

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 190
DOCKET NO. E-2, SUB 1318
DOCKET NO. E-7, SUB 1297
DOCKET NO. EC-67, SUB 55

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-100, SUB 190)
)
In the Matter of)
Biennial Consolidated Carbon Plan and)
Integrated Resource Plans of Duke Energy)
Carolinas, LLC, and Duke Energy)
Progress, LLC, Pursuant to N.C.G.S.)
§§ 62-110.1(c) and 62-110.9)
)
DOCKET NO. E-2, SUB 1318)
DOCKET NO. EC-67, SUB 55)
)
In the Matter of)
Joint Application of Duke Energy Progress,)
LLC, and North Carolina Electric)
Membership Corporation for a Certificate of)
Public Convenience and Necessity to)
Construct a 1,360 MW Natural Gas-Fueled)
Combined Cycle Electric Generating Facility)
in Person County, North Carolina)
)
DOCKET NO. E-7, SUB 1297)
)
In the Matter of)
Application of Duke Energy Carolinas, LLC,)
for a Certificate of Public Convenience and)
Necessity to Construct an 850 MW Natural)
Gas-Fired Combustion Turbine Electric)
Generating Facility in Catawba County,)
North Carolina)

ORDER DENYING MOTION TO
CONSOLIDATE

BY THE CHAIR: On March 14, 2024, in Docket No. E-7, Sub 1297, Duke Energy Carolinas, LLC, (DEC), filed an Application for a Certificate of Public Convenience and Necessity to Construct an 850 MW Natural Gas-Fired Combustion Turbine Electric Generating Facility in Catawba County, North Carolina (Marshall CPCN).

On March 15, 2024, DEC and Duke Energy Progress, LLC, (DEC, together with DEP, Duke), filed a Motion to Consolidate seeking to consolidate the application for a CPCN filed by DEC in Docket No. E-7, Sub 1297 on March 14, 2024, with a CPCN application to be filed in Docket No. E-2, Sub 1318 and the 2023 biennial Carbon Plan and Integrated Resource Plan (CPIRP) proceeding in Docket No. E-100, Sub 190.

On March 28, 2024, in Docket Nos. E-2, Sub 1318 and EC-67, Sub 55, DEP and the North Carolina Electric Membership Corporation (NCEMC) filed a Joint Application for Certificate of Public Convenience and Necessity to Construct a 1,360 MW Natural Gas-Fueled Combined Cycle Electric Generating Facility in Person County, North Carolina (Roxboro CPCN).

In its Motion to Consolidate, Duke argues, primarily, that because the Commission's "consideration of CPCN applications is driven by assessment of need under the CPIRP, as directed by N.C. Gen. Stat. § 62-110.1(c) and (e) and the Commission's development of a plan and selection of resources under N.C.G.S. § 62-110.9[,]," consolidation is appropriate. Duke goes on to assert that a significant overlap of factual and legal issues between the dockets involving the Marshall CPCN, the Roxboro CPCN, and the CPIRP warrants consolidating the three dockets in the interest of regulatory efficiency.

Duke asserts that regardless of whether the Commission elects to consolidate the dockets, a coordinated procedural schedule is necessary for the efficient management of the dockets. Duke notes that N.C.G.S. § 62-82(a) establishes specific scheduling requirements for CPCN applications. However, Duke recommends a procedural schedule that incorporates the procedural schedule previously established for the CPIRP, coordinates the requirements of all three dockets, and commences the expert witness hearings for the CPCN applications subsequent to the CPIRP.

Although regulatory efficiency is of serious concern to the Commission — particularly in light of the ambitious and expedited statutory timeframes for the CPIRP proceeding and for the CPCN proceedings — the Commission is not persuaded that Duke's motion to consolidate the three proceedings should be granted. Underlying the Commission's decision is that each proceeding involves separate, distinct statutory requirements and will involve separate, distinct factual issues, even though there may be some overlap. Thus, the Commission, in fulfilling its statutory duties in each proceeding, determines that it is necessary to develop separate, distinct records for each proceeding. The Commission concludes that this approach is consistent with its Order Adopting Initial Carbon Plan and Providing Direction for Future Planning (Initial Carbon Plan Order) issued on December 30, 2022, in Docket No. E-100, Sub 179 which indicated that "[t]he Commission will consider and give appropriate weight to approval of a generation resource for planning purposes in a Carbon Plan proceeding in a future CPCN proceeding but will consider that factor in addition to all other evidence the law requires." Initial Carbon Plan Order at 25. To avoid unnecessarily duplicative litigation and the inefficient use of the Commission's and parties' resources, the Commission will consider the issues of the general availability of interstate transportation capacity for natural gas into North Carolina in the CPIRP proceeding, as well as assumptions regarding the development of a hydrogen market or hydrogen production, consistent with the

Initial Carbon Plan Order. Initial Carbon Plan Order at 78-79, Ordering Paragraphs 15-17. The Commission will consider, in the separate CPCN proceedings, additional factual issues specific to each proposed facility beyond the general availability of interstate transportation capacity for natural gas, such as, for example, siting and permitting information, cost information, projected impact to revenue requirement and rates, and other specific information regarding the construction process. See *generally* Commission Rule R8-61.

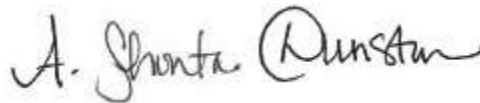
While not persuaded that consolidation is appropriate, the Commission is persuaded that a coordinated schedule is necessary to accomplish its duties efficiently and consistent with the intent of the timeframes established by the statutes. For this reason, while not prejudging the outcome of the CPIRP proceeding and whether new natural gas-fired generating facilities are part of the least cost path to achieve compliance with the authorized carbon reduction goals in N.C.G.S. § 62-110.9, the Commission will consider the procedural schedule proposed by Duke in its motion. The Commission will issue separate procedural orders in the relevant dockets that largely align with the schedule proposed by Duke, with some revisions to account for the schedule of the Commission.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 10th day of April, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "A. Shonta Dunston". The signature is written in a cursive, flowing style.

A. Shonta Dunston, Chief Clerk