

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 128

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Investigation of Integrated Resource Planning in North Carolina - 2010) ORDER DENYING REQUEST FOR
) EVIDENTARY HEARING

BY THE COMMISSION: On or about September 1, 2010, pursuant to G.S. 62-110.1(c) and Commission Rule R8-60, biennial integrated resource plans (IRPs) were filed by the following investor-owned utilities (IOUs) and electric membership corporations (EMCs) in the above-captioned docket: Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. (PEC); Duke Energy Carolinas, LLC (Duke); Virginia Electric and Power Company, d/b/a Dominion North Carolina Power (DNCP); North Carolina Electric Membership Corporation (NCEMC); Rutherford EMC (Rutherford), Piedmont EMC (Piedmont), Haywood EMC (Haywood), and EnergyUnited EMC (EU). In addition, Renewable Energy and Energy Efficiency Portfolio Standard (REPS) compliance plans were submitted by the IOUs, GreenCo Solutions, Inc. (GreenCo),¹ Halifax EMC (Halifax), and EU.

In addition to the Public Staff, the following parties have intervened in this docket: Carolina Industrial Group for Fair Utility Rates I, II, III (CIGFUR); North Carolina Sustainable Energy Association (NCSEA), Public Works Commission of the City of Fayetteville (Fayetteville); Nucor Steel-Hertford (Nucor); North Carolina Waste Awareness and Reduction Network (NC WARN); Southern Alliance for Clean Energy (SACE); Carolina Utility Customers Association, Inc. (CUCA); and the Attorney General.

In its December 13, 2010 Petition to Intervene, SACE requested an evidentiary hearing “on issues to be identified by the Commission, which would assist the Commission and the parties in undertaking a robust investigation into utility resource planning.” On December 17, 2010, NC WARN filed a Support for Hearing, stating that it “believes that a number of issues relating to the IRPs would benefit from closer examination by the Commission, most notably the continuing inclusion of costly new baseload plants and related issues.”

On December 28, 2010, PEC moved that the Commission delay ruling on SACE’s request until SACE and NC WARN had identified elements of the electric power

¹ GreenCo filed a consolidated 2010 REPS compliance plan on behalf of Albemarle EMC, Brunswick EMC, Cape Hatteras EMC, Craven-Carteret EMC, Central EMC, Edgecombe-Martin County EMC, Four County EMC, French Broad EMC (French Broad), Haywood, Jones-Onslow EMC, Lumbee River EMC, Pee Dee EMC, Piedmont, Pitt & Greene EMC, Randolph EMC, Roanoke EMC, South River EMC, Surry-Yadkin EMC, Tideland EMC, Tri-County EMC, Union EMC, and Wake EMC.

suppliers' IRPs with which they disagree and allow parties to respond to the identification of issues. In its Motion and Response to the SACE and NC WARN Request for Evidentiary Hearing, PEC stated, in part, that:

PEC does not oppose the scheduling of an evidentiary hearing to consider the electric suppliers' of North Carolina's IRPs provided the purpose of the hearing is clearly identified and articulated. Thus, prior to the Commission scheduling such a hearing, SACE and NC WARN should be required to identify the elements of the state's electric suppliers' IRPs with which they disagree and explain the basis for their disagreement. The electric suppliers should then be given the opportunity to respond and, hopefully, allay SACE's and NC WARN's concerns. If the electric suppliers' responses do not address all of SACE's and NC WARN's concerns, then the Commission can decide whether the remaining issues deserve an evidentiary hearing.

On February 10, 2011, SACE submitted its Initial Comments, where it included among other things, a Summary of Findings listing eight issues related to the IRPs of Duke and PEC that are discussed in detail in its filing. SACE states in the introductory paragraph that its comments apply only to the biennial IRPs of Duke and PEC. In its Procedural Recommendations, SACE states that it "has attempted to raise and discuss a limited number of significant issues in the foregoing comments, and respectfully submits those issues for the Commission's consideration as possible issues on which it may wish to receive pre-filed witness testimony and conduct a hearing."

On February 11, 2011, NC WARN filed its Initial Comments on the IRPs filed by Duke and PEC. NC WARN states that, "In order to present evidence to the Commission on the issues presented in these comments, NC WARN requests a hearing on the merits." NC WARN then goes on to list and discuss a number of distinct issues including the need for baseload power plants, load growth projections, costs of nuclear plants, and energy efficiency.

On March 1, 2011, both Duke and PEC filed Reply Comments wherein each addressed the issues raised by both SACE and NC WARN. Duke states:

No evidentiary hearing is required or necessary in this proceeding based on the issues raised by the Intervenor. Last year, the Commission conducted a full evidentiary hearing on the utilities' full 2008 and 2009 IRPs and REPS compliance plans, and another hearing on primarily the same issues the intervenors raised with respect to those prior IRPs is unnecessary.

PEC argues that SACE has incorrectly represented that PEC does not oppose the request for an evidentiary hearing. PEC states that, "SACE has not clearly identified or articulated any new issues that PEC has not addressed. PEC disagrees with SACE on the need for an evidentiary hearing."

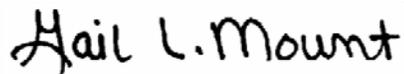
The Commission notes that a full evidentiary hearing was held in March 2010, to examine the 2009 IRPs of Duke, PEC, and DNCP, with both SACE and NC WARN taking part as full participants. The Commission has reviewed the record in this proceeding and finds that the substantive issues raised by SACE and NC WARN in their Initial Comments have been addressed by Duke and PEC in their respective Reply Comments. The IRPs and written comments filed by the parties to this proceeding, which constitute the record to be considered by the Commission, contain sufficient detail to allow the Commission to decide all contested issues without the necessity of an evidentiary hearing. While the Commission fully supports the use of evidentiary hearings in situations where warranted, no compelling need has been demonstrated by SACE and NC WARN in this case. Accordingly, the request for an evidentiary hearing on the IRPs of Duke and PEC, as requested by SACE and NC WARN, is denied. The Commission will proceed to decide this matter based upon the written record as it currently exists.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION

This the 14th day of April, 2011.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Gail L. Mount". The signature is written in a cursive, slightly slanted style.

Gail L. Mount, Deputy Clerk