

March 1, 2022

Via Electronic Filing

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

Re: Docket No. E-100, Sub 179
Carbon Plan of Duke Energy Progress, LLC and Duke Energy Carolinas, LLC
CIGFUR's Letter re: Second Stakeholder Meeting

Dear Ms. Dunston:

The Carolina Industrial Group for Fair Utility Rates II and III (together, "CIGFUR") respectfully submits this letter to the North Carolina Utilities Commission ("Commission") pursuant to the Commission's February 22, 2022 *Order Scheduling Additional Update Conference*.

For the sake of efficiency and expedience, CIGFUR is submitting this letter in lieu of a request to present to the Commission during the March 7, 2022 Staff Conference. However, counsel for CIGFUR will attend the Staff Conference and be available to answer any questions the Commission may have. With that, CIGFUR wishes to bring to the Commission's attention the following issues related to the sufficiency of the Carbon Plan stakeholder process following the second stakeholder meeting:

- 1) During the second stakeholder meeting, Duke identified the following on the list of stakeholders' desired outcomes of the Carbon Plan:

"Incorporate recommendations from related stakeholder engagement processes, including but not limited to the Clean Energy Plan stakeholder process, the Low Income Affordability Collaborative, and the Working Group on Climate risk and Resilience."

Consistent with CIGFUR's suggestion expressed multiple times during the second Carbon Plan stakeholder meeting, CIGFUR encourages Duke to incorporate recommendations from all recently completed or currently ongoing stakeholder processes, not just the three initially identified above by Duke. In particular, CIGFUR respectfully requests that Duke specifically incorporate recommendations stemming from stakeholder feedback received as part of Duke's Comprehensive Rate Review (CRR), which is in the process of wrapping up and will soon culminate in Duke making a filing to the Commission on or before March 31, 2022. In support of this request, CIGFUR notes several stakeholder proposals explored during the CRR that are relevant to Carbon Plan issues and, therefore, encourages Duke to incorporate as much CRR stakeholder process as possible in its Carbon Plan filing.

- 2) On a related note, CIGFUR notes that several stakeholder questions were asked during Duke's second Carbon Plan stakeholder meeting that directly implicate or relate to the work of one or more other ongoing Duke stakeholder processes, including but not limited to the energy efficiency collaborative, the affordability collaborative, and the CRR. CIGFUR takes the position that the work in progress or already completed by all these other groups presents a great opportunity for Duke to maximize its incorporation of diverse stakeholder perspectives in the Carbon Plan, at least to the extent those other stakeholder groups have addressed issues related to the Carbon Plan. In addition, CIGFUR notes the tremendous amount of stakeholder time and resources invested in all of these various ongoing stakeholder processes. For these reasons, CIGFUR reiterates its request expressed during the most recent stakeholder meeting that Duke schedule a Carbon Plan stakeholder subgroup meeting for the purpose of identifying and discussing various overlapping issues or recommendations between and among stakeholder processes, as well as exploring potential synergies and opportunities for further cross-collaboration between certain stakeholder groups. CIGFUR envisions that, much like the affordability collaborative recently hosted a joint stakeholder meeting with the energy efficiency collaborative and the CRR stakeholder group, a joint stakeholder subgroup meeting in this context would be hosted by the Carbon Plan stakeholder group and include presentations from other stakeholder groups, robust brainstorming and dialoguing, and the identification of possible synergies or opportunities for further cross-collaboration among these different groups. In addition, CIGFUR encourages Duke to commit to detailing in its proposed Carbon Plan filing the ways in which it did or did not specifically incorporate—and why—the stakeholder feedback it received both during the Carbon Plan stakeholder process as well as *all other stakeholder processes* currently ongoing.
- 3) Also on a related note, CIGFUR thanks the Commission for directing that the Carbon Plan stakeholder process be inclusive. CIGFUR echoes this sentiment and encourages Duke to make the Carbon Plan stakeholder process as inclusive as possible. To that end, CIGFUR reiterates the following sentiments it expressed during the last stakeholder meeting as a possible area for improvement in this regard. Duke indicated during the February 23 stakeholder meeting that it plans to address certain issues raised during the Carbon Plan stakeholder process in other stakeholder forums, specifically the energy efficiency collaborative. To the extent Duke plans to address certain issues raised during the Carbon Plan stakeholder process in one or more other ongoing stakeholder forums, CIGFUR respectfully requests that notice of, and an invitation to participate in, all such other stakeholder meetings convened in whole or in part for the purpose of discussing issues raised during the Carbon Plan stakeholder meetings be disseminated to all Carbon Plan stakeholders, which could be easily accomplished using the Carbon Plan stakeholder email distribution list maintained by GPI on Duke's behalf.
- 4) CIGFUR encourages Duke to schedule other additional subgroup meetings as requested by multiple stakeholders during the February 23 Carbon Plan stakeholder meeting. For example, CIGFUR requested "additional subgroup meetings re: the carbon reduction efforts of C&I customers and cities and how those goals can best be leveraged into cost-effective demand-side solutions and incorporated into the Carbon Plan for the benefit of all customers." Aside from indicating that EE/DSM issues generally would be considered by the energy efficiency collaborative, which Duke to date has not invited Carbon Plan stakeholders to participate in, Duke has not responded to this request. In addition, CIGFUR counted approximately 20 different stakeholders who expressed support in the chat for Duke to create an additional stakeholder subgroup for the purpose of modeling and evaluating whether North Carolina joining an RTO or ISO could potentially be a least-cost path to achieving the carbon reduction targets set forth in House Bill 951. In addition, a number of stakeholders also noted that the requested RTO/ISO subgroup discussion would seem to dovetail nicely with the dual-state planning issue Duke raised near the outset of the February 23 Carbon Plan stakeholder meeting when it indicated its plans to request regulatory approval in early

2023 to combine its balancing authority areas (BAAs).¹ This subgroup request, too, was not adequately addressed by Duke.

- 5) CIGFUR has some concerns about the procedural posture Duke has taken in this docket with respect to discovery. More specifically, CIGFUR has concerns that Duke does not plan to respond to data requests until *after* it files its proposed Carbon Plan on May 16. For one, if intervenors are not able to begin propounding data requests until on or after May 16, this will serve only to further compress the already limited time frame during which intervenors will be able to meaningfully evaluate and respond to Duke's proposed Carbon Plan filing before the deadline of July 15, 2022. In addition, CIGFUR notes there are certain decisions being made (or which may be made at some point between now and when Duke files its proposed Carbon Plan on May 16) which are directly relevant to the Carbon Plan, at least inasmuch as they pertain to Duke's resource planning and overall system generation resource mix. For example, Duke today filed in Docket No. E-100, Sub 165 its *Notice of Revised Retirement Date of WS Lee Unit 3*, which indicates an accelerated retirement date from December 31, 2030, to March 31, 2022, even though this unit was only just converted in 2015 to burn 100% natural gas. As it stands currently, intervenors will be unable to propound data requests about this decision, at least to the extent those requests relate to the Carbon Plan, until approximately 6 weeks after this unit is retired. For these reasons, and for the sake of increased transparency, efficiency, and expedience throughout this process, CIGFUR encourages Duke to reconsider its position that it will not engage in discovery before it files its proposed Carbon Plan on May 16.

As noted above, CIGFUR is submitting this letter in lieu of requesting presentation time during the Commission's March 7, 2022 Staff Conference. CIGFUR appreciates the opportunity to bring these issues to the Commission's attention and looks forward to answering any questions the Commission may have on March 7.

Should you have any questions about this filing, please contact me directly at (919) 607-6055.

With best wishes, I am

Very truly yours,

/s/ Christina D. Cress

Christina D. Cress
Counsel for CIGFUR

¹ John Downey, "Duke Energy exec talks plans to combine operations at its two Carolina utilities," Charlotte Business Journal (Feb. 23, 2022), available at <https://www.bizjournals.com/charlotte/news/2022/02/23/duke-energy-plans-to-combine-operations.html>.

CERTIFICATE OF SERVICE

The undersigned attorney for CIGFUR II & III hereby certifies that she caused the foregoing *CIGFUR's Letter re: Second Stakeholder Meeting* to be served upon counsel of record for all parties to this proceeding by electronic mail.

This the 1st day of March, 2022.

/s/
Christina D. Cress