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October 22, 2021

**VIA ELECTRONIC FILING**

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

**RE: Duke Energy Carolinas, LLC's Revised Response to Commission  
Questions on Find It Duke Program  
Docket No. E-7, Sub 1249**

Dear Ms. Dunston:

On July 23, 2021, Duke Energy Carolinas, LLC ("DEC" or the "Company") filed its Response to Commission Questions about the Find It Duke ("FID") Program. Additional information about Questions 9, 10, 11, 13, 17 and 18 has come to the Company's attention. Enclosed for filing in the above-referenced docket is DEC's Revised Response to Commission Questions; only the responses to Questions 9 through 11 pertaining to the number of DEC ratepayers that contracted with FID contractors, Question 13 pertaining to the number of persons who were not DEC ratepayers but who contracted with FID contractors, Question 17 pertaining to the total FID operating cost, and Question 18 pertaining to total FID revenues, have been revised.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Kendrick C. Fentress

Enclosure

cc: Parties of Record

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Oct 22 2021

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-7, SUB 1249

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Duke Energy Carolinas, LLC ) for Approval of Demand-Side Management ) and Energy Efficiency Cost Recovery Rider ) Pursuant to N.C. Gen. Stat. § 62-133.9 and ) Commission Rule R8-69 )	<b>DUKE ENERGY CAROLINAS, LLC’S REVISED RESPONSE TO QUESTIONS ON THE FIND IT DUKE PROGRAM</b>
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NOW COMES Duke Energy Carolinas, LLC (“DEC” or “Company”) by and through counsel and, pursuant to the Commission’s June 24, 2021 *Order Requiring Answers Regarding Find It Duke Program* (“*Find it Duke Order*”), in the above-captioned docket, and revises its previous response to the questions from the Commission listed on the Appendix of the *Find it Duke Order*.

**BACKGROUND**

Find it Duke is a referral channel related to DEC’s Residential Smart Saver energy efficiency program. On February 9, 2016, in Docket No. E-7, Sub 1032, the Commission approved the Company’s request to implement this referral channel to offset some of the costs associated with the Residential Smart Saver Program. This modification was intended to enhance the cost-effectiveness of that energy efficiency program.

On February 23, 2021, DEC filed an application in the above-captioned docket for approval of cost recovery for DEC’s demand-side management and energy efficiency (“DSM/EE”) programs, including the Residential Smart Saver program. The Public Staff

of the North Carolina Utilities Commission (“Public Staff”) expressed some concern about the Find It Duke referral channel expanding into referrals that were not related to energy efficiency programs. After discussions between the parties, the Public Staff filed a letter on May 26, 2021, stating that it and DEC had agreed to work to resolve issues raised by the Public Staff regarding DEC’s Find It Duke referral channel. In the letter, the Public Staff agreed that DEC should not be required to make any changes to its accounting related to the Find It Duke program costs or revenues at this time. DEC and the Public Staff indicated that they would report to the Commission on their efforts in their testimony to be filed in DEC’s 2022 DSM/EE rider proceeding.

On June 24, 2021, the Commission issued its *Find It Duke Order*, in which it directed DEC to respond to the following questions. On July 23, 2021, DEC filed its responses. Subsequently, additional information came to DEC’s attention regarding its previous responses. Therefore, DEC respectfully resubmits its responses below, with revisions necessitated by this additional information:

### **RESPONSES TO THE COMMISSION’S QUESTIONS**

**1. What are DEC's qualification guidelines for the approval of contractors to participate in the Find It Duke program (FID)?**

**Response:** Qualification guidelines for the approval of contractors can vary by service type, but all contractors participating in the FID referral channel must: (i) be in good standing with Better Business Bureau; (ii) have minimal negative customer reviews posted by other review services; (iii) possess a valid W-9; (iv) meet minimum general liability/workers compensation insurance requirements; (v)

possess valid state certifications or business licenses; and (vi) agree to the terms and conditions of the FID program.

**2. How does DEC identify and recruit qualified contractors to participate in FID?**

**Response:** DEC's goal with the FID referrals is to ensure a positive experience for the customer and to address customers' needs and questions. To that end, Trade Ally Outreach identifies contractors who have historically been active partners with the Residential Smart \$aver program or other residential Duke Energy programs; utilizes partnerships with manufactures /distributors; and identifies contractors that have quality Better Business Bureau ratings and positive Google reviews.

**3. What efforts does DEC make to identify and recruit historically disadvantaged businesses for participation in FID?**

**Response:** Historically, the Trade Ally Outreach team engaged potential FID contractors through a variety of outreach channels to determine those firms that met the program standards and had an interest in participating in the program. The ownership or classification of the business was not a criteria. Duke Energy recognizes the importance to better track, recruit, and incorporate disadvantaged business into the FID contractor network. The FID team is currently collaborating with Duke Energy's Supplier diversity team to build a strategy and supporting tools to better incorporate disadvantaged contractors into the FID program.

**4. How many historically disadvantaged businesses are currently participating in FID?**

**Response:** The FID team has not obtained the information to detail the historically disadvantaged businesses participating in the program, but FID is working with Duke Energy's Supplier Diversity team to identify the number of current participating contractors that are classified as disadvantaged businesses. This information shall inform and help shape the strategy for facilitating engaging and working with disadvantaged businesses.

5. **Provide DEC's data on the number of historically disadvantaged businesses participating in FID that are female-owned businesses, minority-owned businesses, and all other subcategories describing the nature and ownership of such businesses.**

**Response:** The FID team has not obtained the detailed information to specifically identify female-owned businesses, minority-owned businesses, and all other subcategories currently supporting the FID program, but FID is working with Duke Energy's Supplier Diversity team to identify the number of current participating contractors that are classified as female-owned businesses, minority-owned businesses, and other subcategories. This information shall inform and help shape the strategy for facilitating the program's approach to effectively engaging and working with female-owned businesses, minority-owned businesses, and all other subcategories.

6. **What is the total number of businesses currently participating in FID?**

**Response:** The total number of businesses currently participating in FID is 83.

7. **How does DEC determine the amount(s) of the fees that FID contractors pay to participate in FID?**

**Response:** Fees are charged based on the total quantity of referrals provided to the contractor by service type. Contractors have multiple options on fee structure based on market sizes. Discounts are available to those contractors who can support multiple service types. Fees are consistent with other related referral services the contractor may participate in.

8. **What steps does DEC take to ensure that participating contractors are using FID to offer energy efficiency improvements to ratepayers, as opposed to using it to obtain customers for general home improvement work (such as plumbing or electrical wiring repairs)?**

**Response:** Once a contractor begins receiving referrals, that contractor is subject to meeting the minimum points (through a point system administered by the Company), through a series of scorecard metrics, to remain eligible for the upcoming quarter. The ability to submit eligible energy efficiency rebates is one of the highest value weighted metrics used to maintain eligibility. Due to the importance placed on the metric, if energy efficient rebates are not utilized, then the contractor must overachieve in all other metrics to earn the required points.

9. **In 2020, how many DEC ratepayers contracted with a FID contractor (a contractor identified by the ratepayer through FID) solely for energy efficiency improvements?**

**Revised Response:** In 2020, 6,965 DEC ratepayers contracted with a FID contractor solely for energy efficiency improvements.

10. **In 2020, how many DEC ratepayers contracted with a FID contractor for energy efficiency improvements and general home improvement work?**

**Revised Response:** In 2020, 7,210 DEC ratepayers contracted with a FID contractor for energy efficiency improvements and general home improvement work.

11. **In 2020, how many DEC ratepayers contracted with a FID contractor solely for general home improvement work?**

**Revised Response:** In 2020, 245 DEC ratepayers contracted with a FID contractor solely for general home improvement work.

12. **Can a person who is not a DEC ratepayer access FID and obtain the contact information for FID contractors?**

**Response:** Yes, however, the Company notifies the participant that they are not eligible for Duke Energy rebates when performing energy efficient updates.

13. **In 2020, how many persons who were not DEC ratepayers contracted with a FID contractor?**

**Revised Response:** In 2020, 3,390 persons who were not able to be identified as DEC ratepayers contracted with a FID contractor. This was a result of incomplete name/address information entered at the time of the referral.

14. **What criteria does DEC apply to determine that a previously qualified contractor is no longer qualified to participate in FID?**

**Response:** DEC's Trade Ally management system flags a contractor when that contractor has any documentation that has expired or has not met the required metrics stated in the terms and conditions. These metrics include: Quality Assurance inspection rates, customer experience issues, required star (customer satisfaction) ratings, etc. Additionally, Trade Ally Outreach performs routine

follow-ups with contractors to ensure these requirements are being met on a quarterly basis.

- 15. In 2020, what was the average dollar value for work performed by historically disadvantaged businesses in FID?**

**Response:** Please see the response to Question 5. As noted, FID is working with Duke Energy's Supplier Diversity team to identify the number of current participating contractors that are classified as female-owned businesses, minority-owned businesses, and other subcategories. This information shall inform and help shape the strategy for facilitating the program's approach to effectively engaging and working with female-owned businesses, minority-owned businesses, and all other subcategories.

- 16. In 2020, what was the average dollar value of work performed by contractors that were not historically disadvantaged businesses?**

**Response:** Please see the response to Question 3. Duke Energy recognizes the importance to better track, recruit, and incorporate disadvantaged business into the FID contractor network.

- 17. In 2020, what was DEC's total cost of operating FID?**

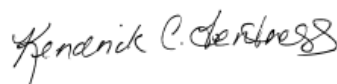
**Revised Response:** In 2020, DEC's total cost of operating FID was \$528,696. This amount includes long-lived investments in collateral advertising materials, which will be used throughout several accounting periods. Therefore, the Company notes that this amount may not be fully representative of a yearly total operating cost. In contrast, for example, the cost of operating FID for the six months ending June 2021 totaled only \$123,677.



18. In 2020, what was DEC's total revenue received from FID?

**Revised Response:** In 2020, DEC's total revenue received from FID was \$428,644. Because of the restrictions on in-home and person-to-person interactions caused by the COVID pandemic in 2020, revenues for the type of in-person services that FID referrals typically involve fell. As restrictions have eased, revenues for the first half of 2021 are already at approximately 88% of 2020's entire 12-month received revenue. Revenues for the first six months of 2021, ending June 30, 2021, total \$376,346.

Respectfully submitted this the 22<sup>nd</sup> day of October, 2021.



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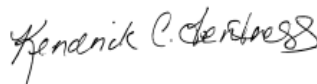
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*ATTORNEY FOR DUKE ENERGY  
CAROLINAS, LLC*

## CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC's Revised Response to Commission Questions about the Find It Duke Program, in Docket No. E-7, Sub 1249, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the parties of record.

This the 22<sup>nd</sup> day of October, 2021.



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