

Comments for Consideration by the NCUC and Public Staff
Regarding Brad Rouse Comments on Short Term Optimization

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This document is in support of a filing by Brad Rouse on June 27 on Docket E-100 Sub 190 CS on the topic of Short Period Optimization. That filing identified and explained a critical shortcoming of the Duke Energy CPIRP analytical approach, and the filing offered practical recommendations to address the issue. These remedies can be ordered by the Commission in this CPIRP cycle without causing delay and without requiring significant re-analysis by Duke Energy.

The Short Period Optimization issue and the recommendations of Mr. Rouse can be summarized as:

- Duke Energy claims that Pathway P3 optimizes cost, carbon reduction, and risk.
- Mr. Rouse explains that Duke Energy's optimization of *cost versus year of 70% carbon reduction* is wrong: 7 years of modeling is too short, and other Duke constraints will bias results even with an optimization period longer than 7 years.
- Mr. Rouse recommends Near Term Actions (NTAs) to enhance the modeling process: 26-year optimization and removal of numerous dubious constraints on the selection of renewables:
- Mr. Rouse also proposes an Expert Advisory Group to specify enhancements to Duke Energy's analytics and decision-making process to accomplish a useful optimization.

I concur that these NTAs and the Expert Advisory Group are important and appropriate enhancements for December 2025.

In order to ensure CPIRP effectiveness, I would further recommend that the Commission order Duke Energy to fully retain updated pathways P1 and P2 in the CPIRP, including NTAs that support those pathways, as well as Duke Energy's preferred updated pathway P3. This more robust set of alternative pathways and comprehensive set of NTAs will support the improved analytics resulting from Mr. Rouse's recommendations above.

All of the above comments are consistent with a larger set of recommended enhancements to the CPIRP that I submitted (April 30, 2024 on Docket E-100 Sub 190 in Official Exhibits for Hearing in Charlotte, pages 70-79, testimony by John Gaertner) and additional comments (June 14, 2024 on Docket E-100 Sub 190 CS, Consumer Statement of John Gaertner). I urge the Commission to further consider those important recommendations in light of what we have learned from intervenor testimony submitted on May 28 and what was presented at the June 17 Intervenors' Technical Conference.

Thank you for your consideration of my comments above.