



Report on NCBPA's Participation in Duke Energy's Energy Efficiency Collaborative Meetings

Prepared for:
NCBPA Members and Partners

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TABLE OF CONTENTS

Introduction and Background.....	3
Executive Summary.....	5
Collaborative Participants.....	5
Priority Energy Efficiency Programs	6
Historical Results from Collaborative Meetings.....	6
Goals and Objectives for the Collaborative.....	7
From the Original Order that Started the Collaborative	7
NCBPA’s Goals	7
Duke Energy’s Goals.....	8
North Carolina Utilities Commission (NCUC)’s Objectives	8
South Carolina Public Service Commission (PSC)’s Objectives	8
2019 Activities of the Collaborative	9
2019 Focus Areas and Activities of the Collaborative.....	9
2019 “Wins” at the Collaborative	10
2020 Plans for the Collaborative	11
The Collaborative’s 2020 Stated Priorities	11
NCBPA’s 2020 Priorities.....	11
Opportunities for Members to Participate and Support	12
Examples of Beneficial Member Participation	12
How NCBPA Members Can Participate.....	13
Trade Allies.....	13
Participate in NCBPA Campaigns and Initiatives	13
Attend Events and Meetings	13
Help Fund Key Events and Initiatives	14
Conclusion	15

INTRODUCTION AND BACKGROUND

Dear Members,

With your continued support dating back to 2014, NCBPA has grown into North Carolina's lead organization for building performance and energy efficiency policy development and advocacy. This work includes advocating and lobbying for statewide building performance market improvements, energy efficiency policies, utility requirements and programs, building and energy codes, improvements to minimum energy efficiency standards and much more.

Since June of 2018, part of this work has included efforts to improve and expand Duke Energy's energy efficiency programs through quarterly meetings of Duke Energy's Energy Efficiency Collaborative ("Collaborative"). The Collaborative was formed in 2007 as part of Duke Energy Carolinas' [Save-a-Watt portfolio approval process](#). Duke Energy Progress began its Energy Efficiency Collaborative in conjunction with its mechanism renewal docket in 2015.

Through 2018, the quarterly meetings allowed Duke Energy to share information on their programs and seek feedback from advocacy organizations that resulted in improved transparency, improved understanding of Duke's regulatory environment and in some cases, ideas for new energy efficiency programs or changes to existing programs. In early 2019, progress resulting from the Collaborative meetings began to increase with the addition of new organizations, new individuals representing them, and importantly, new reasons for the Collaborative's work as the energy savings received and cost effectiveness of Duke Energy's energy efficiency programs (in total) began to decrease. Action was needed to better understand the dynamics and implement solutions.

As a participant in the Collaborative meetings, NCBPA's role has been to represent the voice of our member contractors and all Trade Allies (various types of energy efficiency contractors) in ways that yield improved program opportunities and participation for their business. In filling this role, NCBPA supports Duke Energy's efforts to improve participation in, and the cost effectiveness of, their energy efficiency programs.

While most of NCBPA's work in the Collaborative has been "behind the scenes", some impacts of our work have made their way into the market. But, towards the end of 2019, we realized that the vast majority of our member companies, and even more so the majority of all companies impacted by the Collaborative's work, are very unfamiliar with the Collaborative existing, let alone the results that have come from it. To begin resolving that gap, NCBPA will begin sharing our activities more broadly with our members and industry-at-large, as appropriate and allowed by Duke Energy and the North Carolina Utilities Commission ("NCUC").

Here, NCBPA is pleased to present a first report on our 2019 activities with the Collaborative and plans for 2020. Our intent is to inform our member companies of this work, share the limited results that have come from it thus far, and encourage your support and participation, where able and appropriate, in our efforts to transition the results of this program from *potential* to *actual* improvements to existing and new energy efficiency programs at Duke Energy.

Heading into 2020, NCBPA seeks to increase our representation of NCBPA members and all Trade Allies in Duke Energy's residential and non-residential programs. As we are the voice of the energy efficiency contractors in the meetings, we need more of those very companies in our membership to perform our duties as best we can. We recommend that all Trade Allies work with Duke Energy's energy efficiency program staff directly as needed, but new for 2020, begin to share their feedback and ideas with NCBPA so that we can that their concerns and opportunities are being addressed through the Collaborative as well.

And why should you support this work?

1. NCBPA represents the voice, needs and wants of energy efficiency contractors that participate in Duke Energy's energy efficiency programs, or would be interested in doing so. Because only advocacy organizations like ours (not private companies) are eligible to participate, our voice and participation represents those of our members and Trade Allies.
2. Improving Duke Energy's energy efficiency programs contributes significant benefits to the goals of NCBPA and our members in improving the statewide market, policy environment and regulatory environment for building performance and energy efficiency.
3. Improving Duke Energy's energy efficiency programs has direct financial and other benefits to our member companies. Expanding or changing an incentive program for the better can have a direct impact on members' businesses and their customers.
4. Program changes that one individual company is interested in can be brought to the Collaborative by NCBPA and worked on by dozens of organizations and individuals that are committed to implementing program improvements. NCBPA and our partners can amplify and support ideas from individual companies and member professionals.
5. As new products and services come into the market, NCBPA can propose program changes and new programs that support their adoption.

If able, help us reach the Trade Allies that your company works with so that we can better represent the voices of building performance and energy efficiency contractors across the state. Doing so will yield greater opportunities for us all in 2020 and years to come.

Please read through the Executive Summary and report details, if you like, and contact me directly with your questions and feedback.

Sincerely,

D. Ryan Miller



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EXECUTIVE SUMMARY

On behalf of our member companies and industry-at-large, NCBPA participates in the Collaborative meetings to improve participation in and benefits of Duke Energy's residential and non-residential energy efficiency programs. Since 2018, this work has included providing feedback from our members to Duke Energy, advocating on behalf of our industry and suggesting program changes that result in greater energy savings across our state.

Much of this work rolls up to NCBPA's big picture [policy goals](#) for energy efficiency in North Carolina. In the summer of 2018, NCBPA completed the [2018 North Carolina Energy Efficiency Potential Study](#), which identified a 16.8% energy savings potential for the state with major opportunities related to utility programs and incentives.

Since the report's release, NCBPA has continued to advocate for new opportunities and changes to existing programs. Although most advocates and the Collaborative (generally) continue to target a 1% net energy efficiency savings goal for Duke Energy, NCBPA seeks a much higher target that would push the utility to be the nation's leader in energy efficiency. This goal is very ambitious and would take a wealth of time and investment to achieve. But, we feel it's important to set a high goal and support work that helps make incremental improvements. While Duke Energy has generally been around the 1% mark for the past several years, the utility is projecting that future years may fall short of the 1% savings mark due to higher federal standards and changes in the market. Currently, Duke Energy projects that its programs will achieve approximately 0.8% in 2021.

COLLABORATIVE PARTICIPANTS

Since the [formation of the Collaborative](#), the intent has been for it to be "comprised of a broad spectrum of regional stakeholders that represent balanced interests in the programs, as well as national energy efficiency advocates and experts." Advocacy organizations from North Carolina and South Carolina participate in bi-monthly meetings in Raleigh and Charlotte. Participants in the Collaborative include, but are not limited to:

- Duke Energy's regulatory, energy efficiency and program development staff.
- Environmental advocates from North Carolina and South Carolina that include Southern Alliance for Clean Energy (SACE), National Housing Trust, Nicholas Institute for Environmental Policy Solutions at Duke University, Environmental Defense Fund (EDF) and others.
- Trade associations from North Carolina and South Carolina that include NCBPA, North Carolina Sustainable Energy Association (NCSEA), Carolina Utilities Customers Association (CUCA) and others.
- Regulatory organizations from North Carolina and South Carolina including the North Carolina Public Staff, the South Carolina Office of Regulatory Services and others.

PRIORITY ENERGY EFFICIENCY PROGRAMS

Duke Energy offers dozens of residential and non-residential energy efficiency programs in its North Carolina and South Carolina portfolio. Despite the 2012 merger of Duke Energy and Progress Energy, the combined regulated utility still operates two distinct territories - Duke Energy Progress (legacy “Progress Energy”) and Duke Energy Carolinas (legacy “Duke Energy”). Accordingly, some programs are available and cost effective in one state and/or territory, while others are not.

All programs are reported on and discussed through the Collaborative in some form or fashion, but as could be expected, some larger and more impactful programs are discussed more frequently than others. 2019 Collaborative meetings prioritized several programs that will continue to be focal points in 2020. These programs include:

- **Residential New Construction Program (RNC):** Many NCBPA member home energy rating companies, builders and contractors are active participants in this program. NCBPA is currently leading efforts outside of the Collaborative to expand the program from the current Duke Energy Progress territory to the Duke Energy Carolinas territory.
- **New Construction Energy Efficiency Design Assistance (NCEEDA):** Several NCBPA member architecture firms, developers and contractors are active participants in this program. Outside of the Collaborative, throughout 2019 NCBPA helped advertise this program to architects and developers through our energy code workshops.
- **Smart \$aver:** Many different residential and non-residential programs fall under the Smart \$aver moniker. These programs include residential and non-residential equipment incentives, lead generation opportunities and more.

HISTORICAL RESULTS FROM COLLABORATIVE MEETINGS

Before 2018, the aim of the Collaborative was to be a sounding board and to offer an additional level of discussion. Since 2018, the emphasis has shifted toward making a substantive contribution to the way that Duke Energy develops and promotes energy efficiency programs. And, while the state and many advocacy organizations pushed for greater support of renewable energy, opportunities for energy efficiency, including through the Collaborative, were not prioritized. NCBPA did not actively participate in the meetings starting with our association's founding in 2014 to 2018.

But, starting in late 2018 with renewed efforts and new individuals participating in the meetings on behalf of both Duke Energy and the advocates, the Collaborative's objectives began to expand again. Since late 2018, NCBPA has played an active role in the now bi-monthly meetings by representing the best interests of energy efficiency contractors in North Carolina and South Carolina.

GOALS AND OBJECTIVES FOR THE COLLABORATIVE

As the organizations that participate in the Collaborative are quite diverse, there are many different goals and objectives that participants seek to achieve through the meetings. Below, we have summarized the goals and objectives of key organizations including Duke Energy and NCBPA.

FROM THE ORIGINAL ORDER THAT STARTED THE COLLABORATIVE

The Collaborative was originally [recognized by the NCUC](#) for its work developing the initial portfolio of EE programs in 2007. The NCUC identified several purposes for the Collaborative when it approved the Settlement Agreement in DEC's 2010 portfolio filing:

1. Review the measurement and verification process
2. Collaborate on new program ideas
3. Review changes to existing programs
4. Facilitate innovation and accountability

NCBPA'S GOALS

NCBPA's goals for participating in the Collaborative include, but are not limited to:

1. Serve as a technical resource for building performance and energy efficiency.
2. Serve as the voice of energy efficiency contractors and Trade Allies across North Carolina and South Carolina by surveying members for responses to questions and opportunities related to energy efficiency programs that they participate in or, could participate in.
3. Promote Duke Energy's energy efficiency programs in industry communications, events and reports to encourage more contractors and customers to participate. As an example, Duke Energy has been an active sponsor of NCBPA meetings, events and conferences that afford our association opportunities to actively promote the utility's energy efficiency programs.
4. Advocate for a substantial increase in the *actual* contribution/amount of energy efficiency as a *resource* in Duke Energy's total energy generation portfolio through program improvements, the inclusion of non-energy benefits and improved cost effectiveness testing. In short, we want to see Duke Energy increase its energy efficiency as a percentage of total electricity from the 1% that it is at now, which most advocates support, to levels that are much higher. Doing so would cost billions in investment from the utility and other stakeholders, such as the state government, but would yield billions of dollars of energy savings. NCBPA estimates that a \$2.7B investment would yield \$13.9B in savings in North Carolina alone.
5. Identify policy opportunities that must be originated or completed outside of the Collaborative, such as at the North Carolina Building Code Council, the NCUC or through the North Carolina General Assembly, in order to make improvements recommended by the Collaborative. One major example is NCBPA's 2020 policy efforts to implement official state recognition of non-energy benefits in the state's building code, which would allow Duke Energy to then recognize benefits such as improved durability, environmental benefits, health and safety, improved occupancy, reduced default rates on mortgages and rents, etc. that can be associated with their

energy efficiency programs. Doing so would likely offer improvements to the cost effectiveness of many of Duke Energy's energy efficiency programs, which would in turn extend their lives and potentially expand them to new areas.

DUKE ENERGY'S GOALS

As documented in a January 2020 presentation from Duke Energy to Collaborative participants, here are the contributions Duke Energy looks to the Collaborative to share:

1. Bring the company details about programs Duke Energy does not have but that other utilities are running successfully.
2. Represent the interests of the constituencies each member's organization serves to eliminate the likelihood that Duke Energy's programs will leave any customers out.
3. Express support before the state commissions for Duke Energy's efforts to expand and improve programs.
4. Promote Duke Energy's programs outside the Collaborative.

NORTH CAROLINA UTILITIES COMMISSION (NCUC)'S OBJECTIVES

The NCUC's directed topics for the Collaborative include:

1. Ensuring that all interested persons have a reasonable and timely opportunity to contribute ideas for consideration especially for new programs or modifications to existing programs.
2. Placing emphasis on developing EE programs to assist low-income customers in saving energy, and in developing EE programs that target savings in new construction, and especially in multi-family housing and manufactured housing.
3. Examining the reasons for the forecasted decline and exploring options for preventing or correcting a decline in future DSM/EE savings.
4. Studying the development of a standard annual reporting protocol.
5. Continuing to discuss with the Collaborative the adoption of an Income-Qualified Weatherization program comparable to that implemented by DEC.

SOUTH CAROLINA PUBLIC SERVICE COMMISSION (PSC)'S OBJECTIVES

The South Carolina PSC's directed topics for the Collaborative include:

1. Making greater efforts to achieve the 1% annual savings target of prior year retail sales.
2. Further engaging with the Collaborative during the development of new programs and modification of existing programs in a timely, structured manner that permits the stakeholders to provide meaningful recommendations.
3. Continuing collaborative working group discussions about low-income, multifamily, and manufactured housing with the goal of increasing program budgets and offerings that reach low-income customers.
4. Recognizing non-energy benefits, such as fewer disconnections and arrearages on utility bills, environmental benefits, and improved safety and comfort.
5. Refining cost-effectiveness testing.

2019 ACTIVITIES OF THE COLLABORATIVE

Throughout 2019, focus areas for the Collaborative included affirming, and in some cases setting, new goals for the Collaborative as a whole while maintaining the routine program reporting, oversight and recommendation activities that are common in all meetings. As a result of this work, Collaborative participants wrapped up our 2019 work with greater definition and clarity of what improvements may be possible in 2020, and importantly, how to achieve them.

2019 FOCUS AREAS AND ACTIVITIES OF THE COLLABORATIVE

As one of the primary goals of the Collaborative is for Duke Energy staff and advocacy organizations to work together to improve energy saving opportunities, a variety of big picture and program-level issues and barriers were identified in 2019. These issues include, but are not limited to:

- 1. Decreases in Realized Energy Savings:** Realized energy savings decreased in several programs including custom, custom assessment, weatherization and LED lighting. This was believed to be due to a lower than expected uptake by Trade Allies and their customers that participate in these programs. Changes to federal energy efficiency standards such as LEDs and residential HVAC systems (which changed to 14 SEER in 2016) have also reduced the cost effectiveness of Duke Energy's programs that incentive above-code energy efficiency product/appliance installations.
- 2. Appliance Energy Efficiency:** As energy efficiency adoption continues to slowly increase across all markets while at the same time the cost per unit of the appliance or device is increasing (very generally speaking), the cost effectiveness of energy efficiency programs lessens. This is a primary driver for NCBPA's desires to incorporate non-energy benefits into Duke Energy's cost effectiveness testing allowances.
- 3. Energy Efficiency Potential Study:** Duke Energy contracted with consulting firm Nexant to produce an updated Energy Efficiency Potential Study that will be released in early 2020. The study will provide helpful data on the impacts of changes to various energy efficiency programs and highlight areas that are in need of the most support in order to be renewed or, if new, offered in Duke Energy's territories.
- 4. Cost Effectiveness Testing:** In the spring of 2019, the Collaborative increased its attention on the topic of transitioning Duke Energy's NCUC-regulated cost effectiveness testing methodology from the Total Resource Cost Test (TRC) test to the Utility Cost Test (UCT), which generally provides better metrics for energy efficiency savings. The UCT is favored by Collaborative participants since the TRC included all the costs of managing energy efficiency programs but not all of the benefits. Duke Energy has always performed both tests internally, but the NCUC has used the TRC for official program testing in North Carolina (South Carolina uses the UCT). This transition is strongly supported and recommended by NCBPA following our own independent research on this topic earlier in the year (this work was funded by E4TheFuture). A next step that NCBPA and advocates support is for the NCUC to approve a change for the state's official cost effectiveness testing methodology of Duke Energy's programs.
- 5. Non-Energy Benefits:** Throughout 2019, Collaborative participants began focusing more on the steps needed to enable Duke Energy to incorporate non-energy benefits such as improved health and safety, environmental benefits, lower mortgage default rates, improved rental

occupancy, and many others, in its official cost effectiveness testing methodology. Doing so would add more financial and other benefits to energy efficiency programs that already exist, therefore improving their viability, and would likely enable new energy efficiency programs to be offered. Massachusetts, as an example, is the top state for energy efficiency programs in part because their regulated utilities are able to credit some non-energy benefits in their programs. NCBPA was an active participant in these discussions and is leading code and legislative activities that may be needed to enable this opportunity.

- 6. The 1% Savings Target:** Generally speaking, Duke Energy's North and South Carolina energy efficiency program savings amount to about 1% of the utility's previous year's annual retail electricity sales. In short, energy efficiency accounts for about 1% of Duke Energy's total retail energy portfolio. As this amount is credited as energy savings, commonly referred to a "negawatt" of energy, increasing this percentage requires more and better energy efficiency programs. Despite being the [Southeast's utility leader in energy efficiency](#) at the current 1% level, NCBPA continues to push for higher target. This is a long-term goal that will require a wealth of investment and policy changes to achieve.

2019 "WINS" AT THE COLLABORATIVE

The focus of the Collaborative in 2019 was primarily to level-set goals, state objectives and establish clarity on the Collaborative's role in improving and expanding Duke Energy's energy efficiency programs. This top-level progress of improved clarity contributed to some small "wins" for energy efficiency programs.

Here is a summary of some of the positive steps taken by the Collaborative in 2019:

1. New participants, more frequent meetings and improved communications have enabled improved information sharing from Duke Energy to advocacy organizations, and vice versa, that will help drive *real* results in 2020 and beyond.
2. Deep dives into what's possible and what's not possible for Duke Energy's programs (and its regulatory structure) helped to prioritize discussions and focus areas on the programs that are performing the best, and worst, so that support could be provided in appropriate areas.
3. Information that was properly shared with advocacy organizations like NCBPA through the Collaborative was used properly in activities outside of the Collaborative to support the primary objective of improving Duke Energy's energy efficiency programs. Examples include:
 - a. Through the Collaborative, advocacy organizations obtained a better understanding of barriers to Duke Energy's desire to expand the Residential New Construction Program to the utility's Duke Energy Carolinas territory. This information was effectively used by advocacy organizations to request a hearing of the NCUC on the program's expansion.
 - b. Through the Collaborative, NCBPA reached out to low income multifamily housing developers to seek their participation in Duke Energy's existing energy efficiency programs. In one case, NCBPA connected Duke Energy to Mosaic Development Group to discuss some of their projects. As a result of this new connection, Duke Energy was able to find new ways for low income multifamily developers to participate in the utility's existing energy efficiency programs that provide incentives for their use of energy efficient construction practices that benefit low income tenants.

2020 PLANS FOR THE COLLABORATIVE

Heading in to 2020, there is strong agreement amongst Duke Energy staff and advocacy organizations that all parties seek to enable *real* program improvements and resulting energy savings in 2020. Below, NCBPA provides some of the goals and plans for the Collaborative in 2020.

THE COLLABORATIVE'S 2020 STATED PRIORITIES

As discussed at the January 10, 2020 meeting, the Collaborative will focus on these areas in 2020:

1. Identifying *real* program improvement opportunities that can be credited to the work of the Collaborative and implemented in the market quickly.
2. Taking action on any steps that support the inclusion of non-energy benefits into the utility's cost effectiveness testing methodology.
3. Identifying non-Duke Energy financing mechanisms, such as a "Green Bank", that could be used to enhance financial benefits of existing programs and improve customer uptake.

NCBPA'S 2020 PRIORITIES

NCBPA's 2020 priorities include making *real* progress in areas that provide benefit to our members and industry-at-large. These areas include, but are not limited to:

1. Expanding Duke Energy's Residential New Construction Program to the Duke Energy Carolinas territory.
2. Pursuing code and legislative changes that support the Collaborative's priority of incorporating non-energy benefits into Duke Energy's cost effectiveness testing methodology.
3. Finding clear program improvements that address concerns with contractor work decreasing as a result of Duke Energy's forecasted decline in energy efficiency savings and cost effectiveness through Demand Side Management (DSM) and energy efficiency programs.
4. Generate ideas for new non-residential programs and changes to existing programs that support a one to two-year financial payback to end customers, which is a known barrier to participation.
5. Assessing opportunities for small and large contractors, such as energy services companies ("ESCOs") to participate in new programs that offer "energy efficiency as a service".
6. Ensuring that proper credit is provided for air sealing and building enclosure products and systems (insulation and more) in all of Duke Energy's residential and non-residential programs.
7. Determining how legislative changes to North Carolina's commercial and industrial energy efficiency opt-out allowance would enable improved energy efficiency programs.
8. Expanding existing or introducing new incentives to residential single family and multifamily water heater incentive programs that may incorporate heat pump water heaters and electric tankless/instantaneous water heaters.
9. Determining how new incentives through Duke Energy's energy efficiency programs may support opportunities to assist low income multifamily housing developers in raising the minimum program standards in NCHFA's Qualified Allocation Program (QAP) from ENERGY STAR 2.0 to 3.0.

OPPORTUNITIES FOR MEMBERS TO PARTICIPATE AND SUPPORT

While participation in the Collaborative itself is limited to energy efficiency advocacy organizations like NCBPA, all our member companies can still participate through a variety of ways. By becoming and remaining a member company, a portion of your membership dues goes to fund our efforts in this program, and many other policy opportunities. As a member, when opportunities arise to provide feedback that helps inform and improve our participation in the Collaborative, NCBPA will do our best to represent your interests.

EXAMPLES OF BENEFICIAL MEMBER PARTICIPATION

Examples of how NCBPA Members have participated with us include

1. Leon Meyers of member company BuildSense worked with NCBPA in the fall of 2019 to develop and submit two energy code change proposals related to REScheck and COMcheck. While not directly related to NCBPA's work in the Collaborative, Leon's participation in the nine-month submittal process will help increase NCBPA's visibility in the NC Building Code Council process, establish small wins for energy code and better position NCBPA and our members to make further improvements in 2020. We have several code-related opportunities underway that positively impact Duke Energy's energy efficiency programs, particularly with non-energy benefits, so the better relationships and reputation our association and its members have at the NC Building Code Council, the better our chances are for making key changes that will support Duke Energy's programs and the Collaborative.
2. Throughout 2019, NCBPA sent out several surveys asking questions about our members' (and industry companies') needs and wants related to Duke Energy's energy efficiency programs. The feedback we received was provided directly to Duke Energy (with any sensitive information removed) to help inform their regulatory and program staff of our member companies' feedback. In December of 2019, one of NCBPA's surveys sought feedback on Duke Energy's non-residential incentive programs. One member respondent provided helpful suggestions on utility programs operating in other states that Duke Energy began looking into further, when they heard about it through the survey.
3. In the fall of 2019, an NCBPA member Builder/Developer that participates in Duke Energy's Residential New Construction Program requested that NCBPA advocate for the inclusion of electric on-demand/tankless hot water heaters. During an organizing call with advocates ahead of the January 10, 2020 meeting, NCBPA's Ryan Miller spoke up about this topic and has identified several activities to take on in 2020 that may help bring these products into the RNC program, as a result of the Collaborative.
4. During NCBPA's 2019 Lobby Days in Raleigh, nearly 20 member professionals participated in support of NCBPA's policy agenda, which included educating legislators about the role of utility energy efficiency programs in our industry, and most particularly the ways that state regulations and goals (such as the REEEPS) in many cases hold back progress on energy efficiency. As a result, NCBPA has garnered strong legislator support for assessing these issues

more closely in 2020, which may result in new bills to be filed in 2021 in support of improving energy efficiency incentives across the state.

HOW NCBPA MEMBERS CAN PARTICIPATE

Ways that NCBPA members can participate indirectly in the association's Collaborative work include:

TRADE ALLIES

If your company is an approved Trade Ally in one or multiple Duke Energy energy efficiency programs, your feedback on how the program(s) can be improved is immensely valuable to NCBPA. While you should, of course, follow the proper channels of program staff and managers to provide feedback, both positive and negative, also informing NCBPA will help us support any changes that you recommend. Don't assume that we are already aware of those issues - we are not in the field like you are!

In addition, if your company has partnerships or relationships with other Trade Allies that are not in NCBPA's membership, please encourage them to join NCBPA. Doing so offers the association an opportunity to support their business' needs and goals, and provides greater support for our work.

PARTICIPATE IN NCBPA CAMPAIGNS AND INITIATIVES

NCBPA's [2020 policy agenda](#) includes a wide variety of big picture policy opportunities and detailed policy activities that can provide short and long-term successes for our industry. When able, look for opportunities to participate in NCBPA's policy activities that directly relate to improving utility energy efficiency program opportunities.

As mentioned in the examples above, Leon Meyers' participation in our energy code advocacy activities helps set the table for future energy code changes that will dramatically support the expansion and improvement of Duke Energy's energy efficiency programs. Supporting our energy code work can have strong positive impacts for our utility work.

Other issues such as the Commercial and Industrial Energy Efficiency Opt-Out, a major policy mechanism that has been in place for nearly 20 years in North Carolina, afford major improvement opportunities in energy efficiency programs of all types that are not apparent at the surface. However, NCBPA is strategically working on these in order to bring benefits to our members and industry through seemingly unrelated channels that do provide direct benefits.

ATTEND EVENTS AND MEETINGS

NCBPA hosts and participates in many industry meetings annually that are excellent opportunities for member companies to learn about important industry issues and provide direct feedback to our staff and other stakeholders. To support our Collaborative efforts and many others in 2020, consider participating in these types of events:

1. Open meetings and hearings with policymakers and regulatory bodies. Example: NCBPA and our members successfully advocated for the NC Utilities Commission to hold a public hearing on the Duke Energy Residential New Construction Program on January 27, 2020.

2. In 2019, NCBPA staff, members and partners participated in many meetings during the development of the new North Carolina Energy Efficiency Roadmap and Clean Energy Plan. In doing so, many of our industry's recommendations for improved utility energy efficiency programs were included. Now in 2020, NCBPA and partners will be hosting meetings and events focused on implementing these initiatives. They will include educational events for industry stakeholders, policy meetings with legislators, and many others.
3. Each year, NCBPA hosts Lobby Days in Raleigh where our members are asked to attend and speak with legislators directly about our industry's priority policy initiatives. In 2020, we will be carrying forward progress made in 2019 that includes garnering support for policies that would provide major growth opportunities for energy efficiency, including with Duke Energy and other utilities.

HELP FUND KEY EVENTS AND INITIATIVES

When able, look for ways to fund NCBPA's events and key initiatives, including our policy work. In 2020, NCBPA will be delivering dozens of events focused on improving our workforce, identifying innovative market needs, and advocating for improved policies. Funding opportunities are available for all of these events. All contributions to NCBPA are considered business expenses as we are a 501(c)(6) not-for-profit trade association. Any direct lobbying funds we spend, which is not a common part of our business, are regulated and require oversight. Most often, members are asked to help fund advocacy campaigns and project work that do not involved lobbying. Funding examples include:

1. Contributing funds in support of NCBPA's work on a specific policy campaign or our ongoing policy work. An example includes NCBPA's request of \$25,000 of matching funding from member companies and sponsors to complete our 2020 HERS Rater Market Development Project, which amongst others, seeks to expand Duke Energy's Residential New Construction Program.
2. Fund key policy events such as our 2020 Lobby Days and related meetings with industry companies and policymakers. Doing so helps NCBPA ensure that quality events can be held with beneficial outcomes.
3. When needed and able, coordinate campaign contributions to policymakers in support of our work. As a registered lobbying organization, NCBPA can assist members with making these forms of contributions.

CONCLUSION

Thank you for your time in reading this report. We at NCBPA are excited to share this information with our members for the first time and look forward to reporting real progress to our membership in 2020.

NCBPA will continue to actively participate in the Collaborative's bi-monthly meetings and will share updates with our members as able. Remember to be on the lookout for surveys, questionnaires and other opportunities to provide us with your feedback. But, don't wait for us to reach out! If you have any recommendations or suggestions for improving or expanding Duke Energy's energy efficiency programs, please reach out.