

1 PLACE: Dobbs Building, Raleigh, North Carolina  
2 DATE: April 28, 2014  
3 TIME: 7:00 p.m. - 8:00 p.m.  
4 DOCKET NO: E-100, Sub 137  
5 BEFORE: Commissioner Bryan E. Beatty, Presiding  
6 Chairman Edward S. Finley, Jr.  
7 Commissioner Susan W. Rabon  
8 Commissioner ToNola D. Brown-Bland  
9 Commissioner Don M. Bailey  
10 Commissioner Jerry C. Dockham  
11 Commissioner James G. Patterson

12 IN THE MATTER OF:  
13 2013 Biennial Integrated Resource Plans  
14 and  
15 Related 2013 Renewable Energy Portfolio Standards  
16 Compliance Plans

**FILED**

MAY 05 2014

Clerk's Office  
N.C. Utilities Commission

24

A P P E A R A N C E S:

1  
2  
3 FOR DUKE ENERGY CAROLINAS, LLC and  
4 DUKE ENERGY PROGRESS, INC:

5 Lawrence B. Somers  
6 Deputy General Counsel  
7 Post Office Box 1551  
8 Raleigh, North Carolina 27602

9 FOR DOMINION NORTH CAROLINA POWER:

10 Brett Breitschwerdt  
11 McGuireWoods LLP  
12 2600 Two Hannover Square  
13 Raleigh, North Carolina 27601

14 FOR SIERRA CLUB and  
15 SOUTHERN ENVIRONMENTAL LAW CENTER:

16 Gudrun Thompson  
17 Senior Attorney  
18 Southern Environmental Law Center  
19 601 West Rosemary Street, Suite 220  
20 Chapel Hill, North Carolina 27516

21 FOR NC WARN:

22 John Runkle  
23 2121 Damascus Church Road  
24 Chapel Hill, North Carolina 27516

FOR THE USING AND CONSUMING PUBLIC:

Lucy E. Edmondson  
Robert S. Gillam  
4326 Mail Service Center  
Raleigh, North Carolina 27699-4326

Margaret Force  
NC Department of Justice  
Post Office Box 629  
Raleigh, NC 27602

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P R O C E E D I N G S :

1  
2 COMMISSIONER BEATTY: Good evening. Let's  
3 come to order and go on the record please. My name is  
4 Bryan Beatty and I've been assigned to preside during  
5 this hearing this evening. With me are Commission  
6 Chairman Edward S. Finley, Jr.; and Commissioners  
7 Susan W. Rabon, ToNola D. Brown-Bland, Don M. Bailey,  
8 Jerry C. Dockham, and James G. Patterson.

9 I now call for hearing Docket No. E-100, Sub  
10 137, in the matter of the 2013 Integrated Resource  
11 Plan Annual Update Reports and Related 2013 Renewable  
12 Energy Portfolio Standards Compliance Plans.

13 Integrated Resource Planning, or IRP, is  
14 intended to identify those electric resource options  
15 that can be obtained at least cost to the ratepayers  
16 consistent with adequate, reliable electric service.  
17 IRP considers conservation, efficiency and load  
18 management, as well as supply-side alternatives, in  
19 the selection of resource options.

20 North Carolina General Statutes Section  
21 62-110.1(c) requires the Commission to "develop,  
22 publicize and keep current an analysis of the  
23 long-range needs" for electricity in this State.

24 To meet the requirements of G.S. 62-110.1

1 and G.S. 62-2(a),(3a), the Commission conducts an  
2 annual investigation into the electric utilities'  
3 IRP's. In odd-numbered years, each of the electric  
4 facilities must file an annual report updating its  
5 most recently filed biennial report. Further,  
6 Commission Rule R8-67(b) requires any electric power  
7 supplier subject to Rule R8-60 to file a Renewable  
8 Energy Portfolio Standard, or REPS, compliance plan as  
9 part of its IRP report. Within 60 days after the  
10 filing of each utility's annual report, the Public  
11 Staff or any other intervenor may file its IRP  
12 reports. Also, the Public Staff or any other  
13 intervenor may identify any issue that it believes  
14 should be subject of an evidentiary hearing.

15 On August 31, 2013, Virginia Electric Power  
16 Company, d/b/a Dominion North Carolina Power, filed  
17 its 2013 annual update IRP report. On October 15,  
18 2013, Duke Energy Progress, Inc. and Duke Energy  
19 Carolinas, LLC, filed their 2013 annual update IRP's.  
20 In addition, the companies filed their 2013 REPS  
21 compliance plans.

22 On October 11, 2013, the Commission issued  
23 an Order establishing February 4, 2014, as the date by  
24 which interested parties may file petitions to

1 intervene in this docket, and the Public Staff and  
2 other intervenors may file initial comments on the  
3 utilities' IRP's. Further, the Order set February 18,  
4 2014, as the date by which all parties may file reply  
5 comments.

6 On January 6, 2014, the Commission issued an  
7 Order scheduling a public hearing to be held on March  
8 3, 2014, for the purpose of taking non-expert public  
9 witness testimony with respect to the filed annual  
10 updated IRP's and REPS compliance plans. Due to  
11 inclement weather on March 3rd the Commission canceled  
12 the public hearing. On March 6th the Commission  
13 issued an Order rescheduling the hearing for this  
14 date, at this time and in this place. The  
15 Commission's Order also required Duke Energy  
16 Carolinas, Duke Energy Progress and Dominion to  
17 publish notice of this hearing in newspapers having  
18 general circulation in their respective service areas.

19 All three companies have filed affidavits in  
20 this docket stating that the required notices were  
21 published.

22 The Public Staff's participation as a party  
23 in these proceedings is recognized pursuant to G.S.  
24 62-15(d).

1           The following parties have been granted  
2     intervenor status in these proceedings by Commission  
3     Orders: North Carolina Waste Awareness and Reduction  
4     Network; Southern Alliance for Clean Energy; North  
5     Carolina Sustainable Energy Association; Carolina  
6     Industrial Group for Fair Utility Rates I, II and III;  
7     Carolina Utility Customers Association, Inc.; Blue  
8     Ridge Environmental Defense League, Inc.; Mid-Atlantic  
9     Renewable Energy Coalition; Greenpeace, Inc.; the  
10    Sierra Club; Nucor Steel-Hertford; Invenergy Wind  
11    Development, LLC; and Invenergy Solar Development,  
12    LLC.

13           On March 7, 2014, Duke Energy Carolinas and  
14    Duke Energy Progress filed a supplement to their 2013  
15    IRP's.

16           On March 10, 2014, NC WARN filed a Motion in  
17    this docket requesting the Commission to review costs  
18    of the Duke Energy Carolinas proposed Lee Combined  
19    Cycle Plant in South Carolina. On March 21, 2014, the  
20    Commission issued an Order denying that motion.

21           The office of the Attorney General filed a  
22    notice of intervention in this docket pursuant to  
23    G.S. 62-20 on March 14, 2014.

24           Initial comments on the electric utilities'

1 IRP's have been filed by the Sierra Club and Southern  
2 Alliance for Clean Energy, NCSEA, Mid-Atlantic  
3 Renewable Energy Coalition, the Public Staff and NC  
4 WARN. NC WARN in its comments also requested the  
5 Commission to hold an evidentiary hearing regarding  
6 Duke Energy's growth forecasts. The Commission has  
7 not yet ruled on that request.

8 On April 17, 2014, the Commission issued an  
9 Order extending the time for the public utility --  
10 public electric utilities to file reply comments until  
11 May 23, 2014.

12 Pursuant to North Carolina G.S. 138A-15(e),  
13 I'll remind members of the Commission of our duty to  
14 avoid conflicts of interest and appearances of  
15 conflicts, and inquire at this time whether any  
16 Commissioner has a known conflict of interest with  
17 regard to these proceedings.

18 (No response.)

19 The record will reflect that no conflicts  
20 were identified. I'll now call on counsel for the  
21 parties to identify and make their appearances for the  
22 record beginning with the utilities.

23 MR. SOMERS: Good evening, Mr. Chairman and  
24 members of the Commission. I'm Bo Somers, Deputy

1 General Counsel, on behalf of Duke Energy Carolinas  
2 and Duke Energy Progress.

3 MR. BREITSCHWERDT: Mr. Chairman, members of  
4 the Commission, Brett Breitschwerdt, McGuire Woods on  
5 behalf of Dominion North Carolina Power.

6 MS. THOMPSON: Good evening, Mr. Chairman,  
7 members of the Commission, Gudrun Thompson  
8 representing the Sierra Club and the Southern Alliance  
9 for Clean Energy.

10 MR. RUNKLE: John Runkle representing NC  
11 WARN.

12 MS. EDMONDSON: Good evening. Lucy  
13 Edmondson with the Public Staff representing the Using  
14 and Consuming Public.

15 MS. FORCE: Good evening. I'm Margaret  
16 Force with the Attorney General's office representing  
17 the Using and Consuming Public.

18 COMMISSIONER BEATTY: Thank you, Ms. Force.  
19 Good evening to all of you. Ladies and gentlemen, I'd  
20 like to take a couple of minutes and explain how the  
21 hearing will be conducted particularly for those who  
22 may not have attended one of these before. The  
23 Commission is required by law to function like a  
24 court. Decisions are based on the evidence presented

1 to the Commission during public hearings. And persons  
2 who wish to speak must be sworn and are subject to  
3 cross examination by attorneys for the utility, or by  
4 the Commissioners, or by other parties. If the  
5 attorneys or the Commissioners have questions, they  
6 are intended to clarify or better understand your  
7 comments, not to embarrass you.

8 In a moment, the attorney for the Public  
9 Staff, Ms. Edmondson, who represents consumers, will  
10 call on persons who have signed up to speak one person  
11 at a time. When your name is called please come here  
12 to the witness stand, to the podium, there is a Bible  
13 there and I will swear you in or, if you prefer, you  
14 can ask to be affirmed to tell the truth. The  
15 attorney for the Public Staff will ask you to give  
16 your name and address for the record and then allow  
17 you to make your statement to the Commission. This is  
18 your opportunity to let the Commission hear what you  
19 have to say about the utilities' 2013 Integrated  
20 Resource Plans and REPS compliance plans.

21 Neither the Commission nor the utilities can  
22 answer questions during this hearing. But, if you  
23 have questions, the attorney for the Public Staff will  
24 be happy to speak with you following the hearing and

1 representatives for the utilities may also be willing  
2 to speak with you after I have adjourned the hearing.

3 As you can see there's a court reporter  
4 seated right here in front of me. She is recording  
5 everything that is said at the hearing. She will  
6 prepare a transcript of the hearing and it will be  
7 available for public review on the Commission's  
8 website.

9 While you're in the hearing room, we ask  
10 that you please remain silent so that the speaker at  
11 the podium can be heard. I'd also ask that you please  
12 be considerate of others who wish to speak and if  
13 someone has already made the same point you want to  
14 make you can simply adopt their statement or say that  
15 you agree with it.

16 Does counsel for either of the parties wish  
17 to be heard before we hear from public witnesses?

18 (No response.)

19 All right. If there's nothing further, Ms.  
20 Edmondson, please call your first witness.

21 MS. EDMONDSON: Vicki Ryder.

22 MS. RYDER: Good evening.

23 COMMISSIONER BEATTY: Ma'am, if you'll  
24 please place your left hand on the Bible and raise

1 your right hand, I'll swear you in.

2 MS. RYDER: I'd like to be affirmed.

3 VICKI RYDER; was duly affirmed and  
4 testifies as follows:

5 DIRECT EXAMINATION

6 BY MS. EDMONDSON:

7 Q Please state your name and address for the  
8 record.

9 A My name is Vicki Ryder. I live at 15 Glenmore  
10 Drive in Durham.

11 Q Do you have a statement to make?

12 A I do.

13 Q Please go ahead.

14 A I'm here today representing our older citizens  
15 who have tremendous concerns for the kind of  
16 world that our grandchildren will be inheriting;  
17 and while we may be old, we're not stupid. We  
18 know that the standard here in North Carolina  
19 requires that 12.5 percent be invested in  
20 renewable energy sources while Duke Energy is  
21 presenting you with a plan for only three percent  
22 renewables and that's not going to happen soon.  
23 So they must think that we're stupid but we're  
24 not. And so (Singing begins.) We've come to sing

1           our testimony just for you, hoping that this  
2           granny message will get through because we think  
3           Duke Energy needs to know that unsustainability  
4           has got to go. Coal and oil in the ground will  
5           soon run out and digging for it makes us want to  
6           scream and shout. It poisons all the air we  
7           breathe, puts toxins in the soil, Duke's  
8           Integrated Resource Plan will kill us all.

9                         We need wind and solar, that's the  
10           way to go. They're safe and cheap renewables and  
11           you should know three percent renewables, that  
12           really does fall short, the health and future of  
13           the earth just can't be bought. We demand a  
14           better plan for all us here to save the earth for  
15           all the grandkids we hold dear. We demand Duke  
16           gives us at least our 12.5, that would be a start  
17           to keep us all alive. No more of their dirty  
18           coal ash, no more schemes, they're poisoning our  
19           rivers and our lakes and streams. Close those  
20           dirty coal plants, it's time to do what's right.  
21           We've had enough of their stinking stuff and we  
22           will fight. (Singing ends.) Thank you very much.  
23           (Applause.)

24                         (Ms. Ryder left the witness stand.)

1                   COMMISSIONER BEATTY: Any questions? Ms.  
2 Ryder, if you would, there's a question for you.

3                   (Ms. Ryder returned to the witness stand.)

4                   CROSS EXAMINATION

5 BY MR. SOMERS:

6 Q       Hey there, Ms. Ryder. My name is Bo Somers. I  
7 represent Duke Energy Carolinas and Duke Energy  
8 Progress. Thank you for coming tonight. I'm  
9 going to apologize but I will not sing my  
10 question to you. I would fail miserably --

11 A       (Interposing) I will not sing my answer either.

12 Q       You talked in your song or your testimony about  
13 12.5 percent requirement under North Carolina Law  
14 for renewable energy or energy efficiency. Do  
15 you know when that standard of 12.5 percent is in  
16 effect by law.

17 A       Well, I know it's not in effect now. But I also  
18 know that if your company doesn't begin to move  
19 in that direction, we're fearful that it won't  
20 happen in our lifetime, and we're fearful that  
21 while we're waiting for it to happen more  
22 tragedies like the one in the Dan River will  
23 happen. We'd like to see you close your coal  
24 plants now; not to wait for some future date that

1           might have been set by this Commission because we  
2           know that in the interim too many accidents, too  
3           many tragedies, too many lives are going to be  
4           affected by what you're doing. There's no reason  
5           why you can't begin a conversion to the 12.5.  
6           You don't have to wait for a deadline. That will  
7           be too late for many of us.

8       Q     So you're testimony is not that Duke Energy  
9           Carolina or Duke Energy Progress are not in  
10          compliance with North Carolina's REPS law?

11      A     What you're proposing to move to three percent is  
12          simply not acceptable to those of us who have to  
13          live with the consequences of what your coal  
14          plants are doing to us.

15      Q     Did you know that in 2013 Duke Energy Progress  
16          was the fifth largest solar developer in the  
17          United States in loan utilities?

18      A     It's simply not enough. You're also responsible  
19          for the third largest coal ash spill in this  
20          nation's history and that's what --

21                   (Audience is snapping fingers.)

22                   COMMISSIONER BEATTY: Ladies and gentlemen,  
23          I have to ask you to please be silent. This is not a  
24          rally. The court reporter has to hear what is being

1 said. Please don't interrupt. I'm sorry, Ms. Ryder.

2 Q (MR. SOMERS) I'm sorry. Were you done?

3 A I'm done.

4 MR. SOMERS: Thank you.

5 COMMISSIONER BEATTY: Any other questions  
6 for Ms. Ryder? (No response.) Questions from the  
7 Commission? (No response.) Thank you very much, Ms.  
8 Ryder.

9 (WHEREUPON, the witness is  
10 excused.)

11 MS. EDMONDSON: Harvey Richmond.

12 MR. RICHMOND: Can I request to be affirmed?

13 HARVEY RICHMOND; was duly affirmed and  
14 testified as follows:

15 DIRECT STATEMENT

16 MR. RICHMOND: My name is Harvey Richmond.  
17 I live at 106 Hebride Court in Cary, North Carolina.

18 Thank you for the opportunity to address the  
19 Utilities Commission and Public Staff this evening. I  
20 am a retired employee -- I'm a Senior Environmental  
21 Analyst from the U.S. Environmental Protection Agency  
22 who worked over 31 years on the development and review  
23 of national ambient air quality standards. I am an  
24 active member and volunteer of the North Carolina

1 Chapter of the Sierra Club, but the comments I make  
2 today are those of my own.

3 First, I want to urge the Commission and  
4 Public Staff to start paying more attention to the  
5 public and to act in the public interest, not simply  
6 the interest of Duke Energy with its goal of  
7 maximizing profits.

8 All coal plants can be shut down, saving  
9 \$1.7 billion going out of state in coal costs,  
10 reducing carbon emission and reducing the amount of  
11 toxic coal ash in ponds next to drinking water supply.  
12 The debate should be over which coal plants should be  
13 shut down first and how soon they should be shut down.  
14 Duke Energy's massive coal ash spill into the Dan  
15 River is proof that this issue is urgent.

16 Duke Energy, as we just heard, has only  
17 planned for three percent renewable energy, including  
18 solar, in 2029, even though the North Carolina  
19 Renewable Energy Portfolio Standard requires in those  
20 future years 12.5 percent. This is outrageous and  
21 flies in the face of Duke Energy's advertisements  
22 which are designed to give the impression that Duke  
23 Energy supports development of clean energy sources.  
24 At the same time they are fighting to lower the amount

1 that they pay for rooftop solar which will only hurt  
2 solar development in this state.

3 Distributed generation puts energy where  
4 it's needed. This includes rooftop solar and other  
5 renewable sources, industrial and commercial combined  
6 heat and power through cogeneration, and microgrid  
7 technologies, supported by pumped storage and  
8 batteries.

9 Duke Energy, as I said, needs to stop its  
10 campaign in North Carolina of attacking rooftop solar  
11 with its proposal to decrease the amount it will pay  
12 for solar generated energy. And instead get behind  
13 and support the rapid increase in solar energy and  
14 other forms of renewable energy as well as  
15 conservation efforts.

16 It's not in my testimony but I know recently  
17 the US Secretary of Energy was interviewed on NPR and  
18 stated that by 2030 that we could easily achieve  
19 30 percent solar energy in this country. It's not a  
20 matter of technology, it's a matter of will.

21 Duke Energy is actively attacking solar  
22 because it can't meter the sun.

23 The Utilities Commission and the Public  
24 Staff of the Utilities Commission need to stop

1 fighting the proposed EPA regulations that will limit  
2 carbon emissions from new power plants and to end  
3 their lobbying to weaken the upcoming EPA regulations  
4 on carbon emissions from existing coal and gas-fired  
5 plants. The health and well-being of all citizens,  
6 our children and grandchildren, and the environment  
7 depend on our society taking meaningful actions to  
8 reduce carbon emissions to limit the damage that we  
9 are already seeing from climate change. Instead of  
10 sending letters to the EPA Administrator, which this  
11 Commission and Public Staff did earlier this year,  
12 arguing for the weakest possible interpretation of the  
13 Clean Air Act, you need to get behind EPA and support  
14 significant actions to address carbon emissions as  
15 many of the northeastern states, California and  
16 others, have done.

17 Thank you again for the opportunity to  
18 address the Commission. I hope this year you will  
19 actually listen to what the many voices here  
20 representing the public interest are saying instead of  
21 only paying attention to what Duke Energy is  
22 advocating. Thank you.

23 COMMISSIONER BEATTY: Any questions for Mr.  
24 Richmond? (No response.) Thank you, sir.

1 (WHEREUPON, the witness is  
2 excused.)

3 MS. EDMONDSON: Alli Kenlan.

4 MS. KENLAN: I'd like to be affirmed.

5 ALLI KENLAN; was duly affirmed and  
6 testified as follows:

7 MS. EDMONDSON: Please state your name and  
8 address.

9 MS. KENLAN: My name is Alli Kenlan. I live  
10 at 228 Country Club Drive, Durham, North Carolina.

11 DIRECT STATEMENT

12 MS. KENLAN: I'm a first-year student at  
13 North Carolina State University and today I am  
14 representing the North Carolina Student Energy  
15 Network. This year on February 22, 2014, all 17  
16 student body presidents of the ASG signed a Clean  
17 Energy Resolution that called upon Duke Energy to give  
18 us 100 percent renewable energy and to decrease their  
19 reliance on fossil fuels.

20 As students at one of the largest customers  
21 for Duke Energy in North Carolina, we would really  
22 like to work with Duke Energy. You guys are planning  
23 on doubling solar in North Carolina and we really want  
24 to be a part of that but some of those plans make it

1 difficult for students to be a part of that. Our  
2 school, university, just wants to work with Duke  
3 Energy to get renewable energy.

4 The Resolution that was passed by those 17  
5 student body presidents was on behalf of all 220,000  
6 students in the UNC system. That means that all of us  
7 want clean energy. Thank you.

8 COMMISSIONER BEATTY: Just a minute, Ms.  
9 Kenlan, let me see if there are any questions. There  
10 appear to be none. Thank you very much for being here  
11 this evening.

12 (WHEREUPON, the witness is  
13 excused.)

14 MS. EDMONDSON: Bob Rodriguez.

15 BOB RODRIGUEZ; was duly sworn and  
16 testifies as follows:

17 DIRECT EXAMINATION

18 BY MS. EDMONDSON:

19 Q Please state your name and address.

20 A Yes, my name is Bob Rodriguez. I'm at -- I live  
21 at 2400 Countrywood Road, Raleigh 27615 is the  
22 zip code.

23 Q You may proceed with your statement.

24 A Thank you. Mr. Bailey, Chairman Finley, members

1 of the Commission, members of the counsel, both  
2 sides, I wanted to address you tonight as a  
3 concerned citizen, a Steering Committee member of  
4 the North Carolina Interfaith Power and Light, a  
5 program of the NC Council of Churches, as a  
6 businessman, a shareholder and utilities  
7 customer, I am asking you and the Commission to  
8 consider the moral imperative and impacts of the  
9 latest Integrated Resource Plan from Progress and  
10 Duke Energy although they're really one.

11 In some ways, what I am asking for  
12 today is no different than what I've asked in the  
13 past, one year, two years, five years ago. I  
14 think what has changed significantly is the  
15 scope, scale and pace of implementing energy  
16 efficiency and conservation as our fastest least  
17 cost methods for being able to obtain power,  
18 championing the use of combined heat and power in  
19 our state and integrating more renewable power  
20 into the generation mix.

21 I think one of the things that has  
22 come to light, especially in the last two months,  
23 has been all you have to do is look north at the  
24 Dan River and the coal ash spill to realize we

1 cannot continue business as usual and continue in  
2 our usual trajectory. The cost of clean up on  
3 the Dan River plus the other 33 coal sites has  
4 now been projected to be around \$10 billion and  
5 it could take up to 30 years to complete.

6 It is from this perspective that  
7 I'm asking you all that we need to start  
8 implementing strategies and technologies that do  
9 not leave a harmful, toxic and deadly waste as  
10 part of their enduring legacy. And the other  
11 portion of the costs that's not included in the  
12 IRP are the externalized costs that our continued  
13 reliance on coal places on ourselves, our  
14 customers, your customers (nodding at Duke  
15 counsel), and our communities.

16 I also will reference another  
17 report that I did last year for the Annals of the  
18 New York Academy of Science and I give reference  
19 here titled the Full Cost of Accounting for the  
20 Life Cycle of Coal. In that report which  
21 conservatively estimates the cost of coal  
22 burning, mining, disposal, and all the components  
23 of coal extraction to be somewhere between \$333  
24 and \$500 billion a year with impacts on the east

1 coast primarily in the area of the Appalachian  
2 communities. I think you'll also want to  
3 highlight the impacts in that report about the --  
4 what it means to communities in terms of  
5 watershed and biodiversity.

6 Finally, I'll reference the latest  
7 IPCC report, which was just released in March,  
8 which brings home the point that we have to start  
9 taking carbon pollution seriously and do it at a  
10 pace as if our long-term survival really  
11 mattered.

12 So going -- reviewing the Progress  
13 Energy IRP, since I'm a Progress Energy customer,  
14 I can see that they're having some improvements  
15 made and I do want to encourage them to go  
16 further. I think of the things though in  
17 reviewing the information and using the  
18 information they gave, especially from their  
19 aspirational graph which was on page 34, graph  
20 8-G, this is what I found and I was somewhat  
21 under, well, underwhelmed I'm afraid. I think we  
22 have a long way to go, but let me say what I  
23 found. This is from the 2028 IRP generational  
24 plan which basically had energy efficiency at

1 seven percent, renewable energy five percent,  
2 hydroelectric one percent, demand-side management  
3 six percent, nuclear 19 percent, combustion  
4 turbine 16 percent, coal 18 percent and combined  
5 cycle of 27 percent. So, if my math is correct,  
6 this is for the 2028 level. This means that  
7 we're still getting about 61 percent of our  
8 capacity from fossil fuels which also means that  
9 we're still relying on coal and the coal -- and  
10 the waste stream that we're going to continue to  
11 get from the pollution from those plants.

12 As a converse, I'd like to offer  
13 that the State of Vermont through Efficiency  
14 Vermont in 2013 was able to obtain 13.1 percent  
15 of generating capacity from energy efficiency  
16 alone. Germany, as a country obtains around 24  
17 percent of its power from renewables with peaks  
18 this past fall of around 61 percent, and 59  
19 percent recorded in October and I believe  
20 November of this year. And Denmark today uses or  
21 obtains 52 percent of its power from combined  
22 heat and power with wind making up the additional  
23 20 percent. And I won't go into the mix of the  
24 other things, along with its continued commitment

1 to higher percentages for efficiency and renewal.  
2 I have other countries; I could go on and on. I  
3 will not do that. I'm sure other folks here will  
4 do that. But I think the key point here is that  
5 we see the rest of the world leading in this area  
6 and I think that we can as well. I think there's  
7 a lot of head way; a lot of head room for us to  
8 improve even beyond what has been mentioned and  
9 what has been agreed to with the IRP with the  
10 REPS and I think that's the key point that I make  
11 here.

12 I also want to say in 2012 there  
13 was a National Academy of Science Report that  
14 stated between 25 and 31 percent of savings can  
15 be accomplished through 2030 through energy  
16 efficiency. And so they gave examples there in  
17 terms of industrial, governments, commercial  
18 customers using CHP for hospital campuses, other  
19 industrial customers and sites. And one of the  
20 things they also cited that this is probably the  
21 safest type of investment because you already  
22 have an existing plant that is up and running.  
23 You have a motivated customer who wants to make  
24 sure things continue and the fact that we have

1 examples around the world of this working; and  
2 it's probably about 100 years old because this go  
3 back to the time of Edison for a long, successful  
4 track record.

5 That same report, which was done  
6 by the Oak Ridge National Labs, that said that  
7 North Carolina gets about 5 percent of its total  
8 power from CHP; it recommended that, from a  
9 national standpoint, that that could be feasibly,  
10 technically feasibly moved up to 20 percent. And  
11 then for North and South Carolina they identified  
12 about 3 gigawatts of power which would raise our  
13 current 5 percent level closer to 17 percent.

14 As a footnote, I will mention that  
15 for Germany -- and, for the record, I do work for  
16 a German company so I do know this from my  
17 colleagues from Germany who remind me of this all  
18 the time -- that they actually are committed to  
19 an 80 percent generation of renewables by 2050.  
20 In fact, the northern states of Germany obtain a  
21 much higher percentage than 24 percent. And that  
22 this effort was viewed, from a long-term view,  
23 their view is very much like that of First  
24 Nations of Seven Generations; what are we leaving

1 our children? And also viewed as an opportunity,  
2 a tremendous opportunity, for business for them  
3 to move forward to do two things at the same  
4 time, ensue the blessings to their posterity but  
5 also to help them moving forward in the world  
6 economy.

7 So I say again, I think we are  
8 letting ourselves undershoot, underscore, not  
9 pushing ourselves to the level that needs to be  
10 done. I think I also want to mention two last  
11 things and that's going to be that the impacts of  
12 the IRP are not just on human communities but the  
13 natural community as well. We depend upon the  
14 natural world for our very existence and I think  
15 we have a strong moral responsibility to the care  
16 of creation, our impact of the natural world and  
17 our contribution to climate disruption to  
18 ourselves and these communities.

19 I also know that no decision made  
20 does not come with some sort of price. I know  
21 that every time we use coal that there's probably  
22 a community in Appalachia that feels the effects  
23 of mountaintop removal; or in our own communities  
24 the fact that I can't take my nieces and nephews

1 fishing because of fear for mercury contamination  
2 of fish; or the fact that in other communities,  
3 in the indigenous community primarily, uranium  
4 mining and the impacts there for nuclear are felt  
5 and having felt in the past and are continued to  
6 be felt. And lastly, that natural gas does not  
7 come free; that there are a number of communities  
8 who are having to feel the effects of hydraulic  
9 fracturing in our air and water and quality of  
10 life.

11 So, I think what this all comes  
12 down to is what areas can I see us continue to  
13 improve? I must say that there is a number of  
14 new things that's been added in terms of the IRP  
15 from the Progress Energy side to encourage energy  
16 conservation, demand-side management, and also  
17 encourage builders to be taking a proactive  
18 approach as to not be using energy to begin with;  
19 and I think that's something that needs to be  
20 decided.

21 I do say though that we really do  
22 need to add solar hot water to that. It's  
23 already in other parts of the world, solar hot  
24 water is an easy, low-hanging fruit way of being

1 able to reduce energy consumption, electricity  
2 consumption, and yet that is not part of the mix  
3 currently by the IRP. I think the other thing,  
4 too that -- that may not be taken into account is  
5 that renewable power generation, by and large,  
6 does not require water. A great number of it  
7 does not. And as we have all experienced  
8 droughts in the past, we know that it's -- water  
9 levels drop -- this is a major issue for coal  
10 generation; not so much for natural gas combined  
11 cycle, but definitely for nuclear where the  
12 temperature of the water, level of the water, can  
13 make a tremendous impact or actually curtail  
14 production.

15 So I think, in summary, the one  
16 last thing and deep concern I have here is that  
17 if we continue on a path of business as usual,  
18 and that from comments that have been given in  
19 the past by Duke senior executives needing to  
20 capture costs early through CWIP, financially  
21 through a version called Super CWIP, where the --  
22 the scrutiny of the public, a major construction  
23 project such as a nuclear power plant would be  
24 significantly reduced. And I'll give you an

1 example of what happened in Florida with Progress  
2 Energy with the canceling of two nuclear reactors  
3 and in the end the ratepayers -- the customers  
4 were ending up having to pay I think  
5 approximately \$1 billion. And, if I can quote  
6 Senator, Florida Senator Mike Fasano, he said if  
7 he'd ever known this was going to be the result,  
8 he never would have voted for the bill. It was  
9 the worst thing he'd ever done as a legislator.

10 So Chairman, members of the  
11 Commission, I want to urge you to be bold, to ask  
12 more of our utility. The fact is that we need to  
13 redouble our efforts in champion energy  
14 efficiency and conservation. We have so many  
15 other examples of this. One other thing I'll  
16 leave for an example of a building is the Empire  
17 State Building which was retrofitted three years  
18 ago where 40 percent of the energy was previous  
19 operating capacity; this was done through the  
20 Rocky Mount Institute. They were able to do  
21 through a deep retrofit, they permanently removed  
22 40 percent of the energy that was needed through  
23 heating and cooling in that building. So, and I  
24 think essentially they will be paying back in the

1           third year. So these retrofits make sense;  
2           they're fast; they pay back; and I think that  
3           we're selling ourselves short. So I think  
4           there's an opportunity to break new ground.  
5           You'll be serving the people of North Carolina  
6           for this generation and in the future. Thank you  
7           for your time.

8                    COMMISSIONER BEATTY: Any questions for Mr.  
9           Rodriguez?

10                                   CROSS EXAMINATION

11           BY MR. RUNKLE:

12           Q       Mr. Rodriguez, about halfway through your  
13                    testimony you talked about CHP. For the record,  
14                    what did you mean by that?

15           A       Thank you, Mr. Runkle. Combined heat and power.  
16                    So for those who are not familiar with that that  
17                    is where you take waste heat and basically you've  
18                    already paid for the fuel and you generate power  
19                    from that again and sometimes again.

20           Q       And we used to call that cogeneration?

21           A       That is correct.

22                    MR. RUNKLE: Thank you.

23                    COMMISSIONER BEATTY: Other questions? (No  
24                    response) Thank you very much, Mr. Rodriguez.

1 MR. RODRIGUEZ: Thank you, sir. And I'll  
2 leave a copy for you.

3 (WHEREUPON, the witness is  
4 excused.)

5 MS. EDMONDSON: Jane Norton.

6 MS. NORTON: I'd like to be affirmed.

7 JANE NORTON; was duly affirmed and  
8 testified as follows:.

9 MS. EDMONDSON: State your name and address.

10 DIRECT STATEMENT

11 MS. NORTON: My name is Jan Norton and I  
12 live at 5605 Mount Sinai Road in Durham 27705.

13 Thank you very much for giving us the  
14 opportunity to speak to you tonight. I am a small  
15 business owner; I direct a non-profit; I am a mother,  
16 a grandmother of children and grandchildren that live  
17 in North Carolina; and a Duke Energy customer. I've  
18 worked with several leadership organizations over the  
19 years coaching business executives to creatively  
20 respond to changing times. We do not counsel them to  
21 stick with business as usual but, instead, to  
22 anticipate change and to find ways to innovate and  
23 lead in their industry.

24 In a Bloomberg Businessweek article recently

1 David Crane, who is the CEO of NRG Energy, a wholesale  
2 power company based in Princeton, New Jersey, states  
3 that the current model of energy production and  
4 distribution, which Duke uses, hasn't changed much  
5 since Thomas Edison evented the lightbulb and it's  
6 doomed to obsolescence. The industry executive says  
7 that in about the time it has taken cell phones to  
8 supplant landlines in most US homes, the grid will  
9 become increasingly irrelevant as customers move  
10 toward decentralized homegrown green energy. Rooftop  
11 solar, in particular, is turning tens of thousands of  
12 businesses and households into power producers. Such  
13 distributed generation to give the industry terms of  
14 power produced outside the grid is certain to grow;  
15 that was his quote. And his company is choosing to be  
16 a leader by changing their business model to embrace  
17 this.

18 In January, the Charlotte Business Journal  
19 reported that North Carolina jumped to second place  
20 behind California in terms of solar power capacity  
21 added in 2013 which makes us a national leader. But  
22 we stand to lose this leadership position if Duke  
23 continues their old model of energy generation and  
24 gets the IRP that they are requesting.

1           The clean energy industry in North Carolina  
2 is a huge contribution to our state economy. It has  
3 approximately 1100 operating firms located throughout  
4 the state. NCSEA, the Sustainable Energy Association,  
5 calculates that these firms generated \$3.6 billion in  
6 revenue and employed more than 18,404 full-time  
7 equivalent positions in 2013. We need to keep  
8 supporting this clean energy industry, not the fossil  
9 fuel energy.

10           Bob Rodriguez mentioned several examples of  
11 other places, and other states, and other countries  
12 that are generating a good percentage of their energy  
13 from renewables. I think they're inspiring  
14 initiatives all over the country and I'm just going to  
15 mention a few. The utility, Xcel Energy, last month  
16 submitted a proposal to Colorado regulators that  
17 identifies 170 megawatts of solar and 450 megawatts of  
18 wind as the most cost-effective resources. It's the  
19 first time that Xcel Energy, which serves eight states  
20 in the west and midwest, chose solar and wind in its  
21 planning process strictly for economic reasons, not  
22 just to meet the state's renewable energy standard.  
23 The cost of renewable energy is now so low that coal  
24 is uncompetitive even before taking into account the

1 huge environmental cost of burning coal.

2 Colorado's carbon dioxide emissions are

3 being slashed at no cost to consumers. In Minnesota,

4 an administrative law judge concluded that Xcel Energy

5 should invest in several large solar power arrays

6 rather than natural gas generators in order to meet

7 projected power needs in Minnesota. The reason, the

8 solar power arrays would offer ratepayers a better

9 deal. It is the first time a state has used a

10 competitive bidding process for a major power

11 generation project. The Commission ordered the

12 proceeding to force energy companies to compete on

13 price. They also realized that for homeowners who go

14 solar in Minnesota, I mean, it's not the south,

15 they're expected to get a 10 percent internal rate of

16 return on their investment which beats the standard,

17 of course, over the last 50 years.

18 Google has not only invested in wind power

19 for their own energy, a few weeks ago announced that

20 they would buy much of their energy from a wind farm

21 in Iowa. But now, along with \$150 million investment

22 from solar panel maker, SunPower, they will provide

23 \$100 million to contribute to lease financing for

24 thousands of American homeowners to add solar panels

1 to their rooftops and clean energy to their mix. If  
2 Google has already managed to run its megacorporation  
3 with 34 percent cleaner energy then surely Duke can do  
4 better than three percent.

5 Duke Energy, as the largest utility company  
6 in the country, has the opportunity to be a  
7 game-changing leader and innovator by dramatically  
8 increasing the percentage of renewables they commit to  
9 in their IRP. And the Utilities Commission has the  
10 opportunity and the obligation to serve all North  
11 Carolinians by requiring that Duke revise their  
12 business model to meet 21st century demands. The  
13 future of North Carolina, as a leader, depends on your  
14 decision. I was really proud to tell people in other  
15 states that North Carolina was second in solar  
16 production. Let's keep us at the top. Let's be as  
17 proud of our ranking in renewable energy production as  
18 we are in our sports team rankings. Thank you.

19 COMMISSIONER BEATTY: Thank you, Ms.  
20 Norton. Questions for Ms. Norton? (No response)

21 MS. NORTON: Thank you.

22 COMMISSIONER BEATTY: Thank you very much,  
23 ma'am.

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(WHEREUPON, the witness is  
excused.)

MS. EDMONDSON: Jason Endries.

MR. ENDRIES: I'd like to be affirmed.

JASON ENDRIES; was duly affirmed and  
testified as follows:

MS. EDMONDSON: Please state your name and  
address and proceed with your statement.

MR. ENDRIES: My name is Jason Endries and I  
live at 1140 Carton Avenue in Raleigh.

COMMISSIONER BEATTY: Sir, can I ask you to  
spell your last name, please?

MR. ENDRIES: E-N-D-R-I-E-S. You said it  
right. (Indicating to Ms. Edmondson)

DIRECT STATEMENT

MR. ENDRIES: I'm a student at NC State  
University studying meteorology. My goal is not to be  
a weather man on TV but to work for the wind energy  
industry pursuing -- work my passion for the weather  
and making the world a better place. According to the  
Institute for Energy and Environment research,  
offshore wind can generate 120 percent of our current  
electricity use in North Carolina. But Duke Energy's  
plan for the next 15 to 20 years plans to add only two

1 more percent of all renewable energy in the state.  
2 This is not enough if we hope to bring jobs to our  
3 state and ensure the safety of our environment.

4 I want to graduate next year to a state  
5 that's working to be safer, more sustainable, and full  
6 of clean jobs. The current plan just isn't good  
7 enough. You have the power to change that. Please  
8 require Duke Energy to increase the amount of  
9 renewables they are going to bring online. Thank you.

10 COMMISSIONER BEATTY: Thank you, sir. Any  
11 questions? (No response) Thank you very much for  
12 coming this evening.

13 (WHEREUPON, the witness is  
14 excused.)

15 MS. EDMONDSON: Madhura Deshpande.

16 MS. DESHPANDE: I'd like to affirm.

17 MADHURA DESHPANDE; was duly affirmed and  
18 testified as follows:

19 MS. EDMONDSON: Please state your name and  
20 address and proceed with your statement.

21 COMMISSIONER BEATTY: And please spell it.

22 DIRECT STATEMENT

23 MS. DESHPANDE: Sure. My name is Madhura  
24 Deshpande, that is M-A-D-H-U-R-A, last name,

1 D-E-S-H-P-A-N-D-E. My address is 222 Glenwood Avenue,  
2 Raleigh, North Carolina. I work in town with  
3 Greenpeace but my statement is on behalf of myself as  
4 a resident here in North Carolina that pays Duke  
5 Progress.

6 I appreciate that there have been quite a  
7 few facts presented so I will keep mine short.  
8 Normally, if I wanted a different product, I should be  
9 able to go to the store and choose the product that I  
10 want to support the views that I believe in and just  
11 pay more and vote with my dollar. Right? Capitalism  
12 at its best. Unfortunately, there isn't an option  
13 like that here in North Carolina for me right now with  
14 my energy. If I want solar I either have the option  
15 of paying Duke Energy or have the option of not  
16 getting energy which really doesn't work out, or  
17 buying a separate panel which I really can't afford  
18 right now.

19 The point that I want to make here is that  
20 if the residents that this utility company is  
21 servicing want a different kind of energy, and we're  
22 here telling the Commission that we want a different  
23 kind of energy, but we legitimately have no other  
24 option to get that kind of energy then the system

1 doesn't work very well. So the only option is for the  
2 Utilities Commission which can act in the public's  
3 best interest to actually tell Duke Energy to come up  
4 with a better Integrated Resource Plan.

5 Fossil fuels are not going to last forever,  
6 and although none of us will be in the forever that  
7 I'm talking about, it should come to some point that  
8 we start looking to that future and start acting in  
9 its best interest. As somebody that pays this  
10 utility, I think it should be enough that I can come  
11 here and say I want renewable energy, more renewable  
12 energy than they're currently providing, and for them  
13 to say yes we can figure something out because it's  
14 not that the technology doesn't exist, it's just that  
15 they haven't been pushed to do it yet. So that's it.  
16 Thank you. Any questions? I'm sorry.

17 COMMISSIONER BEATTY: Any questions? (No  
18 response) Thank you very much.

19 (WHEREUPON, the witness is  
20 excused.)

21 MS. EDMONDSON: Brian Remler.

22 MR. REMLER: I'd like to affirm.

23 BRIAN REMLER; was duly affirmed and  
24 testified as follows:

NORTH CAROLINA UTILITIES COMMISSION

1 MS. EDMONDSON: Please state your name and  
2 address.

3 DIRECT STATEMENT

4 MR. REMLER: Brian Remler, last name is  
5 R-E-M-L-E-R. I live at 2550 Glenwood Avenue,  
6 Apartment R, that's right here in Raleigh, 27608.

7 I work for Greenpeace here in Raleigh but my  
8 comments are as a ratepayer of Duke Progress and as a  
9 very concerned resident of the great State of North  
10 Carolina.

11 I recall being in this room speaking to many  
12 of you a year ago when myself and close to 100 people  
13 testified against Duke's sturdy and dangerous IRP and  
14 it's over-reliance on energy resources like coal.

15 What have we seen since then? Well, I'm  
16 sure all of you will recall the chemical spill in West  
17 Virginia about four months ago that poisoned the  
18 drinking water of thousands of people. Though the  
19 chemical that spilled into there was actually a  
20 chemical that is used to clean coal ash, if you will.

21 One thing I'm sure all of you will remember  
22 is something that's been referenced a couple of times,  
23 the crisis out in Eden. 80,000 tons of coal ash  
24 seeping into the Dan River poisoning people's drinking

1 water, surrendering, you know, the fish are inedible  
2 there. All of this goes to show that there is no way  
3 to clean coal and that ultimately to prevent  
4 catastrophes like these from happening we need to move  
5 towards wind and solar.

6 Duke Progress makes a, like a lot of  
7 rhetorical statements in support of wind and solar.  
8 In fact, on their website they have a tab that's an  
9 FAQ about distributing solar here in North Carolina.  
10 There's about 28 or 30 tabs but I'm only going to  
11 mention two of these tabs that I think are incredibly  
12 relevant. One of them is who will install and  
13 maintain the solar PV system? Duke Energy will  
14 install and maintain the solar PV system. Who can  
15 participate in Duke Energy's solar program? Due to  
16 exceptionally high interest in the program, we have  
17 reached our limit for applicants. So it just goes to  
18 support the remarks of Madhura earlier that as  
19 residents we -- like residents who are demanding solar  
20 don't have the option to do so. Like who does have  
21 the power to make that a reality? The seven of you  
22 sitting before me. At the end of the day your  
23 commitment is to the residents and ratepayers of North  
24 Carolina; not to the benefits of the shareholders and

1 executives at Duke Energy.

2 We saw this last year in Arizona, like a  
3 battle kind of like the one that's unfolding now,  
4 unfolding there where the utilities over there were  
5 pushing for I believe it was a \$100.00 tax on  
6 ratepayers who want to use solar. But the public  
7 commission there was bold and they struck that down to  
8 \$5.00 which is much more reasonable and makes solar  
9 viable. You have the power to do something like that  
10 here today and here in our state.

11 I urge y'all to be bold and reject this IRP.  
12 Make Duke go back to the drawing board and  
13 ultimately -- like help ensure the health of our  
14 planet and ultimately the health of our environment  
15 here in North Carolina.

16 COMMISSIONER BEATTY: Questions for  
17 Mr. Remler? (No response) Thank you very much.

18 (WHEREUPON, the witness is  
19 excused.)

20 MS. EDMONDSON: Michelle Allen.

21 MS. ALLEN: I'd like to be affirmed.

22 MICHELLE ALLEN; was duly affirmed and  
23 testified as follows:

24 MS. EDMONDSON: Please state your name and

1 address.

2 MS. ALLEN: Michelle Allen, 3227 Warm  
3 Springs Lane, and that's in Raleigh.

4 MS. EDMONDSON: Please proceed with your  
5 statement.

6 DIRECT STATEMENT

7 MS. ALLEN: So I wasn't born in North  
8 Carolina, I was born in Georgia. But two summers ago  
9 I came -- I was visiting North Carolina, and I met a  
10 woman in Charlotte and she was a cancer survivor. And  
11 her doctor told her that her cancer was caused by  
12 environmental pollution and most likely the coal plant  
13 that she lived five minutes from. It was the  
14 Riverbend Coal Plant which luckily now has been shut  
15 down but there are still many other coal plants in  
16 North Carolina that other people are suffering from.

17 I'm here because Duke needs to lead the way  
18 for renewable energy in the south and not just the  
19 south but the entire United States. Duke Energy has  
20 the ability to do that, and so I want to see Duke get  
21 its priorities straight and start putting its  
22 ratepayers first. The ones who are suffering from the  
23 rate hikes and the coal pollution, the air and water  
24 pollution, those people need to come first; not your

1 paychecks.

2 So I'm here to urge you to increase, greatly  
3 increase, the three percent over the next 20 years  
4 because that's not enough. We need more renewable  
5 energy than three percent in the next 20 years. Thank  
6 you.

7 COMMISSIONER BEATTY: Questions for  
8 Ms. Allen? (No response) Thank you very much.

9 (WHEREUPON, the witness is  
10 excused.)

11 MS. EDMONDSON: Peter Hansma.

12 MR. HANSMA: I'd like to be affirmed.

13 PETER HANSMA, II; was duly affirmed and  
14 testified as follows:

15 DIRECT STATEMENT

16 MR. HANSMA: My name is Peter Hansma. I  
17 live at 3010 Walnut Creek Parkway, Apartment E,  
18 Raleigh, North Carolina.

19 First off I'd like to say that I've been a  
20 resident of North Carolina since birth and a ratepayer  
21 for the last 20 years, and I'd like to thank you all  
22 for allowing me to speak with you. I'd also like to  
23 begin by saying I agree with every person who has  
24 spoken before me.

1 I have had the privilege of spending my life  
2 enjoying the Carolina coast, its rolling countryside,  
3 and its majestic mountains. I want our children to be  
4 able to enjoy that same privilege.

5 I'm concerned with the aggressive  
6 suppression of alternative and renewable energy  
7 sources. Specifically, Duke Energy plans minimal  
8 amounts of renewable energy and energy efficiency  
9 within the next 15 years according to the IRP.

10 In effect, Duke Energy is stating that  
11 global warming and climate change does not matter to  
12 them; they're only making it profit matters.

13 For many in our state fresh air, clean  
14 streams and serene mountains are not worth sacrificing  
15 for Duke Energy's greed. We've lost over 540 named  
16 mountains in the Appalachian trail. Ground water,  
17 rivers, and wildlife has been threatened, and air  
18 quality is creating more cases of respiratory  
19 conditions every day. We cannot continue down this  
20 road. We cannot accept the risks to our environment  
21 and we will no longer tolerate Duke Energy's excuses.

22 Instead of using ratepayers' money to build  
23 more coal, natural gas and eco-power plants, Duke  
24 Energy needs to step into the sunlight of the 21st

1 century and invest in renewable energy sources for the  
2 good of our planet. Solar and coastal wind energy are  
3 abundant in North Carolina and can provide large  
4 amounts of electricity with no fuel costs and minimal  
5 health risks to the communities and the environment.

6 We are jeopardizing our children and  
7 grandchildren's future health, environment and  
8 economic livelihood. Our planet's future is in their  
9 hands. Please don't let Duke squander it for  
10 shareholders' temporary financial comfort. Please  
11 reject the Integrated Resource Plan.

12 COMMISSIONER BEATTY: Questions for Mr.  
13 Hansma? (No response) Thank you very much, sir.

14 (WHEREUPON, the witness is  
15 excused.)

16 MS. EDMONDSON: The last name I have is  
17 Kelly Martin.

18 KELLY MARTIN; was duly sworn and  
19 testifies as follows:

20 MS. MARTIN: Nothing like being the last one  
21 standing before -- sitting --

22 MS. EDMONDSON: If you could give your name  
23 and address.

24



1 underscore a couple of thoughts as you all make your  
2 deliberations on the long-range planning of Duke  
3 Energy and Duke Energy Progress. And specifically,  
4 since I live in Asheville, I'll offer that the  
5 Asheville coal plant is one of the most expensive  
6 plants to operate in all of Duke Energy's fleet. It  
7 is a cost to the ratepayers in addition to being the  
8 largest contributor to climate change in the western  
9 part of the state and causing water pollution through  
10 its coal ash discharge. And so what I would offer  
11 here is that even -- I would share with you if you  
12 haven't seen it, is that the CEO of Duke Energy, Lynn  
13 Good, responded to the most recent coal ash disaster  
14 with the game plan for what will happen with the coal  
15 ash ponds.

16           One of the considerations for the Asheville  
17 plant is to consider retiring that plant as an option  
18 instead of converting to handling the ash dry and  
19 installing additional controls in that way. And I  
20 would offer that this is an important consideration  
21 for the ratepayers because continuing to rely on  
22 expensive coal, even as Duke Energy stated, may not be  
23 the best option for ratepayers and certainly not be  
24 the best option for the environment.

1           And, in addition to that, a similar thing at  
2 the Allen coal plant where it's one of the most  
3 expensive plants to operate in the state, it's barely  
4 operating. And so what is the cost to ratepayers to  
5 continue to rely on this? And when we look at -- I  
6 think that's relevant right now because as we're  
7 looking at the long-range planning we see a continued  
8 reliance on coal. And as many people have mentioned  
9 before a fairly small reliance on renewable energy.  
10 And as Duke comes into compliance with clean air and  
11 clean water laws it also will become an even more  
12 economical decision to reduce our reliance on burning  
13 coal.

14           So I also -- a lot of people have talked  
15 about solar tonight and I share some of those  
16 concerns, but I want to just speak to wind because not  
17 as many people have talked about renewable -- about  
18 wind energy. So wind makes up a very minuscule part  
19 of the Integrated Resource Plan yet we have an  
20 abundant coastal wind resource, and in many parts of  
21 the country right now wind is actually outperforming.  
22 It's cheaper to install a new wind farm than it is to  
23 build a new natural gas plant. And with natural gas  
24 rates as low as they are right now, that's really

1 saying something. And yet in the long-range planning,  
2 there is hardly any new winds that will be installed  
3 or any wind at all installed in this state. As many  
4 of you all know, we have no industrial wind turbines  
5 installed in this state and there is hardly a look at  
6 doing more. Yet I would argue that that's a good  
7 thing, not only for the climate and for our air and  
8 water, but also for ratepayers.

9           And so finally I would offer that I come at  
10 this as a mother of three small children. I am  
11 gravely concerned about the impacts of climate change  
12 and I -- what I see is that we are the last generation  
13 of people that can act to address climate change. The  
14 recent Intergovernmental Panel on Climate Change  
15 Report says that by the time my youngest daughter, my  
16 four-year old, is my age that the temperatures that we  
17 experience right now as the hottest temperatures will  
18 indeed feel like some of the coolest temperatures and  
19 with that comes rising sea levels. A dramatic change  
20 in the way we need to grow our food and agriculture  
21 business comes with economic insecurity, food  
22 insecurity; and these are real issues, and we are the  
23 last generation of people that can act.

24           So I know sometimes in these rooms and in

1 these proceedings it doesn't feel like we have  
2 something global at stake. And I will encourage you  
3 all through this deliberation and through your future  
4 deliberations about North Carolina's energy future to  
5 really take seriously the concerns that people have  
6 raised here tonight. And I think it is absolutely  
7 possible to balance economic concerns with clean air,  
8 clean water, and a secure climate for our future. So  
9 thank you again, Chairman and members of the  
10 Commission, for the opportunity to speak.

11 COMMISSIONER BEATTY: Are there any  
12 questions for Ms. Martin? Mr. Somers.

13 MR. SOMERS: I have one.

14 CROSS EXAMINATION

15 BY MR. SOMERS:

16 Q Ms. Martin, I appreciate that you drove three or  
17 four hours down here so I feel like I should at  
18 least ask you one question.

19 A Okay.

20 Q You talked about the potential for offshore wind  
21 in North Carolina --

22 A (Interposing) Actually, I was speaking about  
23 coastal wind. So offshore wind is a huge  
24 resource as well that I understand the economics

1 aren't quite there yet, and so I'm actually  
2 speaking about land-based coastal wind.

3 Q Okay. Thank you very much.

4 A You don't have a question on that?

5 Q Sure I will. Based on your -- you testified that  
6 you work with the Sierra Club and that you look  
7 at financial information about different  
8 generation options. Based on your most recent  
9 research, what would you say the install or  
10 capacity costs for coastal wind in North Carolina  
11 would be on our dollars --

12 A (Interposing) Well, I can't speak to North  
13 Carolina specifically because my understanding  
14 is, I mean, we don't have any yet so we don't  
15 have those real numbers. About \$3.00 a megawatt  
16 is what wind is coming in at out in a lot of  
17 places like in the most central part of the  
18 country right now.

19 MR. SOMERS: Okay. Thank you.

20 MS. MARTIN: Yep.

21 COMMISSIONER BEATTY: Other questions for  
22 Ms. Martin? (No response) Thank you very much for  
23 coming down from Asheville.

24 MS. MARTIN: Thanks.

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(WHEREUPON, the witness is  
excused.)

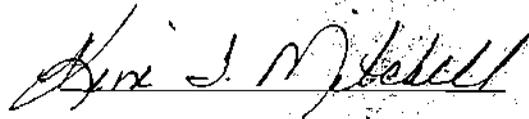
COMMISSIONER BEATTY: Is there anyone else  
in the hearing room who has not already testified and  
who wishes to testify this evening? If you would just  
stand up and let yourself be known. All right. It  
appears that no one else wishes to testify. I want to  
thank all of you who came to testify and all of those  
who came to observe and support them. If there's  
nothing else from counsel, we are adjourned.

(WHEREUPON, the hearing is  
adjourned.)

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C E R T I F I C A T E

The undersigned Court Reporter certifies that this is  
the transcription of notes taken by her during this  
proceeding and that the same is true, accurate and  
correct.



Kim T. Mitchell  
Court Reporter II