

Designing Customer Programs for Evolving Needs

Lon Huber – SVP, Pricing & Customer Solutions



Changing Times



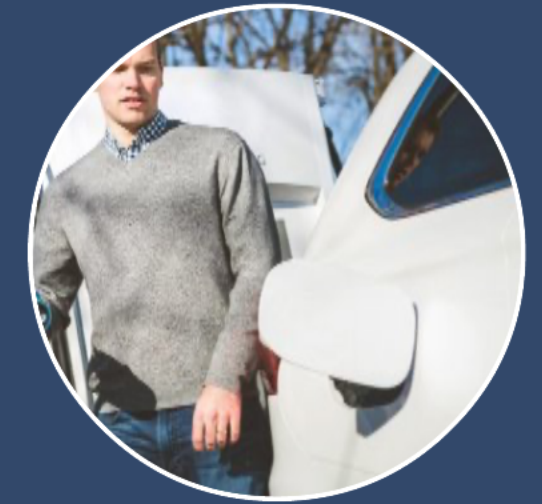
More extreme weather events



Rapidly growing amount of variable and zero marginal cost energy



More sophisticated meters and billing systems



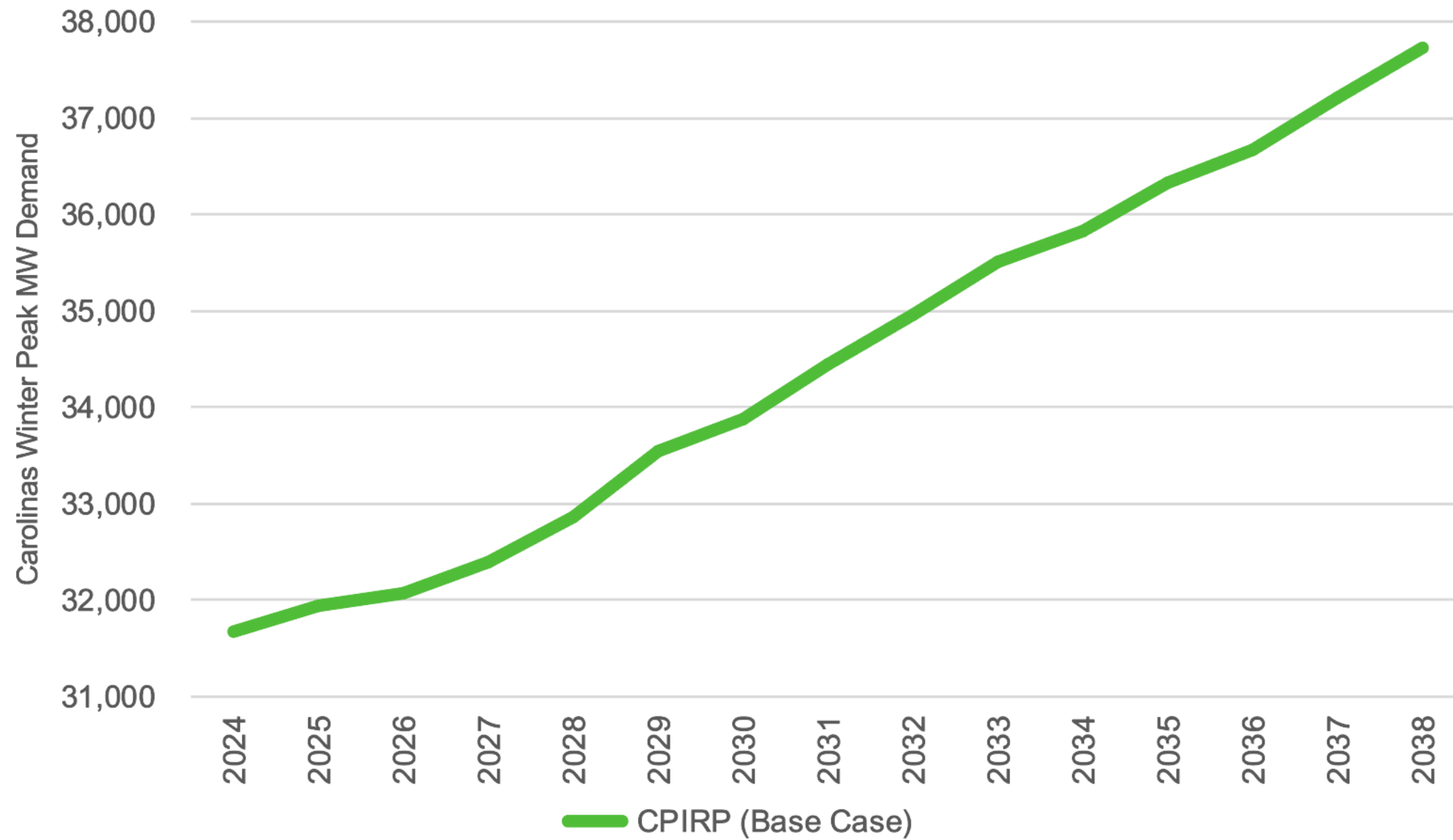
Transportation electrification

Labor, Materials, Politics, Economics, Infrastructure

Load Growth & Economic Development



Carolinas Winter Peak MW Forecast



Drivers of Peak Load Demand Growth

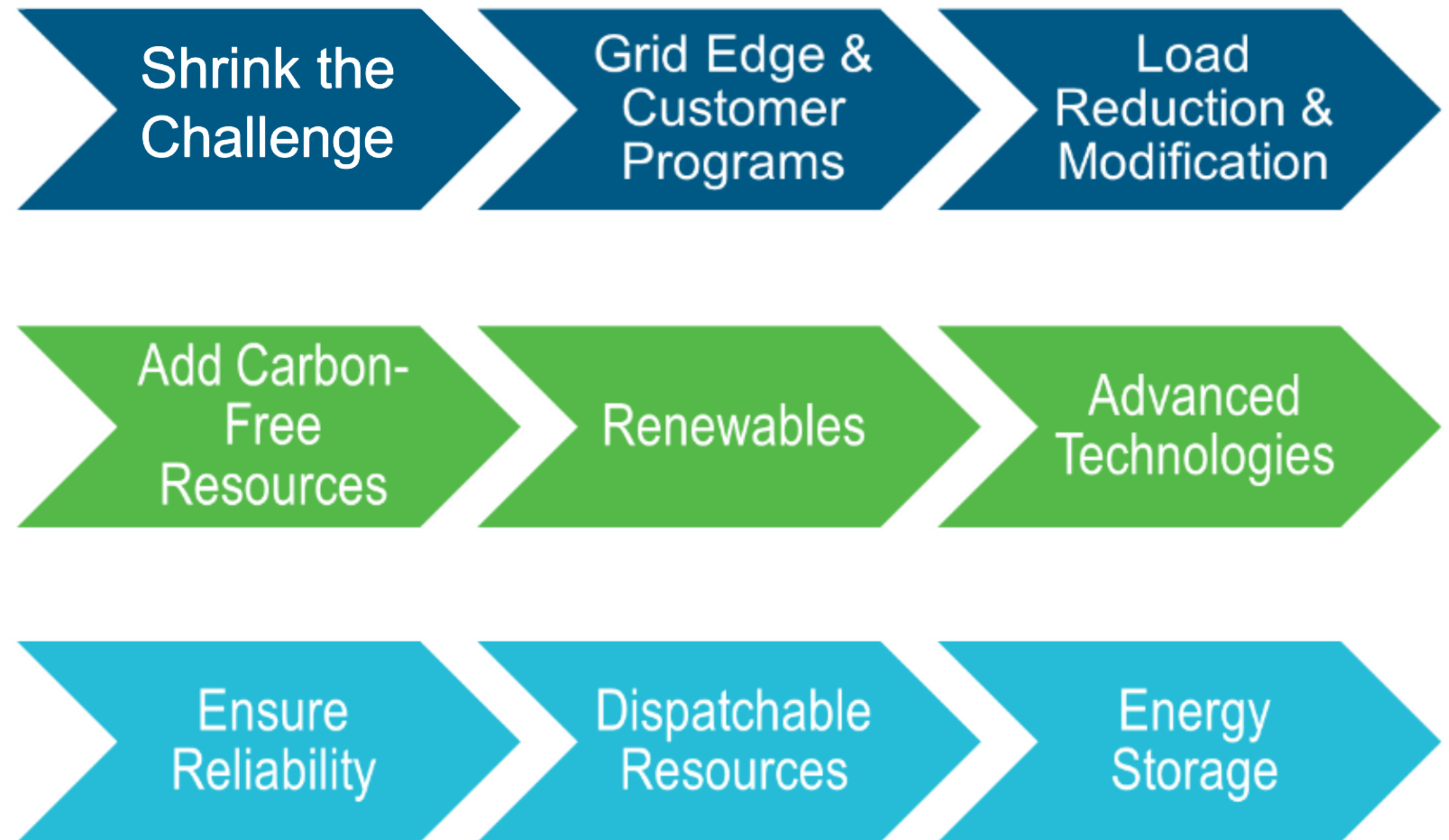
- Significant Economic Development activity driving an avg. annual growth rate in large site development load
- Anticipating over 3 million EVs in operation in the Carolinas by 2037 from ~75K in operation today

Our Strategy Moving Forward

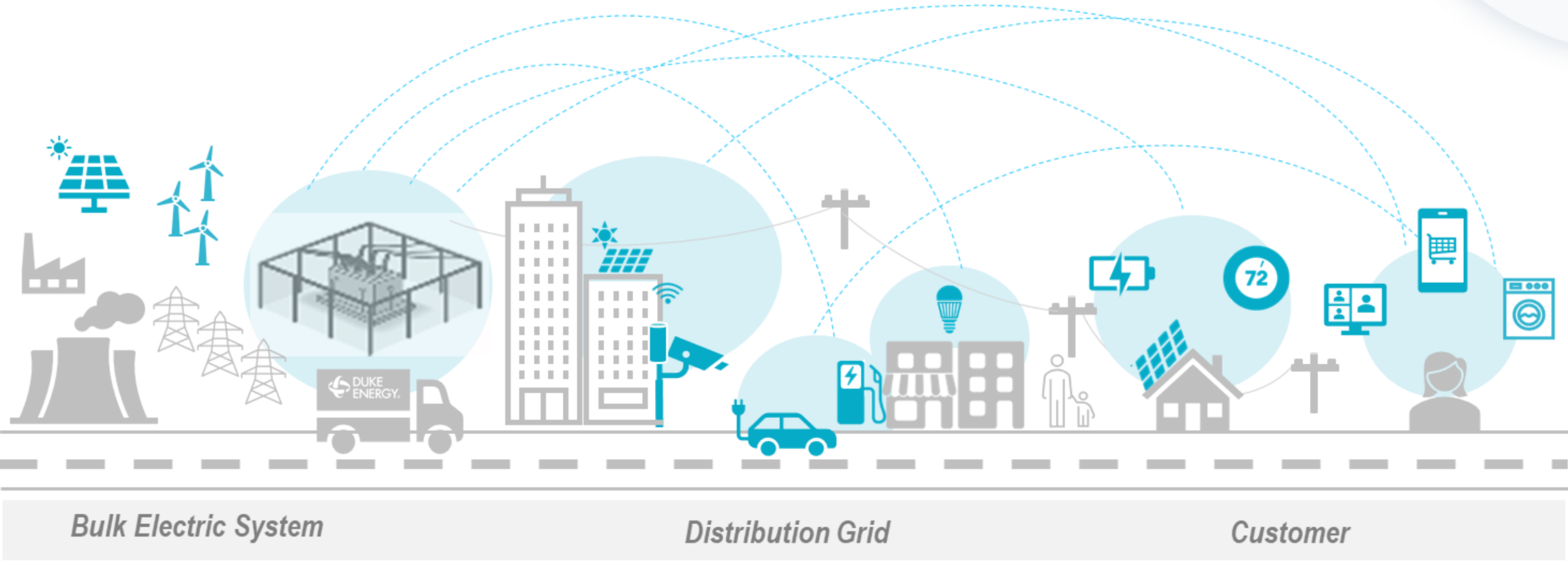


Our vision is to seamlessly deploy grid edge resources at scale, as a safe, affordable, reliable, and clean component of Duke's energy portfolio comparable to central station assets.

Three-pronged approach to planning:



What is the Grid Edge?



Bulk Electric System

Distribution Grid

Customer

Grid Edge

Our Customer Solution Ecosystem



Energy Efficiency
Demand Response

| | | |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| <p>More than 850 EE/DSM measures available to customers</p> | <p>>1M customers enrolled in Demand Response programs</p> | <p>17 Low-income Programs</p> |
| <p>2,400 MW of Demand Response control capability</p> | <p>2.6M participants in the MyHer program</p> | <p>Small Business Energy Saver 2,618 projects installed last year</p> |
| <p>> 250K annual in-home visits*</p> | <p>> 200K Products sold in online marketplace, Residential and Business</p> | <p>Product and Services are in TOP 5 of customer net satisfaction</p> |

* Inclusive of all home and business Services

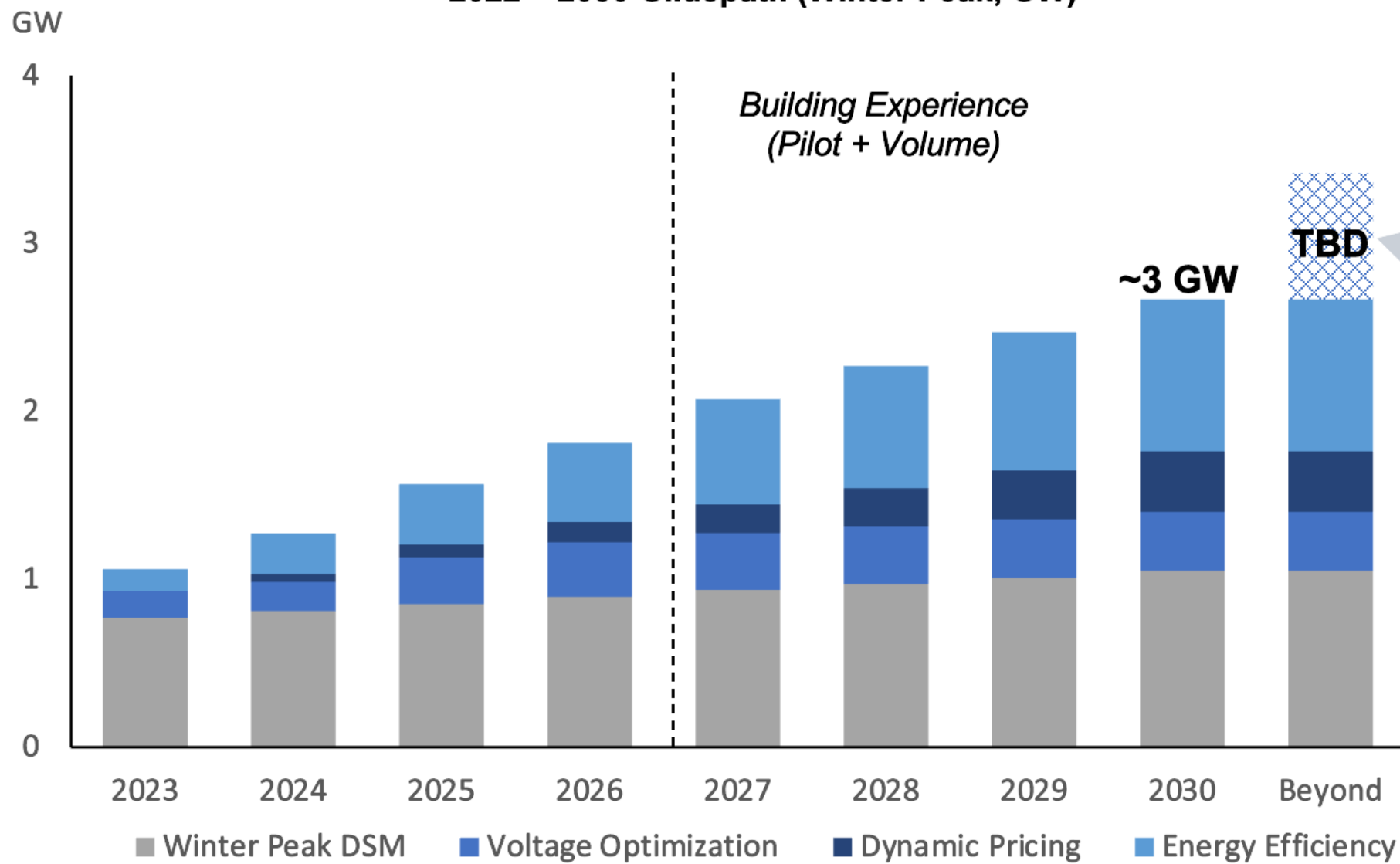
Vision and Glidepath









Duke Energy is committed to delivering ~3 GW in winter peak capacity in the Carolinas as part of the CPIRP by 2030

...and evaluating emerging opportunities

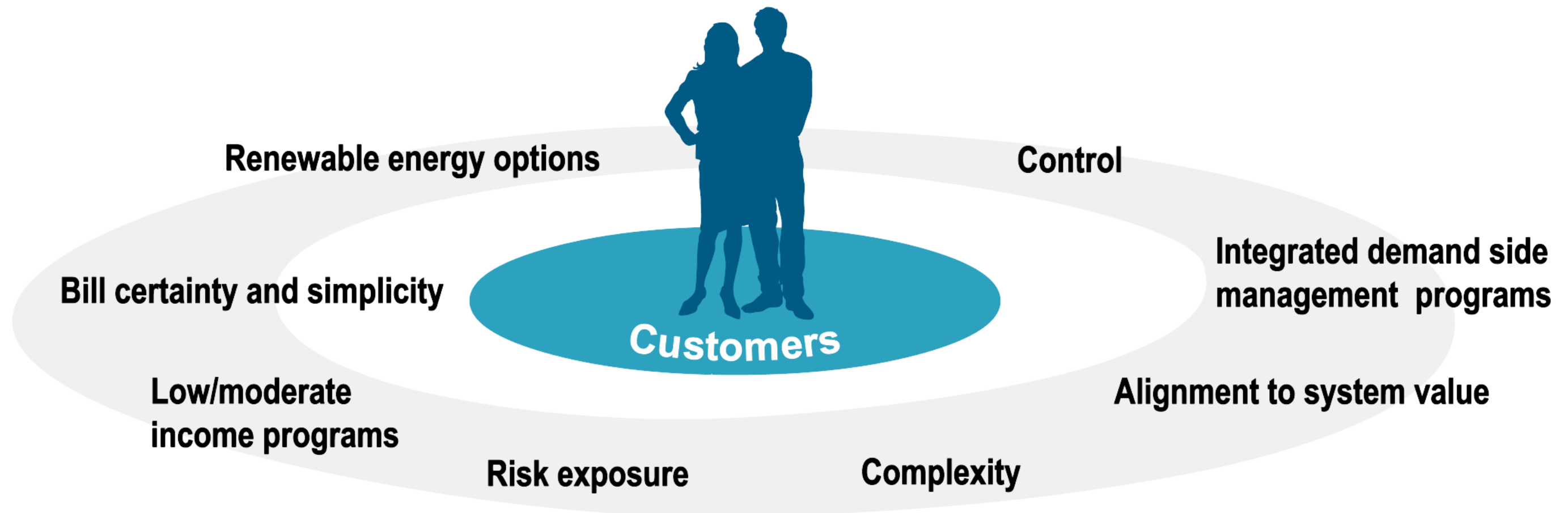
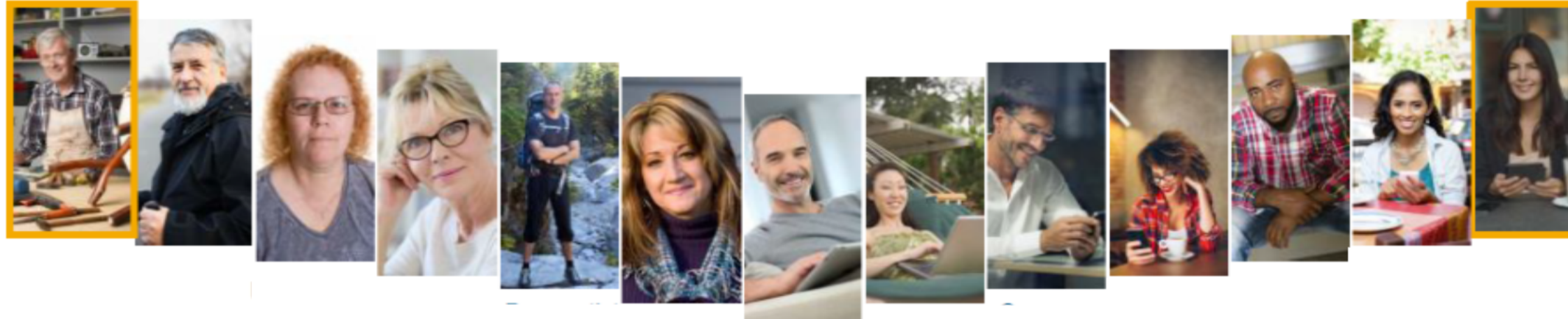
**Grid Edge Capacity By Resource – 2022 N.C. Carbon Plan
Integrated Resource Plan (CPIRP)
2022 – 2030 Glidepath (Winter Peak, GW)**



Emerging Opportunities

-  Peak Time Messaging
-  Smart Inverters
-  BTM storage
-  Managed Charging
-  Vehicle to Grid
-  High Efficiency / Dual Fuel Heat Pumps

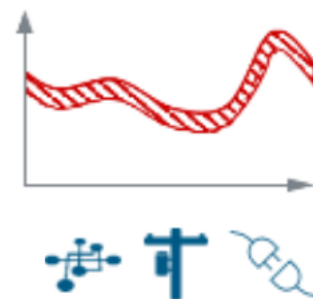
Putting the Customer First



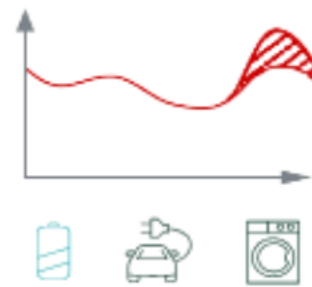
BUILD: Customer solutions bring various resource types



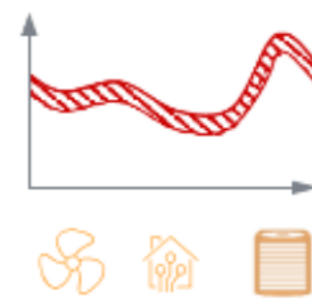
Voltage Optimization



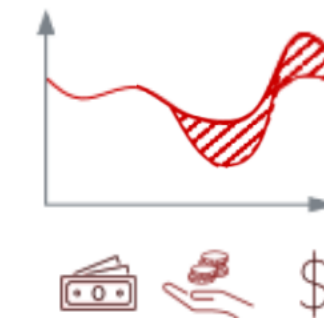
Demand Response & Distributed Capacity



Energy Efficiency

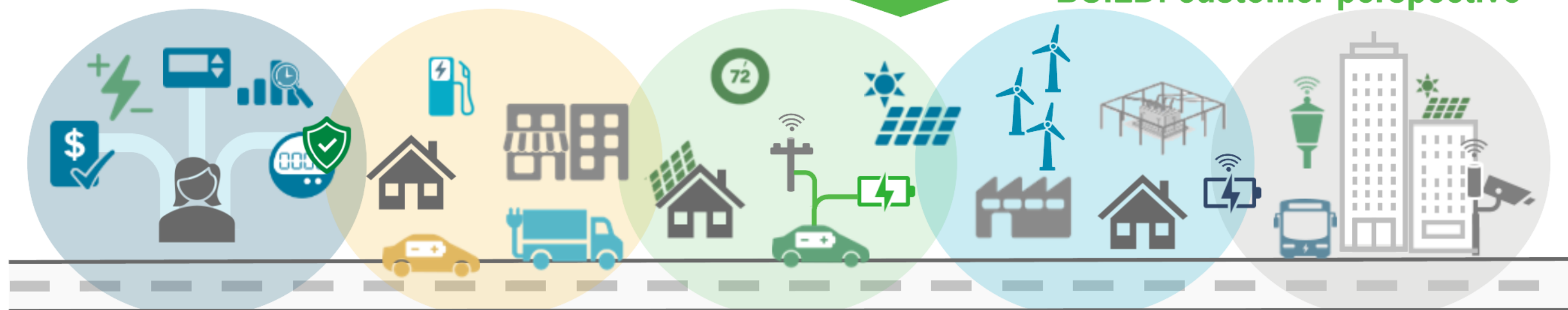


Rates



PLAN: system perspective

BUILD: customer perspective



Bill Management

Helps customers better manage their energy bill while enabling clean capacity

Electric Vehicle Solutions

Simplifying the adoption of electric vehicles while proactively readying the grid for growth

Net-Zero Home & Business

Helps existing and new homes and businesses achieve their clean, smart energy goals

Clean Energy Customer Programs

Helping customers to connect to clean energy solutions and renewable options

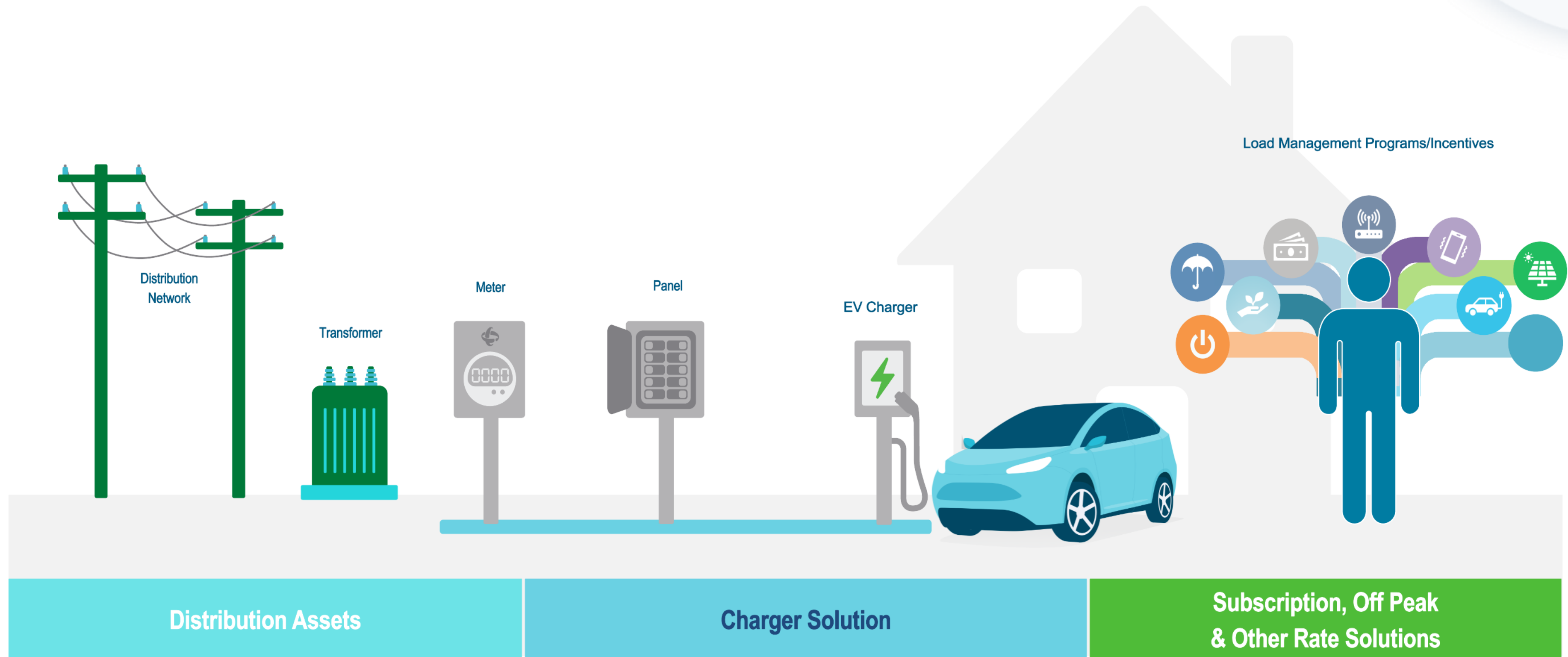
Connected Communities

Leveraging our infrastructure to deliver smart, digitally connected solutions

Ecosystem Example: Grid to the Garage



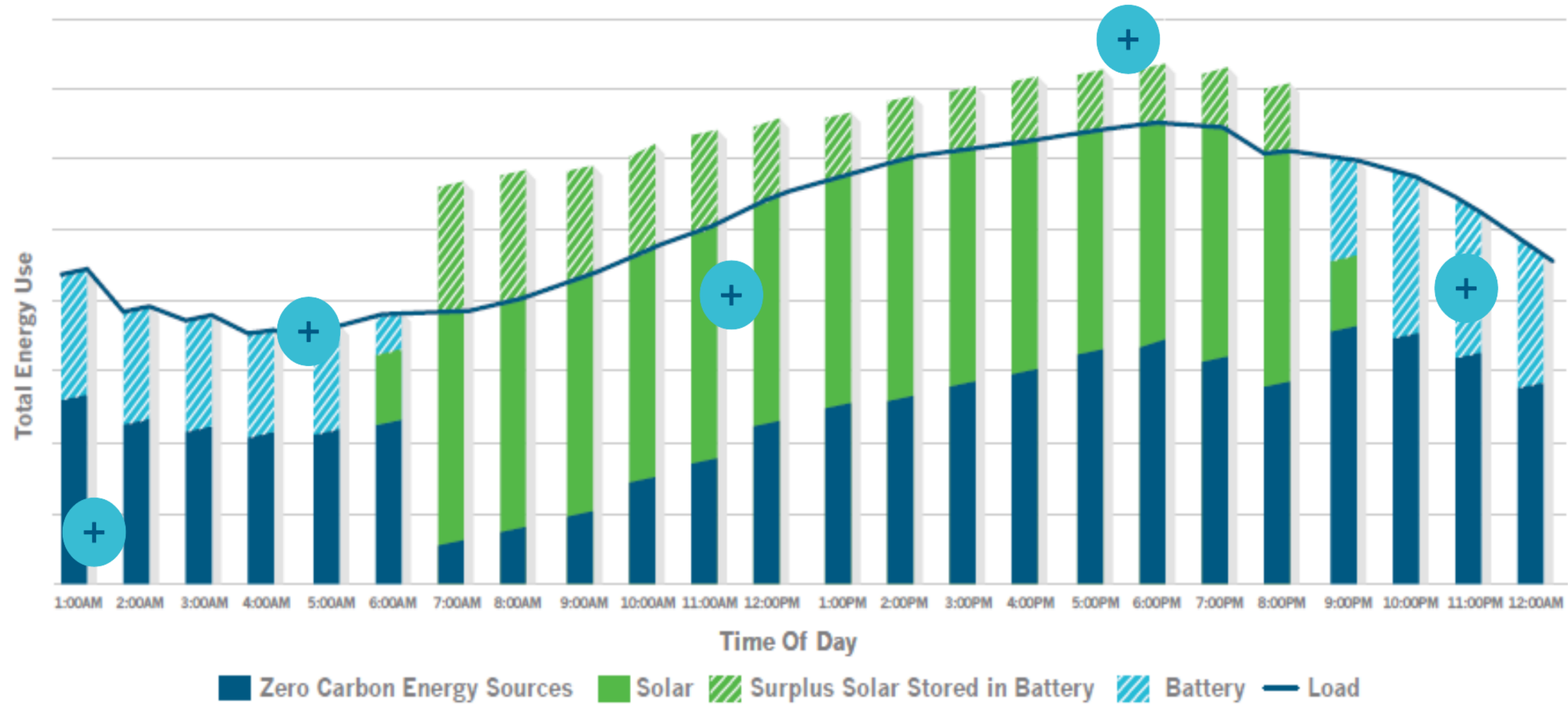
The EV ecosystem simplifies adoption with innovative programs while proactively readying the grid.



Clean Energy Ecosystem



HOURLY ENERGY LOAD WITH SOLAR AND BATTERY (GREEN SOURCE ADVANTAGE CHOICE WITH BATTERY)

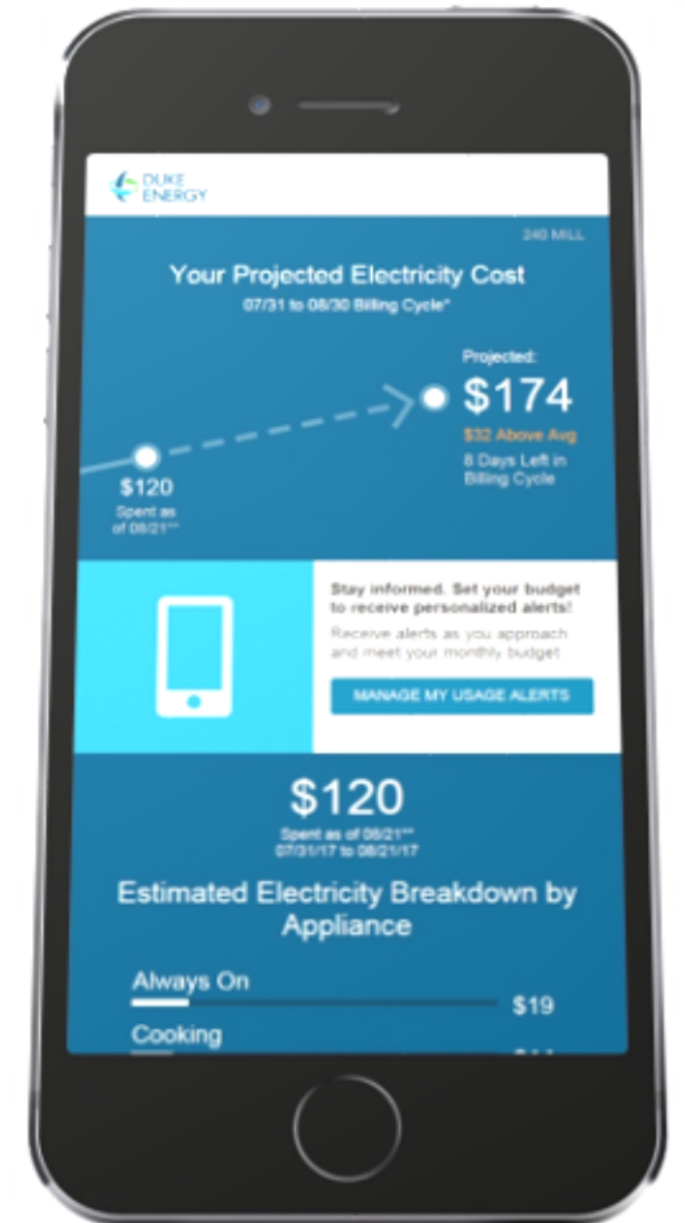


Bill Management



Pricing efforts are underway for mass market:

1. Indiana – Dynamic variable peak pricing
2. Kentucky – Peak time rebates
3. Ohio – Dynamic critical peak pricing
4. North Carolina – TOU with CPP
5. South Carolina – Solar Choice tariffs + EV credits
6. Florida – Bill certainty with DSM + community solar subscriptions



Bill Certainty



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Duke Energy subscription service to offer fixed fee for electric vehicle charging

SEPTEMBER 4, 2023 BY WECT

WILMINGTON, N.C. (WECT) – Signups are going on right now as of Sept. 1 for electric vehicle drivers who would like to cap their charging costs at \$24.99 a month.



The News & Observer

Part of the McClatchy Media Network

Local News Business Triangle Now Sports Living Jobs/Recruiting Personal Finance Obituaries Shopping

BUSINESS

Want a discount to charge your electric vehicle in NC? Here's a new program.

BY ADAM WAGNER

Duke Energy Launches EV Charging Subscription in North Carolina

EV THE EV REPORT / AUGUST 29, 2023 / ENERGY



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Duke (DUK) Rolls Out North Carolina's EV Subscription Program

1

Zacks Equity Research

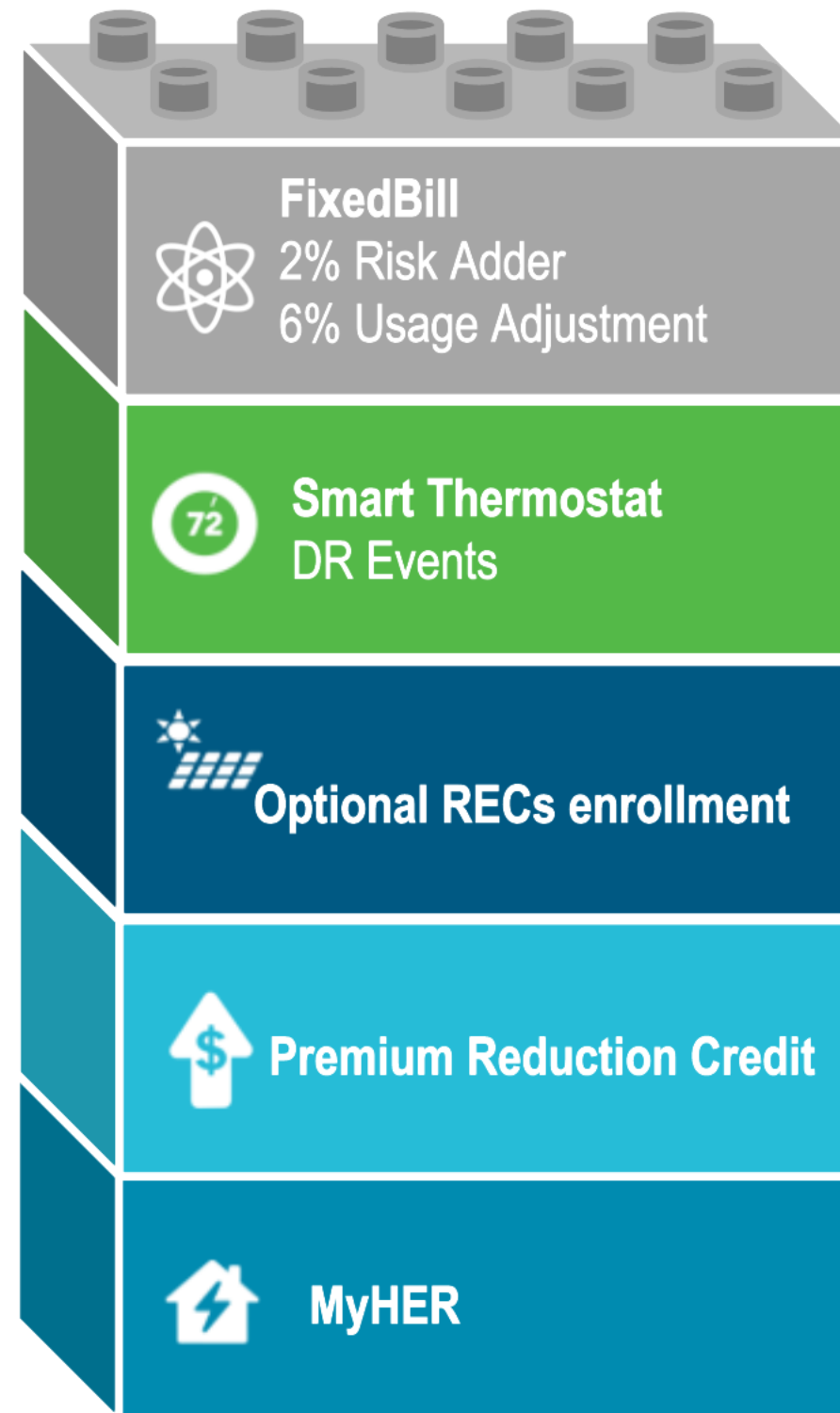
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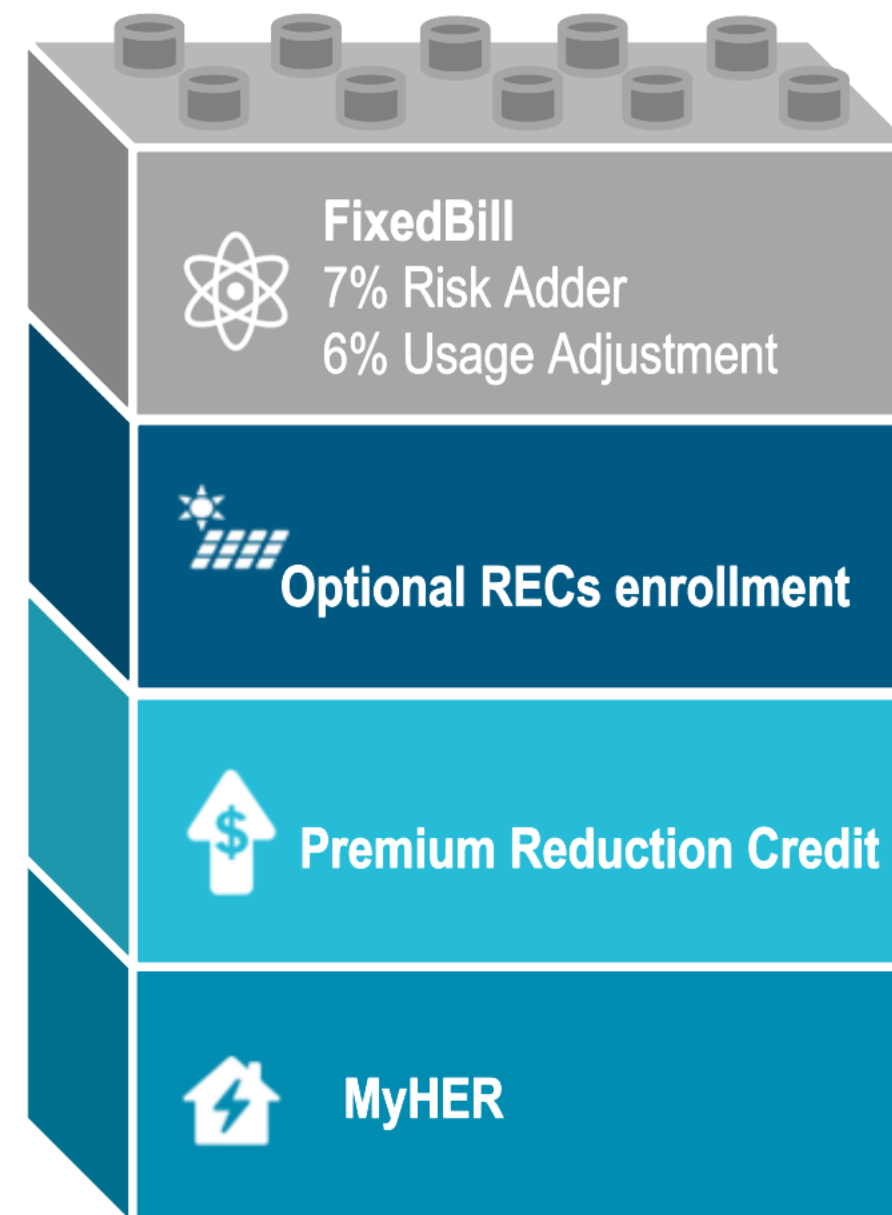
My Energy Bill+ Bundles



MEB+ with smart thermostat



MEB+ without smart thermostat



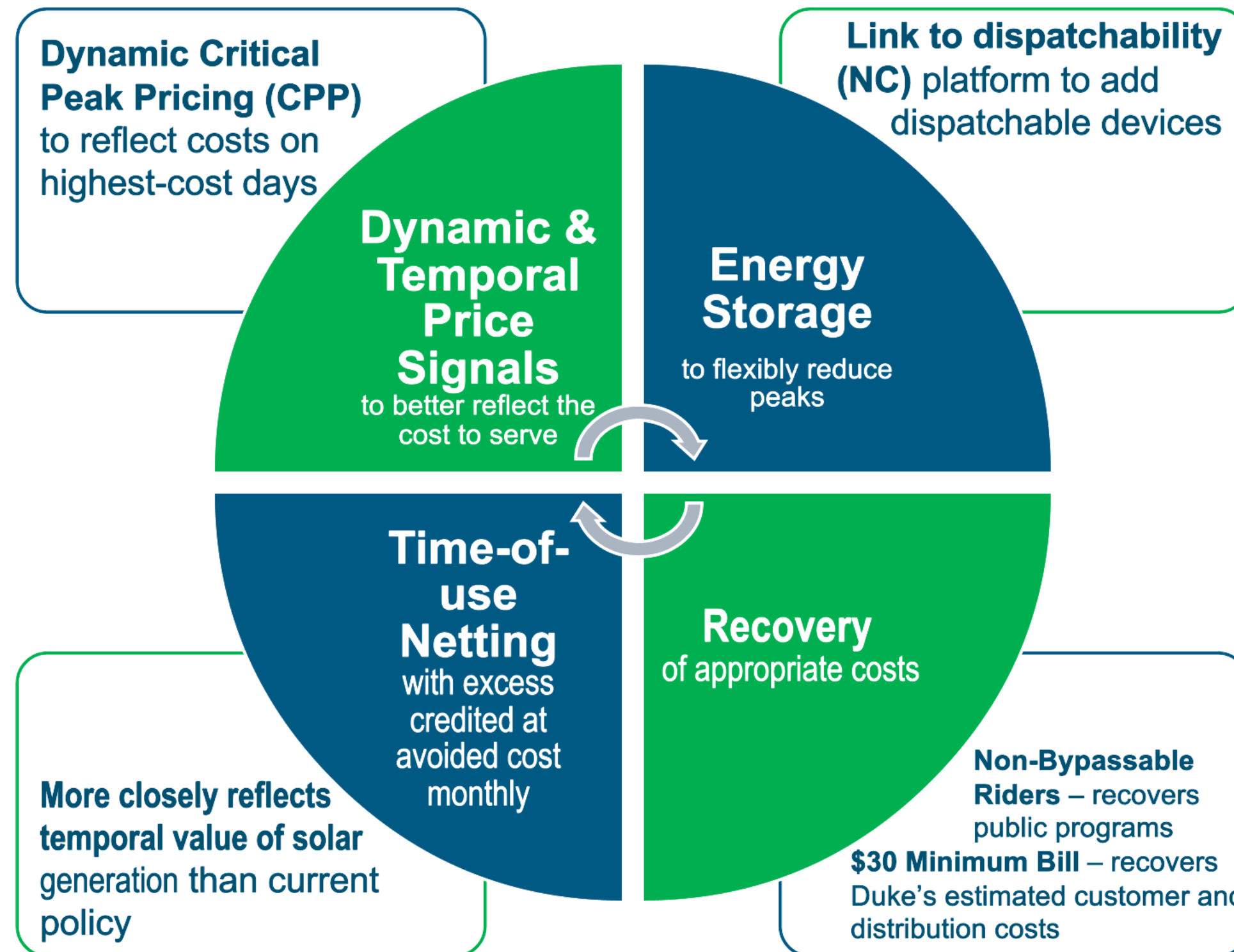
A subscription that offers all eligible **residential customers:**

- A Fixed Bill
- An option to enroll a smart thermostat to reduce the risk premium
- Enrollment in RECs as an easy way to participate in clean energy generation
- Premium Reduction credit when total predicted energy usage is reduced
- My HER enrollment to receive tips on how to conserve energy

Potential Product / Service Add-Ons:

- Autopay
- Paperless Billing
- Power Manager (BYOT)
- Home Energy House Call

Key Elements of the Approved Rooftop Solar Reform in Carolinas





PowerPairSM Solar and Battery Installation Pilot Program*



Designed for **residential customers** who install and operate a new Solar PV panel paired with a battery storage system.



Pay participants **incentive amounts for the Solar Panels and Battery** which will offset homeowners' costs of installing the equipment.



Opportunity for ongoing incentives for customers by **enrolling in a demand response** offering for customer-owned storage resources.

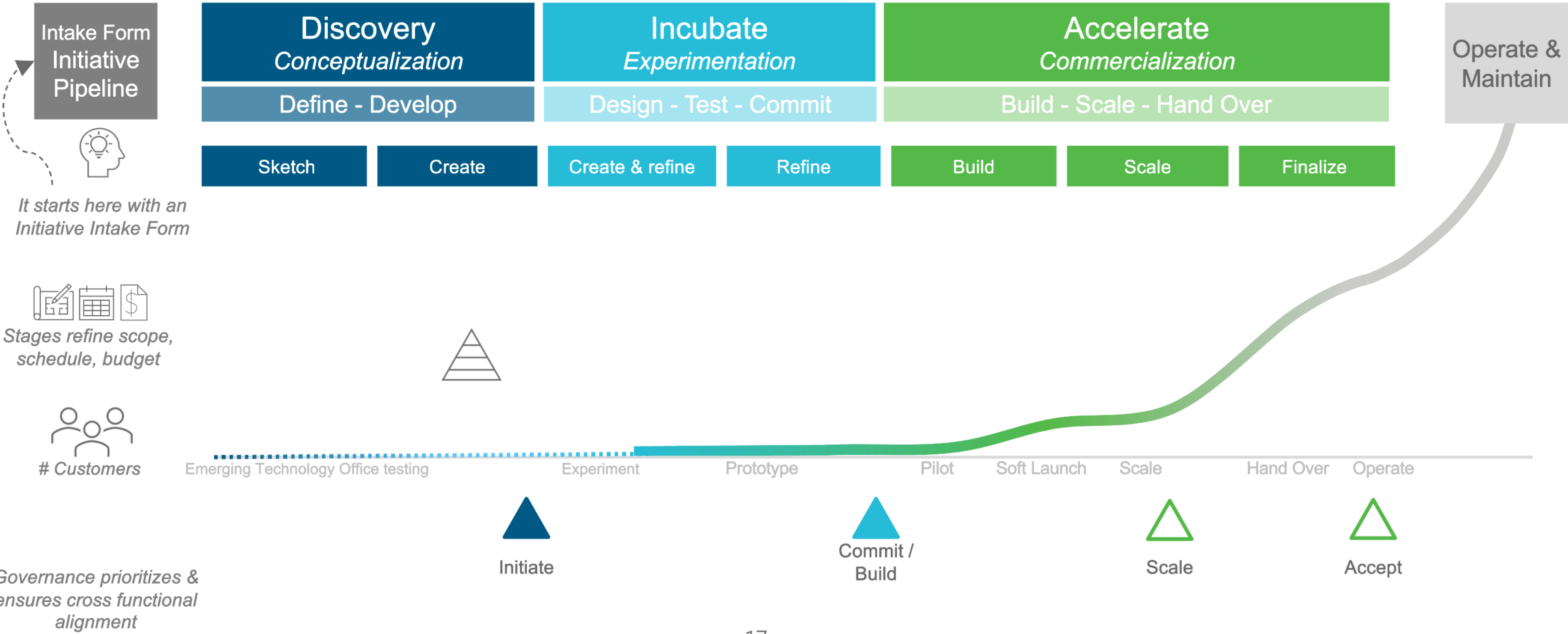


Potential for **Battery Control**, allowing the Company to remotely dispatch the batteries during times of unusually high electricity demand.

*Information referenced are from the Duke Energy application as submitted to the North Carolina Utilities Commission (NCUC). Final program design is pending approval with NCUC.

Our innovation management framework: Discovery Incubate & Accelerate (DIA)

A flexible, yet repeatable, framework that enables teams to swiftly develop customer touching-initiatives



Rapid Prototyping

Adoption of new flexibility and rapid prototyping guidelines for regulatory approval of new customers, pilots and rate designs in North Carolina.



NCUC Order for Adopting Initial Carbon Plan and Providing Direction in Future Planning issued in 2022.



Ongoing engagement with stakeholder groups throughout 2023.



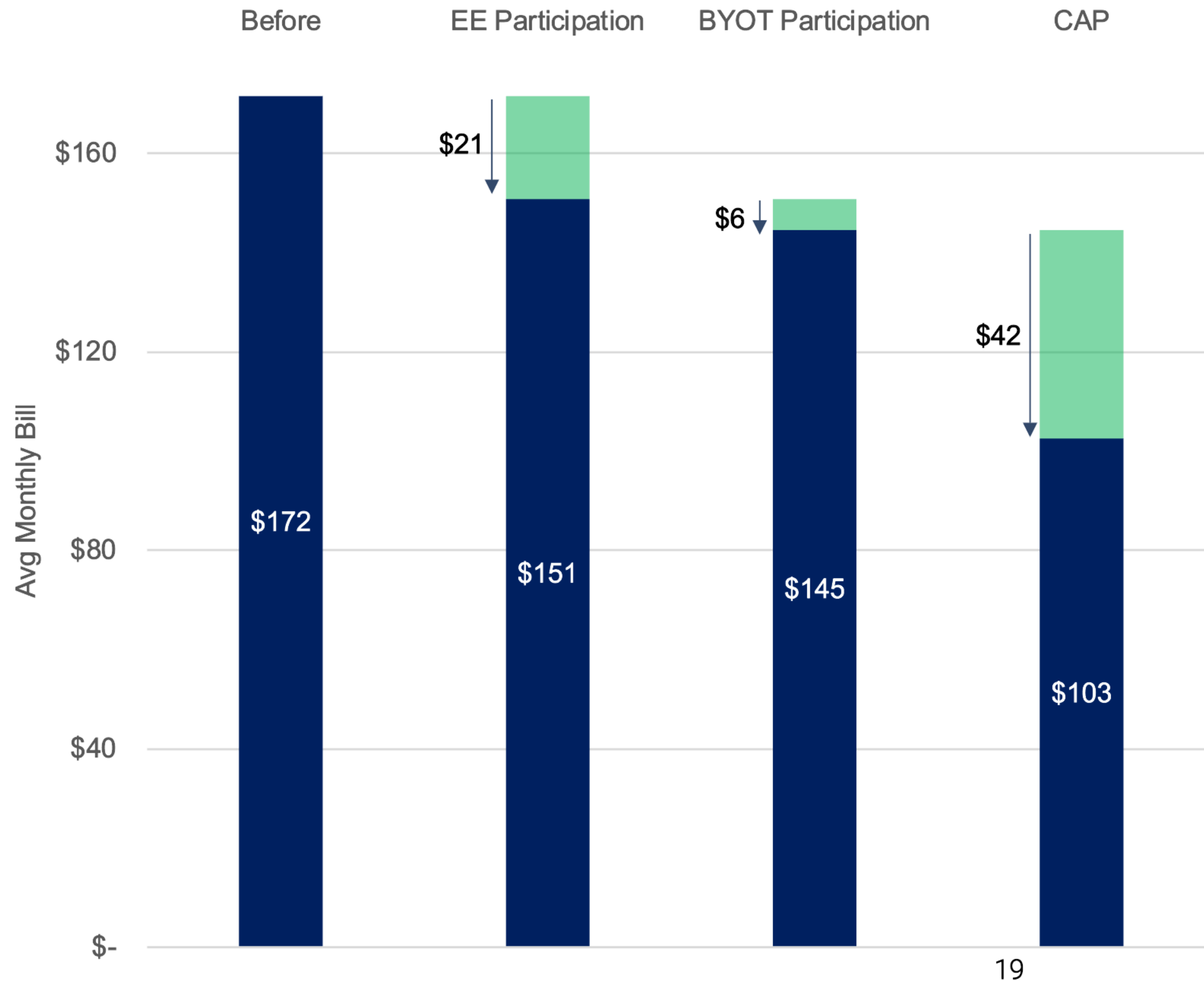
Development of proposed guidelines associated with testing emerging technologies and rate designs



Submit to NCUC upon completion of stakeholder process in Q3 of 2023.

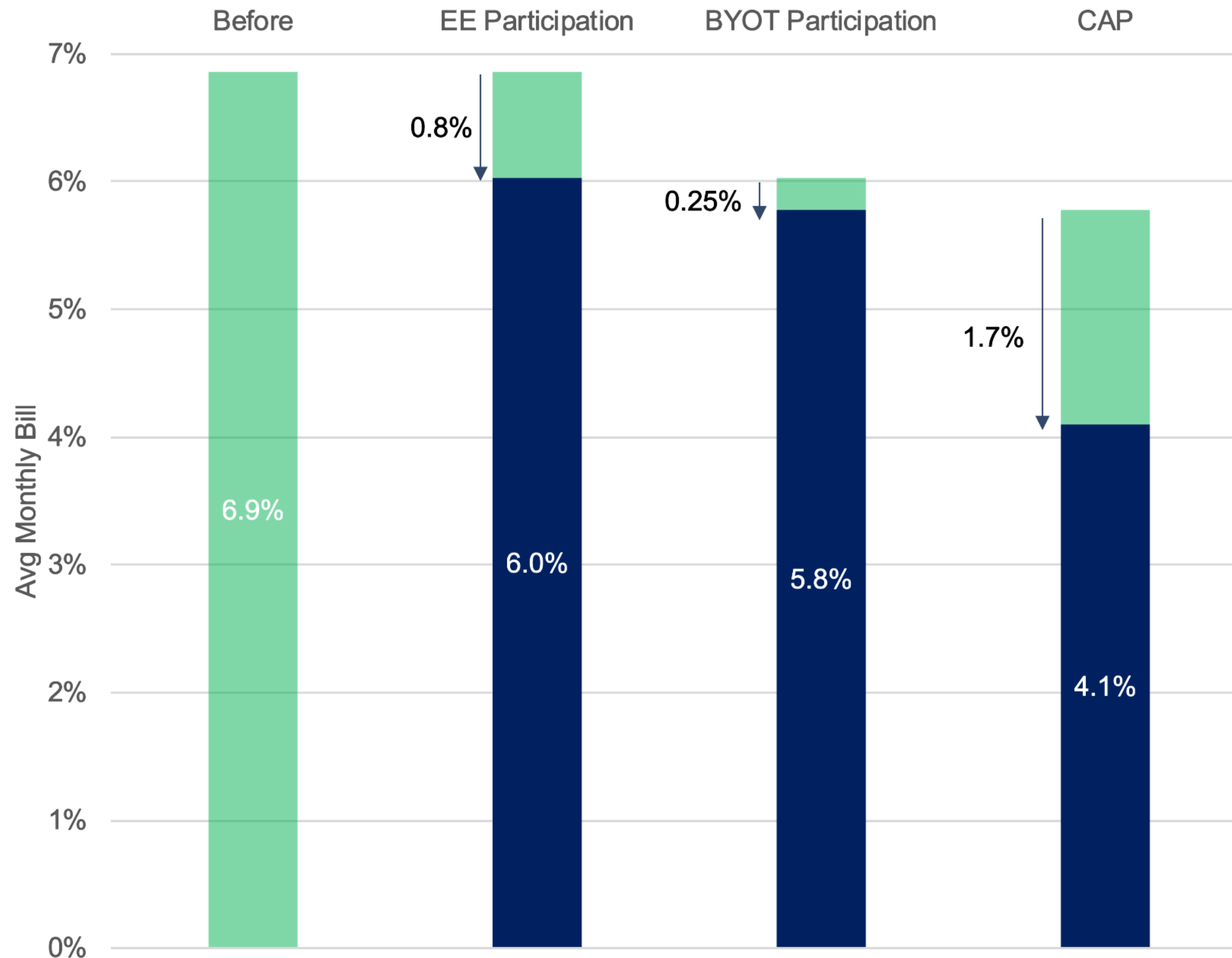


Helping the Most Vulnerable



- ✓ Bundle could lower the customer's average monthly bill by \$69 per month
- ✓ Reduces the electricity burden of a household with \$30k income from 6.9% to 4.1%
- ✓ Energy Efficiency participation can be through a range of programs:
 - Weatherization
 - High Energy Use Pilot
 - Tariffed-on-Bill + incentives based on "as-found" baseline
- ✓ Additional savings are likely if customers adopt and respond to TOU rates

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Delivering a Seamless Customer Journey



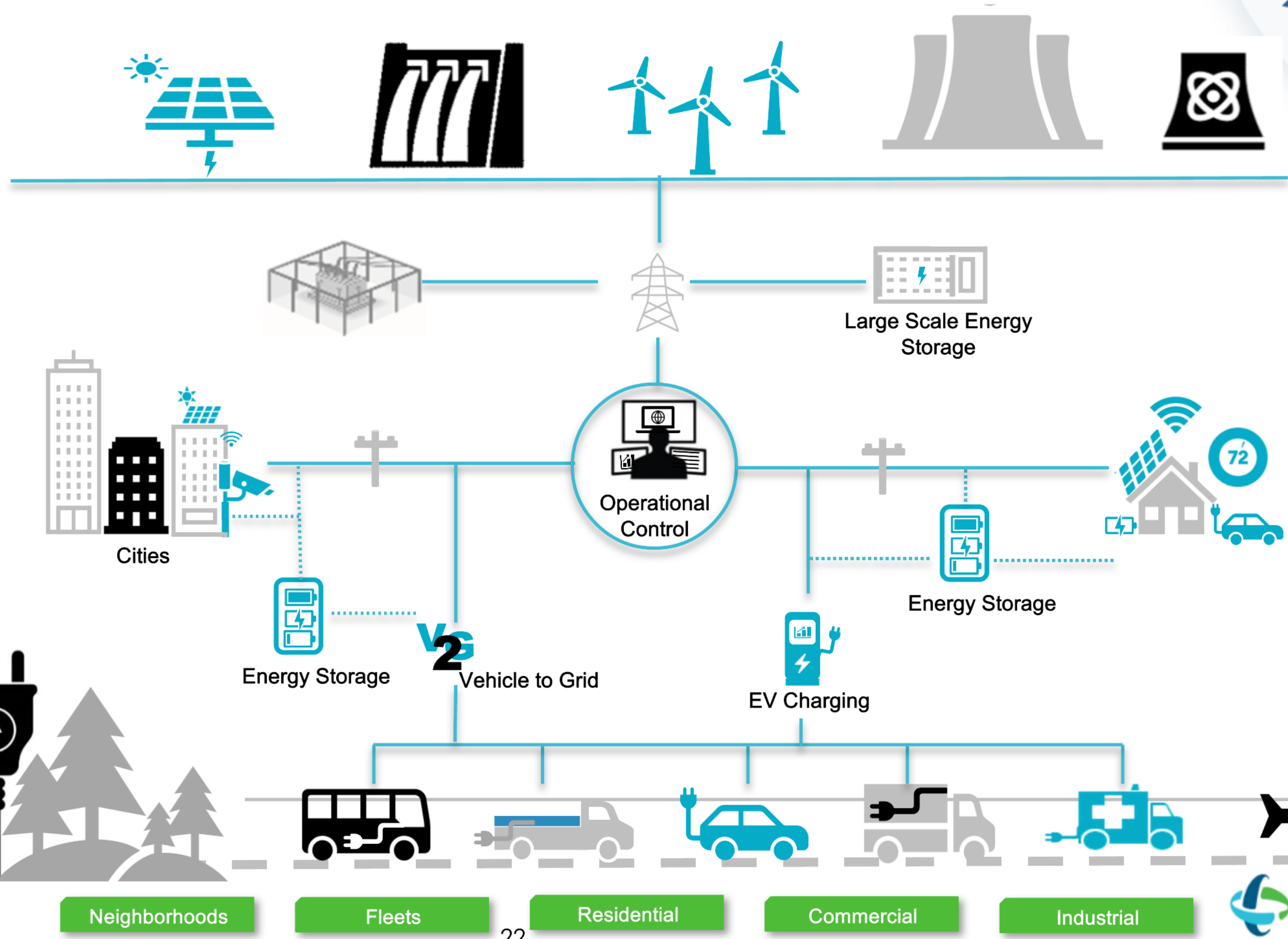
- Customer insight and product & service match
- Marketing
- Signup and billing
- Execution and installation
- Engagement
- Resource orchestration
- Optimization and value nurturing
- Regulatory reporting

Repeat!

Preparing for the Future



- Clean Energy Production
- Rate Design & Infrastructure Tariffs
- Grid Modularity and Adaptability
- National Partnerships
- Customer Offerings



- Neighborhoods
- Fleets
- Residential
- Commercial
- Industrial





BUILDING A SMARTER ENERGY FUTURE®