric vehicle managed charging, time-of-use rate designs that inform and encourage shifting of consumption, or more active strategies that involve curtailment, interruptible loads, offer opportunities to make the electric system more efficient. The Public Staff has and will continue to work with interested parties and the electric utilities to improve existing programs and to develop new and cost-effective programs that promote greater efficiencies and load management.

In closing, the Public Staff concurs with the Commission's preliminary findings that the Commission has fully complied with the IIJA.

Sincerely,

PUBLIC STAFF Christopher J. Ayers Executive Director

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<u>Electronically submitted</u> /s/ Robert B. Josey <u>robert.josey@psncuc.nc.gov</u>

cc: Parties of Record