

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-100, SUB 179

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Duke Energy Progress, LLC,)	TOTALENERGIES RENEWABLES
and Duke Energy Carolinas, LLC)	USA, LLC'S PARTIAL PROPOSED
2022 Biennial Integrated)	ORDER
Resource Plans and Carbon Plan)	

Pursuant to the oral order entered by Chair Charlotte Mitchell in open hearing on September 29, 2022, and the Notice of Due Date for Proposed Orders and/or Briefs issued on October 4, 2022, TotalEnergies Renewables USA, LLC (“TotalEnergies”) respectfully submits the following partial proposed order in the above-captioned docket regarding the proposed Carbon Plan of Duke Energy Progress, LLC and Duke Energy Carolinas, LLC (collectively, “Duke”).

Proposed Commission Findings of Fact

1. Of the three identified long-term technologies for achieving decarbonization of electricity production by 2050, offshore wind represents a technology currently installed and engaged in commercial operation, and the only long-term resource class for which the general location of regional production sites in the Southeast have been determined.
2. Offshore wind and solar have highly complementary load curves which provide a stable load profile throughout a full 24-hour interval as well as when considering summer and winter generation profiles of offshore wind and solar.
3. Selection of a goal of not less than 2.8 GW of undesignated offshore wind resources in this proceeding is consistent with Executive Order 218, and will incentivize immediately necessary regional transmission planning activities and the development of other onshore support resources with significant lead-times.
4. The concurrent, coordinated development of both Carolina Long Bay lease areas will produce substantial long-term savings for the development of both sites, to the benefit of future retail electric ratepayers in this State or region, and also will encourage onshore jobs and development activities along the coasts of the Carolinas.

5. Offshore wind from federal leases OCS-A 0545 and OCS-A 0546 can produce 2 to 3 GW of low-cost offshore wind capacity and can be available to North Carolina, in line with the Carbon Emission Reduction targets of H.B. 951 and Executive Order 218.

Proposed Commission Conclusions – Selection of Resources

The Commission agrees with the view expressed by TotalEnergies and other intervenors that H.B. 951 does not require the Commission to select a particular generation mix, or portfolio option, at this stage. The statute also does not require the Commission to select a range of proposed production portfolios, particularly when doing so at this early juncture may violate least cost planning principles to the extent the selected range of portfolio resource classes include classes that rely on technology that is still in development to meet H.B. 951’s goal of carbon neutrality by 2050. However, the Commission’s initial Carbon Plan should select short-term generation resource classes that are currently technologically viable, in order to allow immediately for long term resource and transmission planning in the State and the region. Specifically, offshore wind, as a resource class, is a zero-carbon production class that employs an established, proven technology presently being used commercially to produce and deliver electric power.

Proposed Commission Conclusions – Application of Least Cost Principles to Carbon Plan

The Commission shares the view expressed by the Tech Customers, CUCA, Avangrid, and TotalEnergies that H.B. 951 does not override traditional least-cost principles that must be applied in North Carolina when planning for new generation. H.B. 951 expressly provides that “the Commission shall ... [r]etain the discretion to determine optimal timing and generation and resource-mix to achieve the least cost path to compliance with the authorized carbon reduction goals”.¹ In addition, the Commission shall “[c]omply with current law and practice with respect to the least cost planning for generation, pursuant G.S. 62-2(a)(3a), in achieving the authorized

¹ N.C. Session Law 2021-165, § 1(4).

carbon reduction goals and determining generation and resource mix for the future.”² We agree that the statute reaffirms the Commission’s use of least cost principles and planning, which requires the consideration of all resource options.

Proposed Commission Conclusions – Offshore Wind Development Goal

Applying least cost planning to long-lead time generation assets, the Commission finds that it is reasonable to select and set a development goal of 2.8 gigawatts for the long-term resource class of offshore wind production by 2030. Setting this long-term development goal in this proceeding allows the existing lease winners and other stakeholders to commence during 2023 and 2024 transmission planning and other onshore pre-construction development activities, while allowing for concurrent, cooperative development at the two contiguous sites.

IT IS, THEREFORE, ORDERED that the Commission’s 2022 Carbon Plan shall include the following long-term resource classes: offshore wind.

1. Duke, through DEP or its successor, shall plan its transmission facilities to receive and transmit the output equivalent to 2.8 GW of offshore wind generation, to be procured by no later than 2030, and sourced from offshore wind sites currently leased off the North Carolina coast.
2. Duke shall provide for consideration of all resource options consistent with the State’s least cost planning principles.
3. Duke shall prepare and file updated proposed portfolio options with its next IRP proceeding and Carbon Plan update consistent with the foregoing order.

² N.C. Session Law 2021-165, § 1(2).

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of December, 2022.

NORTH CAROLINA UTILITIES COMMISSION

Shonta Dunston, Chief Clerk

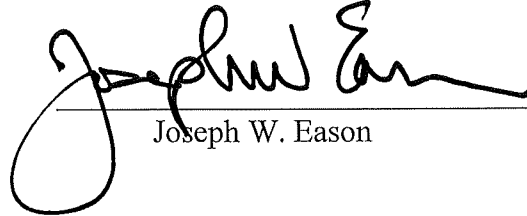
OFFICIAL COPY

Oct 24 2022

CERTIFICATE OF SERVICE

The undersigned attorney for TotalEnergies Renewables USA, LLC, hereby certifies that he served the foregoing Partial Proposed Order upon the parties of record in this proceeding by electronic mail and/or depositing copies in the United States mail, postage prepaid.

This 24th day of October, 2022.



Joseph W. Eason