

STATE OF NORTH CAROLINA

JOSH STEIN ATTORNEY GENERAL DEPARTMENT OF JUSTICE PO Box 629 RALEIGH, NORTH CAROLINA 27602 REPLY To: DIAL: (919) 716-6000 FAX: (919) 716-6050

April 25, 2024

VIA ELECTRONIC FILING

Shonta Dunston, Chief Clerk The North Carolina Utilities Commission 4325 Mail Service Center Raleigh, NC 27699-432

Re: Letter in Lieu of Comments

In the Matter of Biennial Consolidated Carbon Plan and Integrated Resource Plans of Duke Energy Progress, LLC, and Duke Energy Carolinas, LLC, Pursuant to N.C.G.S. § 62-110.9 and § 62-110.1(c)

Docket No. E-100, Subs 179 and 190

Honorable Clerk and Commissioners:

In accordance with N.C.G.S. § 62-110.9 (Carbon Plan Statute), the Commission issued an Order Adopting Initial Carbon Plan and Providing Direction for Future Planning on December 30, 2022, in Docket No. E-100, Sub 179 (Initial Carbon Plan). The Initial Carbon Plan provided for the consolidation of the Carbon Plan and Integrated Resource Plan (IRP) processes (CPIRP, as consolidated) and required Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP; collectively with DEC, Duke), to file its first proposed biennial CPIRP, which it did in Docket No. E-100, Sub 190. Duke subsequently amended its proposed 2023 CPIRP (Amended Petition). As part of its Amended Petition, Duke requests that the Commission approve its plans to issue an Acquisition Request for Information (ARFI) in early 2025 for up to 2,400 MW of offshore wind off the coast of North Carolina.

On April 17, 2024, the Public Staff filed a Motion Requesting Issuance of Commission Order (Motion), which urges the Commission to issue an order requiring Duke to proceed with the development and issuance of the offshore wind ARFI on an expedited basis. In support, the Public Staff states:

It is imperative that Duke proceed with the development and issuance of the ARFI as soon as possible, rather than waiting until early 2025 following issuance of a final Commission order in the current CPIRP proceeding. The parties are aware of the urgency inherent in meeting the emission reduction goals set forth in [N.C.G.S. § 62-110.9] in a least-cost manner while ensuring a reliable grid. Resource planning in this context requires accurate and up-to-date resource information, and when such information must be obtained by third parties, solicitation must be conducted in a timely manner. Waiting until early 2025 to issue the ARFI, as currently planned by the Companies, will unnecessarily delay the receipt of key information necessary for examining the role of offshore wind in North Carolina's resource portfolio.

Motion at 6-7. The Public Staff also stated, among other things, that the Initial Carbon Plan directed Duke to evaluate the three wind energy areas (WEAs) off the coast of North Carolina, specifically that the Commission required Duke to:

study and consider each of the three WEAs off the coast of North Carolina before pursuing acquisition of a leasehold. This evaluation should include best estimates of all relevant costs to acquire and develop a WEA and deliver energy to the point of injection into Duke's grid. To the greatest extent practicable, this evaluation should compare the WEAs on a similar basis to one another, including a comparison of the levelized cost of energy to the point of injection into Duke's grid.

Initial Carbon Plan Order at 102. The Public Staff argues that in addition to Duke's having issued a non-binding request for information regarding the three WEAs, the additional information sought by Duke's proposed ARFI is critical and warrants expedited approval from the Commission.

On April 22, 2024, the Commission issued an Order Requesting Comments on the Public Staff's Motion (Order), to be filed with the Commission on or before April 25, 2024. The North Carolina Attorney General's Office (AGO) files this letter in lieu of formal comments.

The AGO supports the Public Staff's Motion. The AGO agrees with the Public Staff that the information that would be sought by Duke in its proposed AFRI is important enough to warrant expedited approval by the Commission and that waiting until early 2025 to issue the ARFI would delay receipt of potentially relevant information regarding the role of offshore wind in North Carolina's resource portfolio.

Sincerely,

Electronically submitted
Derrick C. Mertz
Special Deputy Attorney General

Tirrill Moore Assistant Attorney General temoore@ncdoj.gov

N.C. Department of Justice Post Office Box 629 Raleigh, NC 27602 Telephone: (919) 716-6000

Facsimile: (919) 716-6050

cc: Parties of Record

CERTIFICATE OF SERVICE

The undersigned certifies that he has served a copy of the foregoing LETTER IN LIEU OF COMMENTS upon the parties of record in this proceeding by email, this the 25th day of April, 2024.

/s/ Tirrill Moore

Tirrill Moore Assistant Attorney General