

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-100, SUB 179

In the Matter of:)
Duke Energy Progress, LLC and)
Duke Energy Carolinas, LLC) MOTION FOR EXTENSION OF
2022 Biennial Integrated) TIME TO FILE COMMENTS AND
Resource Plans and Carbon Plan) EXPERT REPORT
)

Pursuant to N.C. Gen. Stat. § 62-80 and North Carolina Utilities Commission (“Commission”) Rule R1-7, the North Carolina Sustainable Energy Association (“NCSEA”), the Southern Alliance for Clean Energy (“SACE”), the Sierra Club, and the Natural Resources Defense Council (“NRDC”) (collectively, “Movants”) respectfully request that the North Carolina Utilities Commission (“Commission”) extend the time for Movants to file certain comments on the proposed carbon plan filed on May 16, 2022 by Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, “Duke”) and their own proposed alternative carbon plan by one week, to Friday, July 22, 2022. In support of this motion, Movants provide the following information:

1. The Commission’s November 19, 2021, *Order Requiring Filing of Carbon Plan and Procedural Deadlines*, as modified by the Commission’s November 29, 2021, *Order Granting Extension of Time*, required Duke to file a proposed Carbon Plan on May 16, 2022, and provided that the Public Staff and any other intervenor may file a plan or report of its own, or an evaluation of or comments on Duke’s proposed Carbon Plan, by July 15, 2022.

2. Movants jointly retained the firm of Synapse Energy Economics, Inc. (“Synapse”) to review the modeling used to develop Duke’s proposed Carbon Plan, which employed a capacity expansion and production cost modeling software called EnCompass, to perform its own modeling using EnCompass, and to develop a report based on the results of its analysis.

3. In its March 22, 2022, Order Regarding Data Inputs and Assumptions, and Scheduling Additional Update on Stakeholder Process Sufficiency, the Commission ordered, among other things, that “Duke shall provide complete Encompass input and output data files [to] intervenors, upon request and subject to any necessary confidentiality agreements.”

4. Duke filed its proposed Carbon Plan and related documents on May 16, 2022. On that date, Duke also produced a number of EnCompass input and output files (known as “datasets”) to Movants and other parties.

5. As reported in Movants’ July 8, 2022, informational filing with the Commission, Synapse encountered numerous technical difficulties and discrepancies in performing EnCompass modeling using the datasets produced by Duke. With information from Duke’s technical experts and after extensive troubleshooting, the Synapse team was able to narrow the discrepancies enough to be able to move forward with its modeling analysis using EnCompass version 6.0.9, the latest version available. As of July 12, 2022, Synapse was “on track” to provide a draft report to Movants that could be finalized in time to meet the July 15, 2022 deadline.

6. On the evening of July 12, 2022, Synapse's lead analyst on the project, Tyler Fitch, in attempting to understand the reason for some unexpected modeling results, discovered an apparent problem with the way EnCompass version 6.0.9 was modeling the fuel burned by coal units capable of dual-fuel operation. On the morning of July 13, 2022, Mr. Fitch was able to confirm with a representative of the EnCompass vendor, Anchor Power Solutions, that there is in fact a "bug" in version 6.0.9 of EnCompass in which the coal-blending ratio for dual-fuel-operation units was repeatedly reset to zero. As a result of this software error, EnCompass assumed Duke's dual-fuel-operation units were fired by 100 percent natural gas, contrary to the "real-world" limitations on some units that can only burn a lower percentage of gas. According to the vendor representative, Anchor Power Solutions was only made aware of this software bug on July 12, 2022, and the error would be fixed in a version that was to be released yesterday.

7. The software bug discovered on July 12, 2022 and confirmed by the vendor yesterday caused erroneous results. Correcting these results will require new capacity expansion and production cost modeling runs using a different version of EnCompass (either reverting to a prior version or using the new version to be released by Anchor Power today), a re-do of the usual post-modeling quality assurance checks and extensive revisions to Synapse's report. In order to provide the Commission with the most accurate depiction of a least-cost carbon reduction scenario that meets the requirements of S.L. 2021-165 ("House Bill 951"), Movants respectfully request an extension until July 22, 2022 to file Synapse's report and any comments needed to contextualize the report. Even if such an extension is

granted, Movants plan to file their remaining initial comments and other expert reports not implicated by the software error on July 15, 2022.

8. It is Movants' understanding that other intervenors using EnCompass to develop their comments and/or alternative Carbon Plan proposals were using an older version of the software, and accordingly, do not need to seek an extension based on the software bug issue.

9. Undersigned counsel has contacted the other parties to this proceeding regarding their positions on this motion. As of the time of filing, the parties had responded as follows: Duke does not object but reserves the right to modify/supplement the Issues List by Tuesday, July 26, 2022, pending review of the materials that Movants file on July 22, 2022. The Attorney General's Office, the Public Staff – North Carolina Utilities Commission, the Tech Customers, Walmart, Carolinas Clean Energy Business Alliance, Clean Power Suppliers' Association, Avangrid Renewables, NC WARN, Fayetteville Public Works Commission, the Pork Council, Carolina Industrial Group for Fair Utility Rates, Person County, Broad River Energy, Clean Energy Buyers Association and the City of Charlotte do not oppose or object to this motion. Appalachian Voices, Brad Rouse, Environmental Working Group, and the N.C. Council of Churches support this motion.

For the above-stated reasons, Movants respectfully request that the Commission extend the time for Movants to file comments on Duke's proposed carbon plan and/or their own proposed alternative carbon plan based on the above-described Synapse analysis by one week, to Friday, July 22, 2022.

Respectfully submitted, this the 14th day of July, 2022.

s/ Gudrun Thompson
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CERTIFICATE OF SERVICE

I hereby certify that all persons on the docket service list have been served true and accurate copies of the foregoing filing by hand delivery, first class mail deposited in the U.S. mail, postage pre-paid, or by email transmission with the party's consent.

This the 14th day of July, 2022.

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