FILED
November 8, 2019
INDIANA UTILITY
REGULATORY COMMISSION

DIRECT TESTIMONY OF AMY B. DEAN
SENIOR STRATEGY AND COLLABORATION MANAGER
DUKE ENERGY BUSINESS SERVICES LLC
ON BEHALF OF
DUKE ENERGY INDIANA, LLC
CAUSE NO. 43955 DSM-8
BEFORE THE INDIANA UTILITY REGULATORY COMMISSION

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Amy B. Dean, and my business address is 1000 E. Main Street, Plainfield, Indiana 46168.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Duke Energy Business Services LLC. Duke Energy Business Services LLC is an affiliate of Duke Energy Indiana, LLC ("Duke Energy Indiana" or "Company"). My title is Senior Strategy and Collaboration Manager.

Q. WHAT DUTIES AND RESPONSIBILITIES DO YOU HAVE IN YOUR CURRENT POSITION?

A. As Senior Strategy and Collaboration Manager, I have responsibilities for Duke Energy Indiana's Energy Efficiency ("EE") initiatives including compliance, filings and the Company's Oversight Board ("OSB").

Q. PLEASE STATE YOUR EDUCATIONAL AND BUSINESS EXPERIENCE.

A. I graduated from Indiana University in May of 1997 with a Bachelor of Science in Accounting and have a Master's in Business Administration from Butler

University. I am a Certified Public Accountant in the state of Indiana. I was employed by the Company in May 1997 holding various accounting positions with increasing responsibility in the Energy Merchant Business Unit and then the 1935 Act External Reporting Group. In 2003, I was promoted to Lead Analyst in the Service Company Accounting group. In January 2008, I left Duke Energy to become an Accounting Manager at Veolia Water North America. At Veolia, I was responsible for managing fixed asset accounting, payroll accounting, accounts receivable, IFRS accounting, and other general ledger accounting. In July 2009, I returned to Duke Energy as a contractor in the Smart Grid Support area and was hired back as a full-time employee to the Rates Department in January 2010 as Lead Rates Analyst. In August 2017, I was promoted to Senior Strategy and Collaboration Manager, with responsibilities for Duke Energy Indiana's EE initiatives. As Senior Strategy and Collaboration Manager, I work with our Program Management, Rates, Evaluation, Measurement, & Verification ("EM&V"), Analytics, and Legal staffs on the Company's Indiana products and services along with managing the OSB.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I will describe the programs and budgets in Duke Energy Indiana's 2020 - 2023 EE Plan. I will also discuss Duke Energy Indiana's OSB.

Q. ARE YOU SPONSORING ANY EXHIBITS?

A. Yes. I will be sponsoring Petitioner's Exhibit 2-A, which is a complete

description of each EE program, along with each EE program's cost breakdown and cost and benefit scores.

Q. WAS PETITIONER'S EXHIBIT 2-A PREPARED BY YOU OR AT YOUR DIRECTION?

A. Yes.

II. DUKE ENERGY INDIANA'S PLAN FOR 2020 - 2023

Q. PLEASE DESCRIBE HOW THE COMPANY'S FOUR-YEAR EE PLAN WAS DEVELOPED.

A. As stated in Mr. Duff's testimony, Duke Energy Indiana's proposed EE Plan was designed by its program managers considering information contained in the MPS, the state of the EE market in the Company's service territory, past program success, and the addition of new programs to continue to grow the EE opportunities for our eligible customers.

Q. PLEASE SUMMARIZE WHAT PROGRAMS DUKE ENERGY INDIANA PROPOSES IN THIS PROCEEDING.

A. The 2020 - 2023 EE Plan contains most of the same programs that were approved by the Commission in Cause No. 43955 DSM-4 ("DSM-4"). The newest addition to our portfolio is an outdoor lighting program for Company owned lights, which I will discuss below. The following is a listing of the programs included in the portfolio for this filing. A complete description of each program, cost breakdown and cost and benefit scores can be found in Petitioner's Exhibit 2-A. Duke

Energy Indiana seeks Commission approval to offer the following programs:

Duke Energy Indiana 2020 - 2023 Energy Efficiency Programs

Residential	**Non-Residential**
Agency Assistance Portal	* Public Efficiency Streetlighting
Energy Efficiency Education Program for Schools	Smart $aver Non-Residential
Low Income Neighborhood	Power Manager for Business
Low Income Weatherization	Small Business Energy Saver
Multi-Family Energy Efficiency Products & Services	
My Home Energy Report	
Residential Energy Assessments	
Smart $aver® Residential Power Manager	

Key: * New Program

Q. PLEASE PROVIDE FURTHER DETAILS ON THIS OUTDOOR LIGHTING PROGRAM.

A The proposed outdoor lighting program will provide outdoor lighting customers a rebate to upgrade Company-owned lighting to more efficient LED fixtures.

Q. WHY IS THE COMPANY PROPOSING THIS PROGRAM?

A. Duke Energy Indiana owns over 120,000 street and area lights in our service territory that we operate and maintain for our customers. These customers have participated in the EE Rider since its inception, but the Company has not offered programs directly targeted to these customers. Duke Energy Indiana has not historically offered a program that would be based on company-owned assets. After seeing a company-owned asset program had been approved for another

Indiana utility in 2018, Duke Energy Indiana started to investigate its own offering.

What we found in our investigation was that Indiana is very far behind, as compared to the rest of the U.S. streets and roadways,[1] for LED outdoor lighting penetration. Creating a program for LED outdoor lights will help transform the market in Indiana for this technology.

Q. HOW WILL THIS PROGRAM BE STRUCTURED GIVEN THAT THE LIGHTS ARE COMPANY OWNED?

A. Duke Energy Indiana proposes to offer incentives to its customers, similar to the Company's offering in its non-residential prescriptive program for customer owned lights. For customer-owned lighting, the Company offers four (4) different incentive levels based on the wattage of the fixture. The incentives range from $30 for an exterior LED fixture replacing a high intensity discharge fixture up to 175 watts, $50 for a fixture between 176-250 watts, $75 for between 251-400 watts and $200 per fixture replaced greater than 400 watts.

Duke Energy Indiana intends to leverage its existing EE incentive processing and tracking system to receive the applications on the front end and make the incentive payments on the back end. The Company's outdoor lighting and distribution groups will spearhead the actual lighting changeouts for the

[1] U.S. Department of Energy, Energy Efficiency & Renewable Energy, *Adoption of Light-Emitting Diodes in Common Lighting Applications*, July 2017, Pages 51-52 (https://www.energy.gov/sites/prod/files/2017/08/f35/led-adoption-jul2017_0.pdf).

customers that would like to participate in this program. Additional information about this new program is provided in Petitioner's Exhibit 2-A.

Q. IN DSM-4, DUKE ENERGY INDIANA PROPOSED NEW DEVELOPMENT PROGRAMS TO BE DEPLOYED DURING THE THREE-YEAR PLAN. PLEASE PROVIDE AN UPDATE ON THOSE PROGRAMS.

A. Prior to DSM-4, Duke Energy Indiana's OSB did not have authority to add new programs, so the Company did not want to allow all three (3) years of the portfolio to run without the potential to add new programs. In DSM-4, Duke Energy Indiana had several new programs in its new product development ("NPD") group that we were in the process of vetting. Duke Energy Indiana added some programs for the out years (2018 - 2019) that were in development in hopes that it would be able to deliver these programs and their associated impacts sometime during the 2017 - 2019 portfolio. Unfortunately, Duke Energy Indiana has not yet brought these programs to market in Indiana. For the 2020 - 2023 EE portfolio, the Company will add the measures it still plans to pursue from these programs in as part of existing programs. For example, measures from the new program entitled "Multifamily retrofit" will be rolled in to the existing Multifamily EE products & services portfolio. This will help Duke Energy Indiana leverage the success of existing programs while continuing to add new value for its customers. The same will happen with Bring Your Own Thermostat

("BYOT"). This will transition to be managed along with the Residential Power Manager programs for Indiana.

Q. WHAT DEMAND RESPONSE PROGRAMS ARE INCLUDED IN DUKE ENERGY INDIANA'S PLAN?

A. The Company has one (1) residential demand response ("DR") program and one (1) non-residential program. For residential customers, Duke Energy Indiana will continue to offer its very successful Power Manager® program that now is available to both single family and apartment dwellers. As part of this program and as explained previously, the Company plans to layer in BYOT, which is one of the Company's programs previously approved in DSM-4. For non-residential customers, the Company offers Duke Energy Indiana's Power Manager® for Business program. Duke Energy Indiana has consistently offered successful DR programs. Most recently, in Cause No. 43955 DSM-4, the Commission once again approved the Company's DR Plans as part of its Energy Efficiency portfolio filing.

Q. ARE ALL PROGRAMS INCLUDED IN THE PROPOSED EE PLAN COST EFFECTIVE?

A. Yes. All programs pass at least one of the cost benefit analyses. As discussed in the Direct Testimony of Jean P. Williams, all programs except the Low Income Neighborhood and Low Income Weatherization Programs pass the Utility Cost Test ("UCT"). The Low-Income Neighborhood and Weatherization programs do

pass the Participant Cost Test ("PCT") cost benefit analysis. The Low-Income Neighborhood program currently provides up to 16 low cost measures to be installed in selected neighborhoods. Due to the high cost of weatherization and little to no customer contribution required to participate, low-income weatherization programs in general struggle to pass the UCT. The Low Income Weatherization Program offers a Tier 1 and Tier 2 grouping of measures depending upon the need of the customer's home. Additionally, up to seven hundred and fifty dollars ($750.00) is allotted for health and safety for every home included in Tier 2. The program also includes a refrigerator replacement component.

Even though these two programs do not pass the UCT, the Company believes there are benefits to bringing these needed improvements to low-income customers and offering energy efficiency programs to this group of customers, especially where, as here, the Energy Efficiency Program portfolio as a whole (including the two low income programs) passes the cost benefit analysis under the UCT.

Q. ARE THERE INDIVIDUAL ENERGY EFFICIENCY MEASURES IN OTHER PROGRAMS BESIDES THE LOW-INCOME NEIGHBORHOOD AND WEATHERIZATION PROGRAMS THAT DO NOT PASS THE UTILITY COST TEST?

A. Yes. There are programs that have some measures below 1.0 UCT. On the residential side, there are 15 measures that do not pass the UCT. Eleven (11) of these reside within Smart $aver® Residential program. For Non-Residential Smart $aver Prescriptive, there are three (3) measures that do not pass the UCT. All of these programs contain multiple measures.

Q. WHY ARE THESE MEASURES INCLUDED IN THE PROGRAMS IF THEY DO NOT PASS THE UCT?

A. Although some programs contain measures that do not pass the UCT on a stand-alone basis, when the entirety of the measures contained in each of the programs are evaluated, all programs except Low Income pass the UCT. It is important to offer our customers comprehensive programs and these measures round out certain technologies that overall have passing scores and ensure a program that can serve all segments of the residential, commercial and industrial markets. For example:

- Smart $aver® Non-Residential Prescriptive – Overall this program contains four hundred thirty-two (432) measures. In this filing, this program has expected participation in one hundred fifty-six (156) measures and a UCT of 3.65. Of those measures, three (3) fail the UCT. In general, it is reasonable to include these measures if the overall program and portfolio pass the UCT.

- Smart $aver® Residential – The HVAC replacement equipment measures offer customers incentives to help improve the efficiency of the single largest energy user in a typical home. The HVAC measures include a two-tiered incentive structure, based on the efficiency rating of the new unit installed, along with an add-on optional smart thermostat that customers can choose to combine with the equipment replacement to further improve the efficiency of the HVAC system. The HVAC measures include nomenclature for each tier, and type of system; however, all constitute the HVAC replacement equipment measure within the Smart $aver program. Together these HVAC measures pass the UCT. Specifically, Heat Pump Water Heaters are one of the most efficient water heaters available, and can save customers up to 50 percent (50%) in energy usage compared to a traditional electric resistance water heater; however, these measures do not currently pass the UCT. Heat Pump Water Heaters are a proven technology; however, they are only a fraction of the total market in terms of sales. It is anticipated that these heat pump water heaters will continue to gain market share with increased customer adoption, which should improve the UCT score by spreading the fixed program costs across a larger number of participants.

Q. PLEASE PROVIDE PROGRAM BUDGETS FOR EACH OF THE PROGRAMS INCLUDED IN THE EE PLAN.

A. Total program budgets for the 2020 – 2023 EE Plan are included in the table below. In addition, Ms. Karen K. Holbrook has included Petitioner's Confidential Exhibit 5-A that has the amounts for each program by year.

Duke Energy Indiana 2020 - 2023 Energy Efficiency Programs *

Residential		
Agency Assistance Portal	$	128,925
Energy Efficiency Education Program for Schools	$	3,421,567
Low Income Neighborhood	$	2,702,836
Low Income Weatherization	$	6,409,068
Multi-Family EE Products & Services	$	8,888,181
My Home Energy Report	$	12,216,932
Residential Energy Assessments	$	5,821,479
Smart $aver® Residential	$	18,539,694
Power Manager	$	11,195,414
Total Residential	**$**	**69,324,096**
Non-Residential		
Public Efficiency Streetlighting	$	2,242,460
Smart $aver Non-Residential	$	53,248,383
Power Manager for Business	$	6,967,667
Small Business Energy Saver	$	15,192,022
Total Non-Residential	**$**	**77,650,532**
Market Potential Study	$	275,000
Total Market Potential Study	**$**	**275,000**
Grand Total 2020-2023 Portfolio	**$**	**147,249,627**

* Totals may not foot due to rounding

Q. WHAT IS THE STATUS OF THE MARKET POTENTIAL STUDY ("MPS") THAT WAS APPROVED IN CAUSE NO. 43955 DSM-3?

A. The Company and its OSB agreed to delay the start of the MPS until early 2017 and the final report was presented to the OSB on February 8, 2018. The OSB

delayed the start of the MPS so the results would be as current as possible for use in developing the energy efficiency portion of the Company's IRP which was submitted on July 1, 2019. Costs for the MPS were incurred in 2017 and 2018.

Q. IN THIS PROCEEDING, DOES THE COMPANY ALSO SEEK APPROVAL FOR FUNDING OF A MARKET POTENTIAL STUDY ("MPS") IN 2021?

A. Yes. The Company's most recent MPS was completed in February 2018, as I just mentioned. A new MPS would be used to inform the Company's next IRP due in November 2021. The Company has included in the budget two hundred seventy-five thousand dollars ($275,000) and is proposing that it would be recovered contemporaneously as a program cost. If funding is approved, the Company will work with the OSB on the RFP process and jointly oversee the delivery of a final report.

III. COST RECOVERY

Q. WHAT ARE THE TOTAL PROGRAM COSTS THAT DUKE ENERGY INDIANA SEEKS TO RECOVER?

A. For all programs included in the EE Plan, the total program costs for the 2020 – 2023 period, which includes direct and indirect costs, EM&V, and other recoveries, including incentives and lost revenues, are $197,135,234. These costs can be broken down as follows:

Duke Energy Indiana		
		2020-2023
Cost Category		Revenue Requirement
Direct Administrative	$	63,084,161
Indirect Administrative	$	14,313,069
Customer Incentives	$	64,058,372
EM&V	$	5,794,025
Company Incentives	$	21,087,319
Lost Revenues	$	28,798,288
Total	**$**	**197,135,234**

IV. OVERSIGHT BOARD

Q. IS DUKE ENERGY INDIANA MAINTAINING ITS OSB?

A. Yes. The Duke Energy Indiana OSB meets monthly with four (4) quarterly in-person meetings and seven (7) phone calls. At each meeting, the OSB reviews the previous month's scorecard that presents the performance of each program in the portfolio. The Company's Program Managers lead the discussion regarding program performance and the background information on year-to-date performance and what is expected for the remainder of the year. During the quarterly in-person meetings, the OSB has a more in-depth meeting to review EM&V draft reports and other substantive issues that are more conducive to speaking in-person.

Q. DOES THE COMPANY PROPOSE ANY CHANGES TO ITS OSB?

A. No.

V. CONCLUSION

Q. DOES THIS CONCLUDE YOUR PREPARED TESTIMONY AT THIS TIME?

A. Yes, it does.

Duke Energy Indiana Energy Efficiency Program Description & Information
2020 - 2023

<table>
<tr><td>Program Description

<u>Agency Assistance Portal</u></td><td>The Agency Assistance Portal assists low-income customers in reducing energy costs through providing energy efficiency bulbs to eligible customers. Customers participating in this program will receive a package of 12 LED bulbs delivered to the customer’s home.
Customers are eligible for this program if they apply for the federally funded Low Income Home Energy Assistance Program (LIHEAP) through a low-income agency. This program is available to both homeowners and renters occupying single family and multi-family dwellings with electric service provided by Duke Energy Indian.
By utilizing local agencies where low-income customers seek assistance, Duke Energy Indiana can target customers most in need for energy savings.</td></tr>
<tr><td>Program Objectives</td><td>The primary goal for this program is to help low-income customers save energy and money on their utility bills by using energy efficient lighting. Duke Energy Indiana will utilize low income agencies who distribute LIHEAP funds to administer this program.</td></tr>
<tr><td>Marketing Plan</td><td>The marketing strategy for this program will focus on utilizing the low-income agencies as the primary method of informing customers. Duke Energy Indiana will provide table tents and posters for agencies to place on display within their offices.</td></tr>
<tr><td>Program Projected Savings</td><td>
<table>
<tr><td>KWh</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kWh</td></tr>
<tr><td></td><td>835,240</td><td></td><td></td><td></td><td>835,240</td></tr>
<tr><td>KW</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kW</td></tr>
<tr><td></td><td>97</td><td></td><td></td><td></td><td>97</td></tr>
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</td></tr>
<tr><td>Program Budget</td><td>
<table>
<tr><td>Total Program Budget</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total by Line Item</td></tr>
<tr><td>Admin - Direct</td><td>99,351</td><td>5,747</td><td>5,948</td><td>6,156</td><td>117,202</td></tr>
<tr><td>Admin - Indirect</td><td>9,595</td><td>666</td><td>702</td><td>761</td><td>11,723</td></tr>
<tr><td>Customer Incentives</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>EM&V</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Total by Year</td><td>108,946</td><td>6,412</td><td>6,649</td><td>6,917</td><td>128,925</td></tr>
</table>
</td></tr>
<tr><td>Program Cost Effectiveness</td><td>
<table>
<tr><td>UCT</td><td>TRC</td><td>RIM</td><td>PCT</td></tr>
<tr><td>1.46</td><td>1.46</td><td>0.55</td><td>>1.00</td></tr>
</table>
</td></tr>
<tr><td>Program Measure Life</td><td>
<table>
<tr><td>5.0</td><td>*Note: Measure life is based on kWh weighted average</td></tr>
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Program Description **<u>Low Income Neighborhood</u>**	The Low Income Neighborhood program, known as the Neighborhood Energy Saver Program, or NES, assists low-income customers in reducing energy costs through energy education and installation of energy efficient measures. The primary goal of this program is to empower low-income customers to better manage their energy usage. Customers participating in this program will receive a walk-through energy assessment and one-on-one education. Additionally, the customer receives a comprehensive package of energy efficient measures. Each measure listed below is installed or provided to the extent the measure is identified as energy efficiency opportunity based on the results of the energy assessment. 1. Energy Efficient Bulbs - Up to 15 LED bulbs to replace incandescent bulbs. 2. Electric Water Heater Wrap and Insulation for Water Pipes. 3. Electric Water Heater Temperature Check and Adjustment. 4. Faucet Aerators - Up to three low-flow faucet aerators. 5. Showerheads - Up to two low-flow showerheads. 6. Wall Plate Thermometer –one per home. 7. HVAC Winterization Kits – Up to three winterization HVAC kits for wall/window air conditioning units along with education on the proper use, installation and value of the winterization kit as a method of stopping air infiltration. 8. HVAC Filters - A one-year supply of HVAC filters will be provided along with instructions on the proper method for installing a replacement filter. 9. Refrigerator Magnet – highlighting the top 10 energy tips. 10. Air Infiltration Reduction Measures - Weather stripping, door sweeps, caulk, foam sealant and clear patch tape will be installed to reduce or stop air infiltration around doors, windows, attic hatches and plumbing penetrations. Targeted low-income neighborhoods qualify for this program if approximately 50% of the households have incomes of <200% of the Federal Poverty Guidelines. Duke Energy Indiana analyzes electric usage data to prioritize neighborhoods that have the greatest need and highest propensity to participate. While the goal is to serve neighborhoods where the majority of residents are low-income, this program is available to all Duke Energy Indiana customers in the defined neighborhood. This program is available to both homeowners and renters occupying single family, manufactured housing and multi-family dwellings in the target neighborhoods with electric service provided by Duke Energy Indiana. The community approach offered by this program offers the following benefits: • Community involvement raises awareness of energy efficiency opportunities

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Community leaders provide a trusted voice
Greater acceptance is possible when neighbors and friends go through this program together
Efficiencies are gained by working in the same close proximity for longer periods of time
More resources are available to the individual participants to meet their needs
Enrolling is simple
Implementation of measures is fast and easy
Timely tracking and reporting of activity

</td></tr>
<tr><td>Program Objectives</td><td>The primary goal for this program is to empower low-income customers to better manage their energy bills. Duke Energy Indiana will engage low-income customers on a personal basis using a grass roots marketing approach to gain their trust. Crucial steps include providing customers with free energy saving measures and educating them on how to manage their energy needs. After a one-on-one education session, energy efficiency technicians provide customers with leave-behind materials to emphasize the measures installed, the importance of each measure, and how to maintain the measure.</td></tr>
<tr><td>Marketing Plan</td><td>The marketing strategy for this program will focus on a grassroots approach. Below are some of the marketing strategies Duke Energy Indiana may utilize to meet participation goals:
- Direct mail
- Door-to-door canvassing
- Door hangers
- Yard signs
- Press releases
- Flyers
- Social media
- Community presentations and partnerships
- Inclusion in community publications such as newsletters, etc.</td></tr>
<tr><td>Program Projected Savings</td><td>
<table>
<tr><td>kWh</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kWh</td></tr>
<tr><td></td><td>887,167</td><td>887,167</td><td>887,167</td><td>887,167</td><td>3,548,667</td></tr>
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<table>
<tr><td>kW</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kW</td></tr>
<tr><td></td><td>192</td><td>192</td><td>192</td><td>192</td><td>770</td></tr>
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Duke Energy Indiana Energy Efficiency Program Description & Information
2020 - 2023

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	543,695	553,908	563,497	573,272	2,234,372
Admin - Indirect	52,509	64,152	66,470	70,832	253,963
Customer Incentives					
EM&V	82,500		132,000		214,500
Total by Year	678,704	618,060	761,968	644,104	2,702,836

Program Cost Effectiveness

UCT	TRC	RIM	PCT
0.55	0.55	0.37	>1.00

Program Measure Life

7.0	*Note: Measure life is based on kWh weighted average

Program Description **<u>Low Income Weatherization</u>**	The Low Income Weatherization program is designed to help Duke Energy Indiana income-qualified customers reduce their energy consumption and lower their energy cost. This Program will specifically focus on owner occupied, single family homes meeting income qualification levels based on DOE standards (*i.e.*, income below 200% of the federal poverty level). This program will provide direct installation of weatherization and energy-efficiency measures including refrigerator and furnace replacement. Duke Energy Indiana will utilize the Indiana Housing and Community Development Authority (IHCDA) to administer the program, partnering with the current Indiana Community Action Association weatherization network. This program will operate on a tier system, based on an annual KWH/sq. ft. consumption. Tier 1 services are as follows: • Electric Heating System Tune-up & Cleaning • Electric Heating System repair up to $600 • Water Heater Wrap for electric water heaters • Water Heater Pipe Wrap • Cleaning / replacing electric dryer vents • Energy Efficient Light Bulbs • Water saving shower heads and aerators • Weather-stripping doors & windows • Energy Education Tier Two services are all Tier One Services plus: • Additional cost effective measures using the National Energy Audit Tool ("NEAT") audit where the energy savings pay for the measure over the life of the measure as determined by a standard heat loss/economic calculation. Such items can include but are not limited to attic insulation, air sealing, wall insulation, crawl space insulation, floor insulation, duct sealing. • In addition, up to $750 can be spent on a home for Health & Safety issues which may prevent them from receiving weatherization assistance. However, the Health & Safety component must average no more than $250 per home. In addition, refrigerator replacement will be available to income-eligible customers whose refrigerators test to be inefficient or >10 years old, including renters.
Program Objectives	This program will educate customers on their energy usage and identify other opportunities that can help reduce energy consumption and lower energy costs. The program is designed to provide additional weatherization assistance monies to the agencies, allowing them to install more energy-saving measures and/or serve more homes.
Marketing Plan	The marketing strategy for this program will utilize low income and non-profit agencies that provide weatherization services as the primary method for providing weatherization assistance to eligible customers. Additional marketing will include direct mail, flyers and direct contact between agencies and customers.

Duke Energy Indiana Energy Efficiency Program Description & Information
2020 - 2023

Program Projected Savings

kWh	2020	2021	2022	2023	Total kWh
	636,400	636,400	636,400	636,400	2,545,599

kW	2020	2021	2022	2023	Total kW
	132	132	132	132	530

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	1,381,820	1,382,774	1,383,761	1,384,781	5,533,137
Admin - Indirect	133,454	160,148	163,229	171,100	627,931
Customer Incentives					
EM&V	111,600			136,400	248,000
Total by Year	1,626,874	1,542,923	1,546,990	1,692,281	6,409,068

Program Cost Effectiveness

UCT	TRC	RIM	PCT
0.31	0.31	0.25	>1.00

Program Measure Life

12.7	*Note: Measure life is based on kWh weighted average

<table>
<tr><td>Program Description

<u>Energy Efficiency Education</u></td><td>The Energy Efficiency Education Program for Schools is available to students enrolled in public and private schools who reside in households served by Duke Energy Indiana. The current curriculum administered by The National Theatre for Children (NTC) targets K-12 grade students. The primary goal of this program is to educate students on the importance of energy conservation and teach them how to lower energy bills in their homes. This program includes both an energy saving curriculum for the school classroom and an Energy Efficiency Starter kit at no cost to the participating student household. The program also includes a fun and educational game app, Kilowatt Krush, to the curriculum, which is available to all students who see a performance, regardless of kit eligibility.</td></tr>
<tr><td>Program Objectives</td><td>The Program provides principals and teachers with an innovative curriculum that educates students about energy, resources, how energy and resources are related, ways energy is wasted and how to be more energy efficient. The centerpiece of the curriculum is a live theatrical production focused on concepts such as energy, renewable fuels and energy efficiency performed by two professional actors. Teachers receive supportive educational material for classroom and student take home assignments. The workbooks, assignments and activities meet state curriculum requirements.

Students are encouraged to request an Energy Efficiency Starter Kit. The kit contains specific energy efficiency measures to reduce home energy consumption. The kit is available at no cost to student households at participating schools who are Duke Energy Indiana customers and have not received a kit in the last 36 months. Program participation is driven by student households that elect to receive the Energy Efficiency Starter Kit.</td></tr>
<tr><td>Marketing Plan</td><td>The National Theatre for Children is responsible for all marketing campaigns and outreach. NTC utilizes direct mail and email sent directly to principals to market the Program.</td></tr>
<tr><td>Program Projected Savings</td><td>
<table>
<tr><td>kWh</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kWh</td></tr>
<tr><td></td><td>3,221,224</td><td>3,189,135</td><td>3,189,135</td><td>3,114,892</td><td>12,714,387</td></tr>
<tr><td>kW</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kW</td></tr>
<tr><td></td><td>1,516</td><td>1,501</td><td>1,501</td><td>1,466</td><td>5,984</td></tr>
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<tr><td>Program Budget</td><td>
<table>
<tr><td>Total Program Budget</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total by Line Item</td></tr>
<tr><td>Admin - Direct</td><td>727,557</td><td>722,325</td><td>723,289</td><td>709,048</td><td>2,882,220</td></tr>
<tr><td>Admin - Indirect</td><td>70,266</td><td>83,657</td><td>85,319</td><td>87,608</td><td>326,851</td></tr>
<tr><td>Customer Incentives</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>EM&V</td><td>48,996</td><td>54,500</td><td>54,500</td><td>54,500</td><td>212,496</td></tr>
<tr><td>Total by Year</td><td>846,819</td><td>860,482</td><td>863,109</td><td>851,157</td><td>3,421,567</td></tr>
</table>
</td></tr>
<tr><td>Program Cost Effectiveness</td><td>
<table>
<tr><td>UCT</td><td>TRC</td><td>RIM</td><td>PCT</td></tr>
<tr><td>2.87</td><td>2.87</td><td>1.12</td><td>>1.00</td></tr>
</table>
</td></tr>
<tr><td>Program Measure Life</td><td>
<table>
<tr><td>8.0</td><td>*Note: Measure life is based on kWh weighted average</td></tr>
</table>
</td></tr>
</table>

Program Description **<u>Multifamily Energy Efficiency Products & Services</u>**	The Multifamily Energy Efficiency Products & Services program will allow Duke Energy Indiana to use an alternative delivery channel which targets multifamily rental complexes. Often times, neither property managers/owners or tenants are motivated to make energy efficiency improvements because they either don't pay the electric bill or the residence is considered temporary. This Program bridges this gap by educating property managers/owners about benefits and provides a low cost/no cost solution for improving the efficiency of the apartments. Franklin Energy is the implementation vendor who delivers this program.
Program Objectives	This program's objective is the installation energy efficient measures including: • LED Lighting • Kitchen Faucet Aerators* • Bathroom Faucet Aerators* • Showerheads* • Hot Water Pipe wrap* *Water measures are only available if water is heated electrically Measures are installed by program crews during scheduled direct install visits and the crews are accompanied by property personnel. Franklin Energy installers carry tablets to keep track of what is installed in each apartment and what energy inefficient products are removed. After installations are complete, Quality Assurance ("QA") inspections are conducted on approximately 20% of properties that completed installations in a given month. The QA inspections are conducted by an independent third party.
Marketing Plan	Promotion of this program is primarily focused on personalized outreach to targeted property managers/owners where each unit is individually metered and has electric water heating. Program collateral stresses the benefits of this program to property managers. Benefits include higher occupancy rates, lower energy bills, lower water bills and lower tenant turnover. In addition, tenants will be informed about the energy efficient measures installed in their residence and how these new measures will help reduce their energy costs. Once enrolled, the program provides property managers with a variety of marketing tools to create awareness of this program to their tenants. Materials include Program letters to each tenant informing them of what is being installed and when the installation will take place. Tenants are provided an educational leave-behind brochure when the installation is complete. The brochure provides additional details on the installed measures as well as an opportunity to fill out a customer satisfaction survey to provide valuable Program feedback. Once the installation is complete the property will receive a complimentary window cling highlighting the participation in the program.

Duke Energy Indiana Energy Efficiency Program Description & Information
2020 - 2023

Program Projected Savings

kWh	2020	2021	2022	2023	Total kWh
	15,068,898	14,315,490	10,827,186	8,145,640	48,357,214

kW	2020	2021	2022	2023	Total kW
	1,693	1,609	1,148	798	5,248

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	2,441,214	2,321,509	1,732,344	1,250,028	7,745,095
Admin - Indirect	235,769	268,870	204,348	154,450	863,437
Customer Incentives					
EM&V	20,928	123,201		135,520	279,649
Total by Year	2,697,911	2,713,580	1,936,692	1,539,998	8,888,181

Program Cost Effectiveness

UCT	TRC	RIM	PCT
2.55	3.26	0.69	>1.00

Program Measure Life

10.8	*Note: Measure life is based on kWh weighted average

<table>
<tr><td>Program Description

<u>Residential Energy Assessments</u></td><td>Residential Energy Assessments is a free in-home assessment designed to help customers reduce energy usage and energy cost. A Building Performance Institute (”BPI”) certified energy specialist completes a 60 to 90 minute walk through assessment of the home and analyzes energy usage specific to the home to identify energy saving opportunities. As part of the assessment, the energy specialist reviews and provides a customized report to the customer that identifies actions the customer can take to increase energy efficiency in their home. The recommendations may range from behavioral changes to equipment modifications that can save energy and reduce cost.

Customers receive an Energy Efficiency Kit with a variety of measures that can be directly installed by the energy specialist at the time of the assessment. The kit may include measures such as energy efficient lighting and water measures, outlet/switch gaskets, weather stripping and energy saving tips.</td></tr>
<tr><td>Program Objectives</td><td>The primary goal is to empower customers to better manage their energy usage. Example recommendations might include the following:
Turning off vampire load equipment when not in use
Turning off lights when not in the room
Using energy efficient lighting in light fixtures
Using a programmable thermostat to better manage heating and cooling usage
Replacing older equipment
Adding insulation and sealing the home</td></tr>
<tr><td>Marketing Plan</td><td>This program targets Duke Energy Indiana residential customers that own a single family home. Program participation is primarily driven through bill inserts and targeted mailings; however, for those who elect to receive offers electronically, email marketing will be used to supplement. Additional channels include but are not limited to mass media, billboards, community events, and online awareness via the Duke Energy website as well as through online services.</td></tr>
<tr><td>Program Projected Savings</td><td>
<table>
<tr><td>kWh</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kWh</td></tr>
<tr><td></td><td>1,247,418</td><td>2,789,649</td><td>2,882,896</td><td>2,839,471</td><td>9,759,434</td></tr>
<tr><td>kW</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kW</td></tr>
<tr><td></td><td>132</td><td>303</td><td>313</td><td>308</td><td>1,055</td></tr>
</table>
</td></tr>
<tr><td>Program Budget</td><td>
<table>
<tr><td>Total Program Budget</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total by Line Item</td></tr>
<tr><td>Admin - Direct</td><td>1,215,287</td><td>1,272,384</td><td>1,285,243</td><td>1,256,476</td><td>5,029,390</td></tr>
<tr><td>Admin - Indirect</td><td>117,371</td><td>147,363</td><td>151,608</td><td>155,247</td><td>571,589</td></tr>
<tr><td>Customer Incentives</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>EM&V</td><td></td><td>105,000</td><td></td><td>115,500</td><td>220,500</td></tr>
<tr><td>Total by Year</td><td>1,332,658</td><td>1,524,747</td><td>1,436,850</td><td>1,527,223</td><td>5,821,479</td></tr>
</table>
</td></tr>
</table>

Program Cost Effectiveness	UCT	TRC	RIM	PCT
	1.57	1.57	0.85	>1.00
Program Measure Life	11.0	*Note: Measure life is based on kWh weighted average		

Program Description **Smart Saver® Residential**	Free LED Program The Free LED program is designed to increase the energy efficiency of residential customers by offering customers LEDs to install in high-use fixtures within their homes. The LEDs are offered through an on-demand ordering platform, enabling eligible customers to request LEDs and have them shipped directly to their homes. Eligibility and participation limits are based on past participation in the CFL program and other Duke Energy Indiana programs distributing lighting. The maximum number of bulbs available for each customer is 15, but customers may choose to order less. Bulbs are available in 3, 6, 8, 12 and 15 pack and include 9 watts dimmable LEDs. Customers have the flexibility to order and track their shipment through three separate channels: Telephone Customers may call a toll-free number to access the Interactive Voice Response ("IVR") system which provides prompts to facilitate the ordering process. Both English and Spanish-speaking customers may easily validate their account, determine their eligibility and place their LED order over the phone. Duke Energy Web Site Customers can go online to complete the ordering process. Eligibility rules and frequently asked questions are also available. My Account Customers who are enrolled in the My Account program can order their LEDs through the My Account "Featured Offer" or through an intercept upon logging in, if they are eligible. Specialty Lighting & other energy efficient products The Duke Energy Savings Store is an extension of the on-demand ordering platform enabling eligible customers to purchase a variety of energy efficient products. These products are shipped directly to customers' homes. The Savings Store offers a variety of products including specialty Light Emitting Diodes lamps ("LEDs") lighting, including; Reflectors, Globes, Candelabra, 3 Way, Dimmable and A-Line type bulbs, smart thermostats, smart strips, water savings products, dehumidifiers, air purifiers, & LED fixtures. Duke Energy incentive levels vary by bulb type and product, the customer pays the difference, including shipping. The amount of product each customer can purchase is restricted by an account limit per product type, but customers may choose to order more without the Duke Energy incentive. Currently, residential customers can check eligibility and shop for products through four separate channels: Duke Energy Web Site Customers can go online to visit the Savings Store and purchase energy efficient products. Frequently asked questions and product information are available to help customers understand how much they can save and how sustainable they can be by purchasing and using LED lighting and other energy efficient products. My Account Customers enrolled in the Company's My Account may visit the Savings Store and purchase. Upon login, eligible customers are intercepted with the

Savings Store offer. Customers can choose to "Shop Now" or "No Thanks". Additional links within My Account are also available for customers to access the Savings Store.

Telephone

Customers may call a toll free number to contact the programs third-party vendor, Energy Federation Inc. ("EFI",) directly to place their orders.

The Savings Store is managed by a third party vendor, Energy Federation Inc. ("EFI"). EFI is responsible for maintaining the Savings Store website and fulfilling customer purchases. The Savings Store landing page provides information about the store, products, account information and order history. Support features include a toll free number, package tracking, live chat and frequently asked questions. Educational information is available to help customers with their purchase decisions. The educational information provides information on product types, application types, compatibility, savings, benefits, understanding watts versus lumens and recycling/safety tips.

Duke Energy Indiana residential customers with an active residential account are eligible to participate and must agree to terms and conditions, including the condition that all products will be installed at the accounts premise address, to participate in this program.

Retail Lighting

This upstream, buy-down retail-based lighting program works through lighting manufacturers and retailers to offer discounts to Duke Energy Indiana customers selecting incentivized LEDs and energy-efficient fixtures at the shelf for purchase at the register. Retailers, such as, but not limited to, Home Depot, Lowe's, Sam's Club, Walmart and Costco will be evaluated at the store level for possible inclusion in this program.

This program encourages customers to adopt energy efficient lighting through incentives on a wide range of LED products, including Reflectors, Globes, Candelabra, 3 Way, Dimmable and A-Line type bulbs, as well as fixtures. Customer education is imperative to ensure customers are purchasing the correct bulb for the application in order to obtain high satisfaction with energy efficient lighting products, ensuring subsequent energy efficient purchases.

The incentive amount varies by product type and the customer pays the difference as well as any applicable taxes. Pack limits will be in place and enforced to the best of the retailers' ability.

CLEAResult is the implementation vendor for the Retail program. CLEAResult will utilize a field team to promote and monitor the program at the participating retail locations. A toll free call center and website will be hosted by CLEAResult to provide program information to Duke Energy Indiana customers. The website will include a retailer locator where customers can enter their zip code and search for retailers and specific bulb and fixture types in their area. A tool available to customers is an interactive savings calculator, which will explain the different types of lighting technologies, help guide customers to the appropriate bulb/s for their

	application and provide an estimate of energy and monetary savings. Eligible program participants include Duke Energy Indiana residential customers. <u>Save Energy and Water Kit</u> The Save Energy and Water Kit ("SEWK") is designed to increase the energy efficiency of residential customers by offering customers energy efficient water measures, and Insulated Pipe Wrap to install in high-use fixtures within their homes. These energy saving devices will be offered to eligible customers and by opting in, customers can have these devices shipped directly to their homes, free of charge. Eligibility is based on past campaign participation (including this Program and any other programs offering energy efficient water devices that Duke Energy Indiana has offered to Indiana customers) and the customer must have an electric water heater. Customers receive a kit with varying amounts, based on the size of the home, of the following devices: bath and kitchen aerators, state-of-the-art shower heads and insulated pipe tape. Customers also now have the ability to upgrade the showerhead(s) included in their kit to a form factor that better meets their needs. Upgrade options include a wider pattern showerhead and a shower wand. Customers will be able to upgrade showerheads at Program cost, there is no margin associated with these measures. Upgrades are intended to increase In-Service Rates and Customer Satisfaction. The kit also includes directions and items to help with installation. This programs implementation vendor is EFI, who will receive and fulfill orders and provide support for damaged and missing orders. In addition to processing Business Reply Card orders, EFI also maintains the Save Energy and Water Kit Online store where customers can redeem the offer online. The Online Store helps reduce print and postage costs as well as paper waste and enables the ability for customers to upgrade the showerhead(s) in their kit. For customer service, EFI will maintain a call center to answer questions, provide installation support, and take orders.
Program Objectives	<u>Free LED Program</u> The primary objective of this program is to demonstrate a commitment to high customer satisfaction by enabling customers to order a product that will allow them to save energy and money through a user-friendly, multi-channel platform. The benefits of providing three distinct channels include: • Improved customer experience • Advanced inventory management • Simplified program coordination • Enhanced reporting • Increased program participation • Reduced program costs <u>Specialty Lighting & other energy efficient products</u> The primary goal for this program is to help customers lower their energy bills and to remove inefficient equipment from the electric grid. This program educates customers about energy consumption and how it compares to high efficiency alternatives.

	This program provides discounted products for residential customers to help them reduce their energy usage while maintaining a comfortable atmosphere. <u>Retail Lighting</u> The primary goals for this program are to help customers lower their energy bills and to remove inefficient equipment from the electric grid. This program educates customers about energy consumption attributed to lighting and how to reduce their consumption by using high efficiency alternatives. <u>Save Energy and Water Kit</u> The overall strategy of this program is to reach residential customers who have not adopted energy efficient water devices and water heating pipe insulation. Duke Energy Indiana will educate customers on the benefits of using energy efficient water devices and saving the energy used to heat water, while addressing barriers for consumers who have not participated in this program.
Marketing Plan	<u>Free LED Program</u> Marketing strategies to generate awareness of the program may include use of: • My Account Intercepts • IVR Intercepts • Direct Mail (such as BRCs and New Customer Letters) • Social Media • Email Blasts <u>Specialty Lighting & other energy efficient products</u> This program will implement an integrated approach to marketing which may include, but not limited to: • Direct mail My Account Intercepts • Bill inserts/messaging • Community/trade events • Digital and broadcast media <u>Retail Lighting</u> This program will implement an integrated marketing plan which may include, but is not limited to: • Point of Purchase materials at the participating retailer locations • Duke Energy and Program website • General Awareness Campaigns o Email o Digital advertising o Paid advertising/mass media • Advertised events at key retailers including: o Direct mail o Email o Paid advertising/mass media (radio, newspaper, etc.) o Social media o In Store materials (fliers, bag stuffers, posters, banners, etc.)

	• Community outreach events (home shows, sporting events, cultural events, etc.) These marketing efforts are designed to create customer awareness of this program, to educate customers on energy saving opportunities and to emphasize the convenience of Program participation. Additionally, marketing efforts related to advertised in-store events are designed to motivate customer participation. <u>Save Energy and Water Kit</u> Duke Energy Indiana will market the SEWKP program through various promotional channels which may include direct mail, email and through an online store.

Program Description	<u>HVAC Equipment</u> The HVAC Equipment program offers prescriptive incentives to residential customers for the purchase and installation of energy efficient measures designed to help customers improve the efficiency of their HVAC. As a result of increased federal energy efficiency standards for baseline (SEER rating) and higher cost for energy efficient equipment, the Company will implement modifications to offer a cost-effective Program. Modifications include a tiered incentive structure for HVAC equipment, an optional add-on measure, and a new referral channel component for eligible trade allies. Two incentive levels will be made available for customers replacing HVAC equipment, based on the efficiency rating of the new unit installed, along with an add-on optional efficiency measure, for a smart thermostat. Customers can choose to combine the optional smart thermostat with the HVAC equipment replacement that will further improve the efficiency of the HVAC system. The smart thermostat is a programmable Wi-Fi enabled thermostat to help customers monitor and manage their HVAC from their smart device, and must be purchased and programmed as part of the HVAC equipment installation. <u>Attic Insulation and Air Sealing</u> Program incentives are provided to customers that have a trained participating contractor to seal and insulate the home's attic. Trained technicians utilize diagnostic equipment and proven procedures to identify and seal attic penetrations to improve the homes comfort and to reduce energy bills. After the sealing process is complete, attic insulation is installed to provide protection from higher attic temperatures. Trade allies submit incentive applications following successful completion of insulation and air sealing within the attic. The attic insulation and air sealing incentive is available one time per household. <u>Duct Sealing</u> Program incentives are provided to customers that have a certified contractor seal the home's duct system to reduce air leakage. Trained technicians utilize diagnostic equipment and proven procedures to seal leaks which can reduce energy bills and improve comfort. Trade allies submit incentive applications following successful completion of duct sealing measure. The duct sealing incentive will be paid one time per duct system.

	Heat Pump Water Heater Program incentives are provided to encourage the adoption and installation of high efficiency heat pump water heaters in existing residences with electric water heating. Duke Energy Indiana served homeowners currently residing in or building a single family residence, condominium, or duplex home are eligible for this program. Duke Energy program personnel establish relationships with plumbing contractors and national home improvement retailers who interface directly with residential customers. Incentives are paid directly to the customer following the installation of a qualified heat pump water heater by a participating contractor and approval of a completed application. Variable-Speed Pool Pump Program incentives are provided to encourage the adoption and installation of energy efficient, variable-speed pool pumps for the main filtration of in-ground residential swimming pools. Duke Energy Indiana served homeowners currently residing in or building a single family residence with an in-ground swimming pool are eligible for this program. Duke Energy program personnel establish relationships with pool professionals who interface directly with residential customers. Incentives are paid directly to the customer following the installation of a qualified variable-speed pool pump by a participating contractor and approval of a completed application. Referral Channel The referral component of the Program is a new delivery channel that provides a free referral service to customers to enhance program awareness and participation. The service simplifies the customer's decision-making around energy efficiency purchases and takes the guesswork out of finding reliable, qualified contractors with competitive offers. This delivery channel supports the Company's role as an energy efficiency program administrator while building trusted partnerships with customers and HVAC and home performance contractors as well as home builders ("Trade Allies") who interface directly with residential customers. The Referral Channel offers high achieving Trade Allies in the Program the ability to receive referral services. The Referral Channel establishes designations between registered Trade Allies as referred or non-referred. As part of the Program, the Company will generate leads for qualified, referred Trade Allies by identifying prospective customers with interest in eligible incentivized energy efficiency upgrades and/or subsequent non-incentivized services. Trade Ally eligibility to participate in the referral channel will be based upon previous registration in one or more of the Program incentive measures, and meeting minimum performance requirements which demonstrates their active engagement and promotion of the Program. Performance criteria include such metrics as quantity and accuracy of qualifying rebate applications submitted, customer service rating, and quality assurance. Trade Allies who meet the performance criteria may elect to opt-in to participate in the referral channel. These Trade Allies will be able to receive referrals from the Company when requested by a customer. Customers will have the option of contacting one or more of the referred Trade Allies. For those referrals that result in a closed sale, the Trade Ally will pay the Company a set fee, structured in a manner that encourages sales of qualifying, high efficiency products and services. These fees

<table>
<tr><td></td><td>received by the Company for closed sales from the referral channel are paid back into the program to improve cost effectiveness.

Duke Energy Indiana will continue to pay the customers of the referred and non-referred Trade Allies an energy efficiency incentive for qualifying eligible measures.</td></tr>
<tr><td>Program Objectives</td><td>Program objectives include promoting energy savings and increased customer satisfaction through offering prescriptive incentives to residential customers for the purchase and installation of energy efficient measures designed to help customers improve the efficiency of their HVAC system, building shell, in-ground swimming pool filtration, and water heating.</td></tr>
<tr><td>Marketing Plan</td><td><u>General Program Awareness</u>
Marketing of the HVAC equipment and services is primarily targeted to Trade Allies and new home builders. Trade Allies are important to the program success because they interface with the customer during the equipment purchase decision- making event which can have a significant impact on annual energy usage. Program information including Trade Ally enrollment forms will be available on Duke Energy's website. The majority of trade ally marketing is conducted through personal outreach activities such as: face-to-face, phone, electronic and direct mail. By increasing the overall awareness of the Program and the participation of Trade Allies, it ensures more customers are discussing the benefits of the Program at time of purchase. Trade Ally engagement is supplemented with general customer awareness.

Referral Delivery Channel
Several broad based marketing campaigns will be leveraged to increase the awareness of the Program. The marketing campaigns may leverage channels such as TV, radio, out of home and print which will be in addition to the traditional channels (email, bill insert, bill messaging) the Program has historically communicated through and will promote the benefits of the referral channel to customers for home energy efficiency improvements. Customers will have access to a Duke Energy representative to discuss topics such as energy usage, benefits of energy efficient equipment, expected pricing and savings, and other energy efficiency programs.

These marketing efforts are designed to create customer awareness of the Program, to educate customers on energy saving opportunities and to emphasize the convenience of Program participation.</td></tr>
<tr><td>Program Projected Savings</td><td>
<table>
<tr><td>kWh</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kWh</td></tr>
<tr><td></td><td>24,164,936</td><td>24,447,139</td><td>27,486,071</td><td>22,958,610</td><td>99,056,756</td></tr>
<tr><td>kW</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kW</td></tr>
<tr><td></td><td>2,296</td><td>2,109</td><td>1,871</td><td>1,718</td><td>7,994</td></tr>
</table>
</td></tr>
</table>

Duke Energy Indiana Energy Efficiency Program Description & Information
2020 - 2023

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	1,149,089	884,748	966,487	896,312	3,896,637
Admin - Indirect	392,909	454,104	510,753	465,801	1,823,567
Customer Incentives	2,919,195	3,036,137	3,363,384	2,873,605	12,192,321
EM&V	36,599	233,451	115,525	241,595	627,170
Total by Year	4,497,792	4,608,440	4,956,149	4,477,313	18,539,694

Program Cost Effectiveness

UCT	TRC	RIM	PCT
2.20	1.31	0.66	3.01

Program Measure Life

14.1	*Note: Measure life is based on kWh weighted average

Program Description

My Home Energy Report

My Home Energy Report (MyHER) program provides customers with a comparison of their energy usage to similar single family residences in the same geographical area based upon the age, size and heating source of the home. Specific energy saving recommendations are provided to encourage energy saving behavior. The paper reports are mailed up to 8 times and emailed up to 12 times a year for single family dwellings. Multifamily dwellings receive up to 6 paper reports if they do not have an email and up to 4 paper reports and 12 electronic reports throughout the year. MyHER Interactive, a portal, provides similar information as the printed report but also provides the ability to create a savings plan, see how energy is used in the home by end use, provides an energy expert to respond to customer questions and delivers weekly email challenges.

MyHER is a foundational part of the existing EE portfolio because it provides customers with an awareness of their usage and provides them information they can use to reduce their monthly electric bill, including information about other EE measures available to them through the Duke Energy Indiana Residential EE Portfolio.

Program Objectives

Generate kWh savings, increase customer satisfaction and educate customers on other Energy Efficiency offers from Duke Energy Indiana.

Marketing Plan

The paper report MyHER program is an opt out program that automatically creates and sends reports for eligible customers. The MyHER Interactive portal is an opt in program and is marketed through messages in the printed report and email marketing campaigns. Sweepstakes offers are used to encourage enrollment on the Interactive Portal.

Program Projected Savings

kWh	2020	2021	2022	2023	Total kWh
	57,330,036	57,473,515	57,617,289	57,761,357	230,182,198

kW	2020	2021	2022	2023	Total kW
	5,233	5,246	5,259	5,272	21,011

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	3,355,228	2,603,555	2,459,549	2,315,585	10,733,917
Admin - Indirect	324,043	301,535	290,129	286,108	1,201,815
Customer Incentives					
EM&V	140,600		140,600		281,200
Total by Year	3,819,871	2,905,090	2,890,278	2,601,693	12,216,932

Program Cost Effectiveness

UCT	TRC	RIM	PCT
1.09	1.09	0.52	>1.00

Program Measure Life

1.0	*Note: Measure life is based on kWh weighted average

Program Description **<u>Power Manager®</u>**	Power Manager® is a residential load control program. It is used to reduce electricity demand by controlling residential air conditioners, electric water heaters, and thermostats during periods of peak demand. A load control switch is attached to the outdoor air conditioning unit of participating customers. For water heaters, the switch is installed on or near the appliance. The device enables Duke Energy Indiana to cycle central air conditioning systems off and on when the load on Duke Energy Indiana's system reaches peak levels. The water heater switch will enable Duke Energy Indiana to cycle off electric water heaters during times of high electric demand—year round. Power Manager® is offered to residential customers that have a functional central air-conditioning system with an outside compressor unit. Customers must agree to have the control device installed on their A/C system and to allow Duke Energy Indiana to control their A/C system during Power Manager® events. If the customer also has an electric water heater, the customer may choose to also have a control device installed on or near that appliance and allow Duke Energy Indiana to control the appliance during Power Manager® events. Customers residing in single family homes participating in this Program receive a one-time enrollment incentive and monthly bill credits during the months of May – September for Power Manager® participation. Customers who select Option A, which cycles their air conditioner to achieve a 1.0 kW load reduction, receive a $25 credit at installation. Customers selecting Option B, which cycles their air conditioner to achieve a 1.5 kW load reduction, receive a $35 credit at installation. The bill credit provided for each cycling event is based on: the kW reduction option selected by the customer. For each control season (May through Sept), customers will receive a credit of $7.50 for Option A and $10 for Option B in credits. For water heaters, participating customers receive a one-time incentive of $5 and a bill credit for Power Manager® participation. Annually, customers will receive a bill credit of $6 in credits. Additionally, the Power Manager® program has a specific offer focused on customers who are tenants in apartment complexes/communities—marketed as Power Manager® for Apartments. The program is offered to property/managers/owners of individually metered apartment units that have a functional central air-conditioning unit with an outside compressor unit. The landlord must agree to have the control device installed on the A/C system and to allow Duke Energy Indiana to control the A/C system during Power Manager® events and enroll tenants in the program. In addition, if the apartments have electric water heaters, the property managers/owners will be offered the opportunity to have load control switches installed on those appliances and enroll the tenants in this program. The property managers/owners will receive an annual incentive for each air conditioning unit receiving a load control switch. This incentive is $5 per air conditioning switch installed. The purpose of these incentives revolves around the fact that the landlord owns the equipment, controls access to the equipment and the maintenance of the equipment. Communication about maintenance events and that a switch has been disconnected is very valuable for persistence of these measures. The most efficient way to deliver this Program (and provide savings in kW to Duke Energy Indiana and in dollars to Customers) is via these property managers/owners. The

	property manager/owners will receive a one-time enrollment incentive of $5 for each water heater switch installed. Additionally, the Customers (tenants) participating in this Program receive bill credits for Power Manager® participation. Customers will receive a $10.00 bill credits annually for their participation in the air conditioning part of this program. Customers who also have a water heater switch installed on their unit will receive a $6.00 annually in bill credits. After installation of the switch(es), tenants will be notified of their Program eligibility and given the opportunity to opt-out of participation. For the 2020-2023 portfolio, Duke Energy Indiana is now including our Bring Your Own Thermostat (BYOT) program in to our Power Manager suite. Bring Your Own Thermostat (BYOT) is a residential Demand Response (DR) program leveraging customers "Smart" two-way communicating thermostats instead of traditional load control switches that are installed by the utility. It is intended for customers who have already purchased, installed, and registered a smart thermostat in their home, allowing the utility to avoid the hardware and installation costs associated with traditional direct load control programs. The utility can verify how many thermostats are operable and online at any given time, and determine which thermostats are participating in DR events as opposed to opting-out. Since it was first introduced in 2012, over a dozen utilities have implemented, or are planning to implement BYOT pilot programs in the United States. Duke Energy Indiana is partnering with a third-party vendor who has contracts with multiple thermostat manufacturers to offer demand response through aggregation of the different thermostat models.
Program Objectives	The objective of the Power Manager® program is to provide customer bill savings to customers through reducing their usage during times of high system loads or high wholesale energy prices. This program delivers direct savings to participating customers in the form of bill credits as well as reduces rates for all customers by providing a cheaper capacity option than building generation for the small number of hours that the program impacts. For the apartment complex marketplace, the program also provides property manager/owners incentives to provide apartment units that will have lower monthly operating costs for their tenants. For BYOT, Duke Energy Indiana hopes to reach new customers who have not traditionally participated in demand response. For their participation, customers are provided annual recurring monetary incentives via gift cards or bill credits.
Marketing Plan	Customers are informed of the program via the program website and associate brochure on the Duke Energy website (as of this writing, found at http://www.duke-energy.com/indiana/savings/power-manager.asp). Customer recruitment is focused primarily on outbound telemarketing, and supplemented by email and direct mail solicitations. Door-to-door canvassing is being used in other Duke Energy operating companies for similar programs, and will be evaluated and potentially added to the marketing mix, if appropriate. Power Manager® for Apartments is marketed through personalized outreach to targeted property managers/owners with individually metered units. Program collateral will stress the benefits of this program to property managers that are motivated by higher occupancy rates and providing lower electric costs for their tenants. It is also planned

to leverage opportunities, contacts and learnings from the Residential Multifamily Energy Efficiency Program.

BYOT will be marketed to customers through participating device manufacturers who offer utility branded marketing and enrollment services. One of the significant advantages of Smart Thermostats is two-way communication. Agreements with the aggregation vendor and their thermostat partners allow them to send marketing messages to device owners inviting them to participate in their utility's DR program. Marketing communication may include, but is not limited to, messages within the manufacturers smart phone application, co-branded email, and text messages. Interested customers are then directed to enroll electronically through the various marketing channels. In addition to the thermostat manufacturer communication, the company may use a number of other channels, such as the utility website and social media.

Program Projected Savings

kWh	2020	2021	2022	2023	Total kWh

kW	2020	2021	2022	2023	Total kW
	68,470	69,916	70,815	72,861	282,062

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	1,825,836	1,633,826	1,668,607	1,692,263	6,820,532
Admin - Indirect	214,356	241,339	251,637	267,546	974,879
Customer Incentives	600,077	617,662	635,745	652,518	2,506,002
EM&V	264,000	180,000	270,000	180,000	894,000
Total by Year	2,904,268	2,672,828	2,825,990	2,792,328	11,195,414

Program Cost Effectiveness

UCT	TRC	RIM	PCT
4.57	5.88	4.57	>1.00

Program Measure Life

1.0	*Note: Measure life is based on kW weighted average

Program Description **Power Manager® for Business**	Power Manager® for Business is a non-residential program that provides business customers with the opportunity to participate in demand response, earn incentives and realize optional energy efficiency benefits. This program is designed as a flexible offer that provides small-to-medium size business customers with options on device types as well as level of demand response participation. Customers first select the type of device from two available options: thermostat or switch. Customers who opt for the thermostat will have the ability to manage their thermostat remotely via computer, tablet or smartphone. The thermostat comes with presets designed to help the business manager/owner set an efficient schedule that works for their business. This realizes additional benefits in the form of EE impacts/savings. Customers then select one of three levels of summer demand response ("DR") participation, and earn an incentive based upon that selection. Both thermostat and switch customers have the same DR participation options, and receive the same DR incentives. Power Manager® for Business will be offered to business customers with qualifying air conditioning systems, summer weekday energy usage and broadband/Wi-Fi internet. Customers must agree to have the control device installed on their A/C system and to allow Duke Energy Indiana to control their A/C system during Power Manager® events. Qualifying air conditioning systems include: Individual split air conditioning systems Rooftop Units Packaged terminal air conditioners ("PTACs") Customers participating in this Program receive an incentive based on upon the level of demand response cycling they select: 30% cycling: $50 per DR summer season (per device) 50% cycling: $85 per DR summer season (per device) 75% cycling: $135 per DR summer season (per device The incentive will be paid out after installation of the device(s) and then annually. Devices are installed at the customer premise at no charge to the customer.
Program Objectives	The objective of the Power Manager® for Business program is to provide customer bill savings to customers through reducing their usage during times of high system loads or high wholesale energy prices. This program delivers direct savings to participating customers in the form of bill credits as well as reduces rates for all customers by providing a cheaper capacity option than building generation for the small number of hours that the program impacts. In addition, this program is reaching a subset of the customer base that previously has not been well-served by similar demand response programs (too small for PowerShare® and not eligible for the residential Power Manager® program).

Marketing Plan

Power Manager® for Business will be marketed through targeted direct mail campaigns, targeted e-mail campaigns, outbound telemarketing, on Duke Energy's Web site and via cross selling with the Small Business Energy Saver Program. Direct sales via doo-to-door outreach will also be evaluated for potential inclusion as a future marketing channel.

Program Projected Savings

kWh	2020	2021	2022	2023	Total kWh
	1,143,734	1,165,298	1,194,327	1,194,327	4,697,685

kW	2020	2021	2022	2023	Total kW
	13,083	16,832	20,521	24,037	74,473

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	818,890	850,327	884,853	908,223	3,462,292
Admin - Indirect	111,781	147,625	167,351	191,503	618,260
Customer Incentives	338,520	424,313	533,852	640,430	1,937,115
EM&V	200,000	250,000	250,000	250,000	950,000
Total by Year	1,469,191	1,672,264	1,836,056	1,990,156	6,967,667

Program Cost Effectiveness

UCT	TRC	RIM	PCT
1.79	2.48	1.39	>1.00

Program Measure Life

8.0	*Note: Measure life is based on kWh weighted average

Program Description **<u>Small Business Energy Saver</u>**	The purpose of Duke Energy Indiana's Small Business Energy Saver (SBES) program is to reduce energy usage through the direct installation of energy efficiency measures within qualifying small and medium non-residential customer facilities. SBES is designed to offer a convenient, turn-key process for non-residential customers to make facility energy efficiency improvements. Many small and medium business owners lack the time, upfront capital, or technical expertise to facilitate the retrofit or replacement of older equipment within their facilities. The SBES program effectively removes these barriers by offering a turn-key energy efficiency offering which facilitates the direct installation of energy efficiency measures, and minimizes financial obstacles with significant upfront incentives from Duke Energy Indiana which offset the cost of projects. Participants may be in owner-occupied or tenant facilities with owner permission. All aspects of SBES are managed by a Duke Energy-authorized program vendor. Program participants receive a free, no-obligation energy assessment of their facility followed by a recommendation of energy efficiency measures to be installed in their facility along with the projected energy savings, costs of all materials and installation, and up-front incentive amount from Duke Energy Indiana. Upon receiving the results of the energy assessment, if the customer decides to move forward with the proposed energy efficiency project, the customer makes the final determination of which measures will be installed. The energy efficiency measure installation is then scheduled at a convenient time for the customer and the measures are installed by a Duke Energy-authorized vendor electrical subcontractor. The SBES program incentive amount is calculated per project, based upon the estimated energy savings of the energy efficiency improvements and the conditions found within the customer's facility. Incentivized measures address major end-uses in lighting, refrigeration, and heating ventilation and air conditioning (HVAC) applications. Lighting measures such as interior and exterior light emitting diode (LED) fixtures, screw-in LED lamps; LED tubes and LED retrofit kits; LED exit signs; and occupancy sensors may be offered. All lighting measures offered are Consortium for Energy Efficiency ("CEE"), ENERGY STAR, or Design Lights Consortium ("DLC") qualified products. Refrigeration measures may include new electronically commutated ("EC") motors, anti-sweat heater controls, evaporator fan controls, LED refrigeration case lighting, beverage machine/novelty cooler controls, and automatic door closers for walk-in freezers. HVAC upgrades such as unitary, split systems, and air sourced heat pumps and programmable thermostats may be included. In anticipation of technological advancements, Duke Energy Indiana proposes the flexibility to incentivize additional cost effective measures where appropriate within the lighting, refrigeration and HVAC fields. In order to encourage participation within this hard-to-reach customer segment, Duke Energy Indiana provides an upfront customer incentive for up to 80 percent of the total cost of installed measures. Incentives will be provided based on Duke Energy Indiana's cost effectiveness modeling to ensure cost effectiveness over the life of the measures. Duke Energy Indiana's incentive payment for any installed measures will be paid directly to the program vendor upon verification that the energy efficiency measure(s) have been installed. The program vendor is only compensated by Duke Energy Indiana for energy savings produced through the installation of energy efficiency measures.

<table>
<tr><td></td><td>All project costs above the incentive amount will be the responsibility of the customer and paid based upon payment terms arranged between the customer and program vendor. The program vendor will offer interest-free extended payment options to the customer, to further minimize any financial barriers to participation.</td></tr>
<tr><td>Program Objectives</td><td>The objective of the Small Business Energy Saver (SBES) program is to enable the direct installation of high efficiency equipment in existing small and medium non-residential facilities by removing common barriers to energy efficiency program participation.</td></tr>
<tr><td>Marketing Plan</td><td>This program may be promoted through various marketing channels that include, but are not limited to:
Direct mail (letters and postcards to qualifying customers)
Duke Energy website
Community outreach events
Small Business Group outreach events
Paid advertising/mass media
Social media promotions
Door to door canvassing
Marketing efforts will be designed to create customer awareness of this program, to educate customers on energy saving opportunities and to emphasize the convenience of participation in SBES.</td></tr>
<tr><td>Program Projected Savings</td><td>
<table>
<tr><td>kWh</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kWh</td></tr>
<tr><td></td><td>17,551,805</td><td>15,504,095</td><td>14,431,484</td><td>13,456,384</td><td>60,943,769</td></tr>
<tr><td>kW</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kW</td></tr>
<tr><td></td><td>3,252</td><td>2,872</td><td>2,673</td><td>2,493</td><td>11,290</td></tr>
</table>
</td></tr>
<tr><td>Program Budget</td><td>
<table>
<tr><td>Total Program Budget</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total by Line Item</td></tr>
<tr><td>Admin - Direct</td><td>346,251</td><td>302,245</td><td>292,516</td><td>283,606</td><td>1,224,618</td></tr>
<tr><td>Admin - Indirect</td><td>370,164</td><td>391,693</td><td>372,662</td><td>365,609</td><td>1,500,128</td></tr>
<tr><td>Customer Incentives</td><td>3,486,527</td><td>3,079,765</td><td>2,866,700</td><td>2,673,004</td><td>12,105,996</td></tr>
<tr><td>EM&V</td><td>61,560</td><td>110,484</td><td>67,716</td><td>121,520</td><td>361,280</td></tr>
<tr><td>Total by Year</td><td>4,264,502</td><td>3,884,188</td><td>3,599,594</td><td>3,443,739</td><td>15,192,022</td></tr>
</table>
</td></tr>
<tr><td>Program Cost Effectiveness</td><td>
<table>
<tr><td>UCT</td><td>TRC</td><td>RIM</td><td>PCT</td></tr>
<tr><td>2.48</td><td>1.62</td><td>0.73</td><td>3.40</td></tr>
</table>
</td></tr>
<tr><td>Program Measure Life</td><td>
<table>
<tr><td>12.2</td><td>*Note: Measure life is based on kWh weighted average</td></tr>
</table>
</td></tr>
</table>

Program Description **Smart $aver® Non-residential Incentive**	The Smart $aver® Non-residential Incentive Program provides incentives to commercial, industrial, and institutional consumers for installation of energy efficient equipment in applications involving new construction, retrofit, and replacement of failed equipment. This program also uses incentives to encourage maintenance of existing equipment in order to reduce energy usage. Incentives are provided based on Duke Energy Indiana's cost effectiveness modeling to assure cost effectiveness over the life of the measure. All non-residential customers served by Duke Energy in Indiana on a non-residential rate to which the Energy Efficiency Revenue Adjustment is applicable are eligible for the Smart $aver® program, except for those customers that choose to opt-out of the Duke Energy Indiana Program. This program is delivered to customers through three incentive categories: Prescriptive, Custom and Performance. **Prescriptive Incentives** Prescriptive Incentives are pre-determined, fixed incentives for common energy efficiency equipment. Pre-approval is not required; eligibility requirements and incentive amounts are published on the application form posted to the Duke Energy website. This program promotes prescriptive incentives for the following technologies – lighting, HVAC, pumps, variable frequency drives, food services, process equipment, and information technology equipment. Equipment and incentives are predefined based on current market assumptions and Duke Energy's engineering analysis. The eligible measures, incentives and requirements for both equipment and customer eligibility are listed in the applications posted on Duke Energy's Business and Large Business websites for each technology type. Duke Energy Indiana is examining providing a limited quantity of low-cost energy efficient equipment directly to eligible Nonresidential customers, at no cost to the customer, through this program or in partnership with other Duke Energy programs. Standards continue to change and new, more efficient technologies continue to emerge in the market. The Company expects that new measures will be added to the program to increase participation and provide customers a broader suite of products. Prescriptive Incentives are offered to customers through multiple channels, including an application form (paper and electronic), the online Energy Efficiency Store, and Midstream network. Additional channels may be added in the future, in order to reach as many customers as possible. **Custom Incentives** Unlike Prescriptive Incentive Program measures, Custom Incentives require approval prior to the customer's decision to implement the project. Proposed energy efficiency measures may be eligible for Custom Incentives if they clearly reduce electrical consumption and/or demand. There are two potential approaches for applying for Custom Incentives; Classic Custom and Custom to Go. Application documents vary

slightly depending on the approach taken. The two approaches differ in terms of the method by which energy savings are calculated. Customers eligible for the Custom to Go calculations approach may elect to apply under the Classic Custom approach if that is their preference.

The following application forms are located on the Duke Energy website under Smart $aver Custom Incentives (Business and Large Business tabs). These forms may be completed and returned to the program via e-mail or through use of the Online Application Portal.

- Custom Application – Administrative Information
- Energy Savings Calculations & Basis
  - Classic Custom Approach (> 700,000 kWh or no applicable Custom to Go calculator)
    - Variable Frequency Drives
    - Energy Management Systems (HVAC)
    - Compressed Air Systems
    - Lighting
    - General (for technologies not listed above)
  - Custom to Go Calculators (< 700,000 kWh unless otherwise noted and applicable Custom to Go calculator)
    - Variable Frequency Drives (Fans & Pumps)
    - HVAC/Energy Management Systems
    - Compressed Air Systems
    - Lighting (>700,000 kWh is supported)

The Smart $aver Custom Incentive team continues to explore additional program enhancements designed to increase program participation. Recently, the software-based Custom-to-Go calculation tools will transition to a web-based environment and marketed as the "Smart Saver Tools". Lighting and HVAC tools have already been transitioned.

Performance Incentives

Duke Energy Indiana's $mart Saver Performance Incentive provides a mechanism to encourage the installation of high efficiency measures not eligible for Smart $aver Prescriptive or Custom Incentive payments. $mart Saver Performance Incentive has been designed to complement the Company's Smart $aver Prescriptive and Custom measures, and would encourage the implementation of energy conservation measures which are characterized, at the time of conception, by a degree of uncertainty associated with the end result. The types of measures that will be covered by $mart Saver Performance Incentive will include some combination of unknown building conditions or system constraints, coupled with uncertain operating, occupancy, or production schedules. The specific type of measures will be included in the contract with the Customer.

To receive payment under this program, the customer must submit an application and receive approval before making a decision to implement the project. An estimated total project savings will be calculated and agreed to by the applicant and the Company. Program incentives will be based on the published incentive rate schedule. Incentives paid under Performance Incentive may be divided into multiple payments. When

	applicable, the Initial incentive payment will be made upon completion of the project, and following a review and approval by the company. This initial payment will be based on a portion of the initial estimated total savings for the project that will be achieved with a high degree of confidence. Subsequent and, ultimately, Final Measured Incentive Payment(s) will be made as savings are confirmed and will be equal to the applicable incentive rate multiplied by the verified savings amount. The percentage of payment made for the initial incentive versus the verified incentive payment amount will be made on a project-by-project basis according to the measure of uncertainty assigned to the project. Performance Incentives will leverage the application materials and processing channels established in the Smart Saver Custom program, as well as, the same promotional channels. Due to the different types of projects, and the range of variables involved with these different categories of energy efficiency measures, the program Evaluation, Measurement & Verification will be performed separately for Prescriptive, Custom and Performance measures.
Program Objectives	Commercial, industrial, and institutional customers can have significant energy consumption, but may lack knowledge and understanding of the benefits of high efficiency alternatives. The Smart $aver Incentive Program is designed to meet the needs of Duke Energy Indiana customers that have opportunities for electrical energy savings projects, whether the project involves common energy efficiency equipment or more complicated or alternative technologies. The financial incentives help reduce the cost differential between standard and high efficiency equipment, offer a quicker return on investment, save money on customers' utility bills that can be reinvested in their business, and foster a cleaner environment. In addition, the Prescriptive Incentives offered in the Program encourages dealers and distributors (or market providers) to stock and provide these high efficiency alternatives to meet increased demand for the products, including sometimes directly providing the incentive to customers. The Custom Incentives and Performance Incentives offer options to encourage customers to implement energy efficiency measures that are not included in the list of Prescriptive Incentives.
Marketing Plan	This program is promoted directly to Nonresidential customers via targeted marketing material and communications, including direct mail, email, and online channels. Additionally, information about incentives is communicated through, but not limited to, the following; • Energy efficient equipment collateral and tool kits • New construction tool kit • Trade ally outreach • Duke Energy Large Account Managers • Duke Energy Business Energy Advisors • Duke Energy Energy Efficiency Engineers • Duke Energy workshops/webinars • Company website

Optional energy assessments are available to identify and/or evaluate energy efficiency projects and measures. The scope of an energy assessment may include but is not limited to facility energy audit, new construction/renovation energy performance simulation, system energy study and retro-commissioning service. Payments are available to offset a portion of the costs of a qualifying energy assessment. The Company may vary the percentage of energy assessment payment based on the facility size, age, equipment, and other criteria that could affect the amount of energy efficiency opportunities identified. All, or a portion of, the energy assessment payment may be contingent on the customer implementing a minimum amount of cost effective energy efficiency measures within a set timeframe.

Program Projected Savings

kWh	2020	2021	2022	2023	Total kWh
	81,223,140	80,876,807	87,062,358	93,519,775	342,682,080

kW	2020	2021	2022	2023	Total kW
	12,995	13,003	14,088	15,278	55,364

Program Budget

Total Program Budget	2020	2021	2022	2023	Total by Line Item
Admin - Direct	3,210,870	3,123,251	3,249,471	3,369,505	12,953,096
Admin - Indirect	1,081,702	1,282,051	1,389,244	1,547,633	5,300,630
Customer Incentives	7,989,359	7,946,400	8,527,748	9,145,919	33,609,426
EM&V	321,996	359,540	322,000	381,694	1,385,230
Total by Year	12,603,927	12,711,242	13,488,463	14,444,751	53,248,383

Program Cost Effectiveness

UCT	TRC	RIM	PCT
3.65	1.63	0.81	3.11

Program Measure Life

12.0	*Note: Measure life is based on kWh weighted average

Program Description **<u>Outdoor Lighting Modernization Program</u>**	The Outdoor Lighting Modernization Program encourages the market transition of Duke Energy Indiana owned street and area lighting to a more efficient Light-emitting diode (LED) lighting technology. Currently, only 5% of our Indiana lights (including streetlights and area lights) are LED as compared to 28% of US streets and roadways. Duke Energy Indiana's existing outdoor lighting customers are on the following tariffed rates: • SL – Streetlight Service • UOLS – Unmetered OL Electric Service • MOLS – Metered OL Electric Service • OL-E – Outdoor Lighting Service Agreement Most existing outdoor lighting customers currently have Mercury Vapor ("MV"), Metal Halide ("MH"), or High Pressure Sodium ("HPS" or Sodium Vapor) fixtures. Upon complete fixture failure, the Company changes out MV, MH, and/or HPS fixtures to HPS. Customers may opt to upgrade to LED service under Rider 42, Rate LED Unmetered Outdoor Lighting Service or under Rate OL-E Outdoor Lighting Service Agreement. Under this program, these customers will be offered an incentive to switch to Rider 42 with a per-fixture incentive based on wattage. Generally, LED outdoor lighting products are preferred by customers because they offer significantly reduced energy use, exhibit longer lifetimes, do not contain mercury, and provide a high color quality which provides better illumination. Rider 42 includes prescriptive rates for LEDs, so it provides rate clarity for customers. There are no upfront costs to the customer unless the lighting installation exceeds the Company's standards, as described in the Rider 42 Tariff. Customers can opt for standard or decorative fixtures. If a customer has a decorative pole and converts to a decorative LED, the customer may need to change out the pole as well. Customers can choose from a wide selection of LED decorative fixtures as replacements for the currently installed fixtures. The rate impact will depend upon the LED fixtures selected by customers. If it is too cost prohibitive, the customer can choose not to upgrade. Pole prices are also clearly stated in the Rider 42 tariff. Customers with company owned lights will be contacted regarding their eligibility to participate in this program. The customer will receive an engineering estimate prior to accepting the contract outlining the estimated costs. Once the customer has accepted the proposal with selections made as to fixture type and pole replacement, if applicable, the project will be submitted for completion. After verification of the installation, we will pay customers directly a per fixture incentive based on wattage of what is being replaced.
Program Objectives	The primary goal for this program is to incentivize customers to switch from older, less efficient High intensity discharge (HID) technology to LED technology. This will lower electrical energy consumption for street and area lighting. The program will be offered in 2021-2023 allowing for a ramp-up period in 2021 with 25% of forecasted participation and then 37.5% in both 2022 and 2023.

Duke Energy Indiana Energy Efficiency Program Description & Information
2020 - 2023

<table>
<tr><td>Marketing Plan</td><td>The marketing strategy for this program will use internal marketing resources for this program and communications also via our community relations and account managers. A dedicated 1-800 number will be established as well as a comprehensive marketing plan once program approval has been received.</td></tr>
<tr><td>Program Projected Savings</td><td>
<table>
<tr><td>KWh</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kWh</td></tr>
<tr><td></td><td></td><td>5,820,270</td><td>8,732,960</td><td>8,732,960</td><td>23,286,189</td></tr>
<tr><td>KW</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total kW</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td></tr>
</table>
</td></tr>
<tr><td>Program Budget</td><td>
<table>
<tr><td>Total Program Budget</td><td>2020</td><td>2021</td><td>2022</td><td>2023</td><td>Total by Line Item</td></tr>
<tr><td>Admin - Direct</td><td>62,500</td><td>36,038</td><td>39,057</td><td>39,057</td><td>176,652</td></tr>
<tr><td>Admin - Indirect</td><td>6,036</td><td>53,613</td><td>87,217</td><td>91,430</td><td>238,296</td></tr>
<tr><td>Customer Incentives</td><td></td><td>426,878</td><td>640,317</td><td>640,317</td><td>1,707,512</td></tr>
<tr><td>EM&V</td><td></td><td></td><td>60,000</td><td>60,000</td><td>120,000</td></tr>
<tr><td>Total by Year</td><td>68,536</td><td>516,529</td><td>826,591</td><td>830,804</td><td>2,242,460</td></tr>
</table>
</td></tr>
<tr><td>Program Cost Effectiveness</td><td>
<table>
<tr><td>UCT</td><td>TRC</td><td>RIM</td><td>PCT</td></tr>
<tr><td>3.90</td><td>1.04</td><td>0.66</td><td>2.59</td></tr>
</table>
</td></tr>
<tr><td>Program Measure Life</td><td>
<table>
<tr><td>15.0</td><td>*Note: Measure life is based on kWh weighted average</td></tr>
</table>
</td></tr>
</table>

VERIFICATION

I hereby verify under the penalties of perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Signed: _____ Dated: 11-8-2019

Amy B. Dean