

1 PLACE: Dobbs Building, Raleigh, North Carolina

2 DATE: Monday, March 7, 2022

3 TIME: 10:00 a.m. - 12:00 p.m.

4 DOCKET NO: E-100, Sub 179

5 BEFORE: Chair Charlotte A. Mitchell, Presiding

6 Commissioner ToNola D. Brown-Bland

7 Commissioner Lyons Gray

8 Commissioner Daniel G. Clodfelter

9 Commissioner Kimberly W. Duffley

10 Commissioner Jeffrey A. Hughes

11 Commissioner Floyd B. McKissick, Jr.

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13  
14 IN THE MATTER OF:

15 Duke Energy Progress, LLC, and

16 Duke Energy Carolinas, LLC,

17 Stakeholder Meeting Update  
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NORTH CAROLINA UTILITIES COMMISSION

1 A P P E A R A N C E S:

2 FOR DUKE ENERGY PROGRESS, LLC, AND DUKE ENERGY  
3 CAROLINAS, LLC:

4 Jack Jirak, Esq., General Counsel

5 Brett Breitschwerdt, Esq.

6 Rebecca Dulin, Esq., Director of Stakeholder  
7 Engagement

8

9 FOR CLEAN POWER SUPPLIERS ASSOCIATION:

10 Ben Snowden, Esq.

11

12 FOR NORTH CAROLINA SUSTAINABLE ENERGY ASSOCIATION:

13 Peter Ledford, Esq.

14

15 FOR CAROLINA INDUSTRIAL GROUP FOR FAIR UTILITY  
16 RATES II & III:

17 Christina Cress, Esq.

18

19 FOR CAROLINA CLEAN ENERGY BUSINESS ALLIANCE:

20 John Burns, Esq.

21

22 FOR ATTORNEY GENERALS OFFICE:

23 Margaret Force, Esq.

24

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1 FOR SOUTHERN ALLIANCE FOR CLEAN ENERGY, THE SIERRA  
2 CLUB, AND THE NATURAL RESOURCES DEFENSE COUNCIL:  
3 Gudrun Thompson, Esq.  
4

5 FOR PUBLIC STAFF:

6 Nadia Luhr, Esq.

7 Jay Lucas, Engineer, Energy Division  
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NORTH CAROLINA UTILITIES COMMISSION

## P R O C E E D I N G S

CHAIR MITCHELL: Good morning. Let's come to order and go on the record, please. I'm Charlotte Mitchell, Chair of the Utilities Commission. With me this morning are Commissioners Brown-Bland, Gray, Clodfelter, Duffley, Hughes, and McKissick.

Session Law 2021-165 directs the Commission to develop by no later than December 31st, 2022, a Carbon Plan that takes reasonable steps to reduce carbon dioxide emissions in this state from electric generating facilities owned or operated by Duke Energy Progress and Duke Energy Carolinas by 70 percent from 2005 levels by 2030 and to achieve carbon neutrality by 2050.

On November 29th, 2021, the Commission ordered Duke to file a proposed Carbon Plan by no later than March 16th, 2022.

Session Law 2021-165 further requires the development of the Carbon Plan include stakeholder input. The Commission has ordered Duke to conduct at least three stakeholder meetings prior to May 13th, 2022. The first of these meetings occurred on January 25th, 2022, and the second meeting occurred

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1 on February 23rd, 2022. These meetings have been  
2 moderated by a third-party facilitator, Great Plains  
3 Institute.

4 The Commission intends to closely monitor  
5 the stakeholder process and as a result we're here  
6 this morning for the purpose of receiving a second  
7 update on the sufficiency of this stakeholder  
8 process. This session is being transcribed and the  
9 transcription will later be filed in the docket.

10 We'll start first with Duke's update which  
11 should not exceed 10 minutes in duration, and  
12 following Duke's update we'll take questions from  
13 the Commissioners if they have any. Next, the  
14 Public Staff will provide its update which should be  
15 limited to five minutes and we'll also take  
16 questions from the Commissioners should there be  
17 any.

18 Intervenors to this proceeding have also  
19 been given the opportunity to update the Commission  
20 and those who've preregistered to do so will be  
21 allowed five minutes and also may be asked questions  
22 by the Commission.

23 The following intervenors have  
24 preregistered to provide us with updates: The North

1 Carolina Sustainable Energy Association; The Clean  
2 Power Suppliers Association; The Carolinas Clean  
3 Energy Business Association; the Attorney General's  
4 Office; the Southern Alliance for Clean Energy, the  
5 Sierra Club, and the Natural Resources Defense  
6 Council, appearing jointly. We'll refer to them as  
7 SACE. And, in addition, the Carolina Industrial  
8 Group for Fair Utility Rates II and III filed a  
9 letter in this docket in lieu of providing a verbal  
10 update today, though counsel for CIGFUR has  
11 indicated that she'll be available for questions  
12 from Commissioners should you-all have any.

13 As I stressed the first time around I'd  
14 like to stress again, the purpose of today's  
15 proceedings is for you-all to update the Commission  
16 on the sufficiency of the stakeholder process and  
17 respond to questions from the Commissioners on the  
18 same. Please do your best to limit your comments to  
19 the process and do not go into the substantive  
20 matters that you-all are discussing in the  
21 stakeholder process. If anyone gets too far afield,  
22 I will ask that you bring it back to process.

23 With that, we'll get started. And  
24 actually, for the record, let's just have you-all

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1 introduce yourselves so that we're clear who all was  
2 here today, and we'll start with Duke. Mr. Jirak?

3 MR. JIRAK: Thank you, Chair Mitchell,  
4 Commissioners. Jack Jirak on behalf of Duke Energy.  
5 I'm joined by co-counsel Brett Breitschwerdt with  
6 the Law Firm of McGuireWoods and Rebecca Dulin.

7 CHAIR MITCHELL: Good morning. Let's go  
8 with the intervenors.

9 MS. FORCE: Good morning. I'm sorry (to  
10 Mr. Burns). Good morning. My name is Margaret  
11 Force with the Attorney General's Office.

12 MR. BURNS: John Burns with Carolina's  
13 Clean Energy Business Association.

14 MR. SNOWDEN: Ben Snowden with the Law  
15 Firm of Fox Rothschild here for the Clean Power  
16 Suppliers Association.

17 MS. CRESS: Good morning. Christina Cress  
18 with the Law Firm of Bailey & Dixon here on behalf  
19 of CIGFUR.

20 MR. LEDFORD: Good morning. Peter Ledford  
21 with the North Carolina Sustainable Energy  
22 Association.

23 MS. LUHR: Nadia Luhr with the Public  
24 Staff.

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1 MS. THOMPSON: Good morning, Chair  
2 Mitchell and Members of the Commission. Gudrun  
3 Thompson with the SACE.

4 CHAIR MITCHELL: Good morning to all of  
5 you. Duke, you're up.

6 MR. JIRAK: Good morning again. We  
7 appreciate this opportunity. I'm going to quickly  
8 turn things over to Rebecca and then I'm going to  
9 tag-team in with a few closing thoughts. And, as we  
10 did last time we'll try to reserve a few minutes if  
11 possible, and if the Commission would find it  
12 helpful to respond to any issues that are raised  
13 during the course of this discussion. So, with  
14 that, I'll turn it over to Rebecca.

15 MS. DULIN: Great. Thank you, Jack. Good  
16 morning, Chair Mitchell, Commissioners. I'm Rebecca  
17 Dulin and I am the Director of stakeholder  
18 Engagement for Duke Energy for our work related to  
19 the Carbon Plan. It's a pleasure to be in front of  
20 you this morning in real life. We met briefly  
21 through the television screen, TV screen last week,  
22 I'm sorry, last month, and so it's a pleasure to be  
23 with you again today and to provide you an update on  
24 the stakeholder engagement efforts that Duke has



1 been undertaking and essentially where we are in the  
2 process and what has transpired since the last time  
3 that we spoke.

4           The last time that I talked to you we were  
5 in the process of creating some technical subgroups  
6 to be held and those did take place on  
7 February 18th. And the purpose of those meetings  
8 was we'd heard from stakeholders that they wanted to  
9 have an opportunity to have a deeper dive into some  
10 of the more technical modeling assumptions with  
11 their experts having an opportunity to talk with  
12 Duke's experts in a forum that just really wasn't  
13 possible in the large stakeholder meeting that we  
14 had at the end of January, because if you recall we  
15 had about 450 people in that meeting.

16           And so we created these smaller technical  
17 subgroups as I mentioned to you last time and as I  
18 said those were held on February 18th. We did three  
19 meetings back to back in one day. And in order to  
20 strike this balance of allowing anyone who wanted to  
21 listen or observe have that opportunity, but also to  
22 allow for smaller more detailed conversations, we  
23 had stakeholders propose technical panelists that  
24 would represent their particular organization or

1 interest. And so those stakeholder panelists, there  
2 were about, oh, eight to 12 stakeholder panelists  
3 that were designated for each of the panels and then  
4 Duke had its own stakeholder -- I'm sorry, Duke had  
5 its own technical panelists as well. And so these  
6 meetings allowed for a conversation between these  
7 experts if you will and also allowed for everyone to  
8 attend and observe and for those observers to put  
9 questions into the chat, and so we felt like that  
10 was a very successful meeting. We had about 200  
11 people observe the meeting external stakeholders,  
12 external to Duke, observe the meeting. And we  
13 learned a lot of really valuable information that we  
14 were then able to take back and incorporate into our  
15 modeling assumptions and the development of those  
16 assumptions that is underway right now. So, I think  
17 that was a really great experience and opportunity  
18 to have meaningful information gained and hopefully  
19 meaningful information learned from the other side  
20 as well.

21 Also, on February 23rd, we hosted our  
22 second large stakeholder meeting. Last time we had  
23 about 450 people attend. This time we had about 375  
24 people attend. So, a little bit less but still a

1 really, really robust stakeholder effort.

2 In the first large stakeholder meeting, I  
3 would say it was rather Duke presentation focused  
4 because of the nature of it being the first meeting.  
5 We had a lot of information that we would like to  
6 convey to stakeholders and, by virtue of that, it  
7 was challenging to have as much back and forth  
8 dialogue in that meeting as we would like to have,  
9 and so that was important to us going into the  
10 second stakeholder meeting. We had a lot more  
11 opportunity to engage in that dialogue. Also, in  
12 the afternoon session that was about three or three  
13 and a half hours, we had six slides to cover and  
14 that was it. So, we really wanted to have the  
15 conversation with stakeholders around important  
16 topics like the developing evaluation criteria that  
17 Duke was looking at for portfolio evaluation or  
18 factors that may drive certain portfolio  
19 development.

20 We also spent time in the morning  
21 answering stakeholder questions that we had received  
22 and grouping those. We had grouped those into  
23 themes and spent about an hour going through those  
24 questions to address some of the issues that came up

1 that we were seeing fanatically. So, a very good  
2 overall meeting and great participation from  
3 stakeholders.

4 The next meeting that we've had is on  
5 March 3rd, just recently. We held a smaller meeting  
6 of the EE DSM collaborative which is a North  
7 Carolina/South Carolina stakeholder group that's  
8 been working together for a long time. And so we  
9 had a meeting of that collaborative dedicated to,  
10 just to the Carbon Plan, and that was held last  
11 Thursday.

12 And our next meeting is scheduled for  
13 March 22nd, and we are working through exactly what  
14 the content of that meeting will be right now, but  
15 we are planning to share with stakeholders more  
16 details around the portfolio development. We  
17 understand that's of significant interest of course.  
18 And so you'll see the information that we're  
19 providing to stakeholders grow in granularity and  
20 detail as we progress.

21 So, just to reserve some time for  
22 Mr. Jirak, I'll say we greatly appreciate being here  
23 today. Appreciate the inner activity that we've had  
24 with stakeholders and the information that we're

1 learning from them and the feedback that we've been  
2 able to take back and incorporate into our  
3 development of the Carbon Plan. Thank you.

4 CHAIR MITCHELL: Go ahead, Mr. Jirak.

5 MR. JIRAK: Thank you. So, just to follow  
6 on - thanks Rebecca, for the great overview of what  
7 we've accomplished over the past month or so. I  
8 think as you've seen and if you've taken a look at  
9 the GPI reports, we've devoted substantial resources  
10 to the preparation and hosting of these stakeholder  
11 meetings and we sincerely appreciate all of the  
12 engagement we've gotten from stakeholders.

13 And again, I think the GPI report tells a  
14 great story. If you look at it closely you will see  
15 the extent of substantive, technical back and forth  
16 that has occurred in these stakeholder meetings.  
17 You'll see the opportunities given for parties to  
18 express their viewpoints. And you'll see the  
19 substantial Q and A's that occurred in the most  
20 recent stakeholder meeting around very important  
21 topics that are going to be key to the Carbon Plan  
22 development.

23 And while we certainly received some  
24 positive feedback about the stakeholder engagement,

1 I want to also acknowledge the critiques that we've  
2 heard in the stakeholder space about what we've done  
3 on the stakeholder engagement for the Carbon Plan,  
4 and I suspect you'll probably hear some of those  
5 perspectives this morning as well, and we saw them  
6 in the written comments as well.

7 So, I want to take just a few minutes to  
8 address some of those concerns and critiques here.  
9 And I would group them into kind of two big  
10 categories: One would be a desire for more  
11 stakeholder meetings, and the second would be a  
12 desire for more information in advance of the Carbon  
13 Plan filing. So, that's kind of how we, kind of,  
14 would group the two, the two themes we hear emerging  
15 from some of the critiques we've heard. Let me  
16 start with those and take those in turn. I'll start  
17 with Duke should be hosting more stakeholder  
18 meetings.

19 I think the first important thing to note  
20 for the Commission's benefit is that our stakeholder  
21 engagement didn't begin with the Carbon Plan and  
22 it's not going to end with the filing of the  
23 proposed Carbon Plan. You know, I would say that  
24 the extent of our stakeholder engagement across

1 virtually every aspect of the Company's operations  
2 over the past two years is really unprecedented in  
3 the regulatory space in the Carolinas. And we are  
4 hearing from our stakeholders on almost everything  
5 we do and that's a good thing. We are very glad to  
6 be receiving that feedback. But I think it's  
7 important to recognize the totality of our  
8 stakeholder engagement. And the fact that the  
9 stakeholder engagement, even outside of the Carbon  
10 Plan, is going, where it's applicable, going to  
11 inform development of the Carbon Plan. And then if  
12 things that happen with the Carbon Plan inform or  
13 impact some of the other stakeholder process, that  
14 will continue after the Carbon Plan. There's just a  
15 symbiotic relationship there across all of our  
16 stakeholder engagement efforts.

17 And so we take stakeholder engagement  
18 seriously, and I think you see that in the number of  
19 cases over the past two years where we've worked  
20 through the stakeholder process to get to really  
21 constructive consensus outcomes on sometimes very  
22 contentious or complex issues. So, I don't think  
23 there's any doubt that we take stakeholder  
24 engagement seriously and we've leveraged it in

1 appropriate ways in the regulatory process.

2 But stakeholder processes have to be  
3 reasonably balanced with the time and resources that  
4 Duke needs to devote to actually doing the work, to  
5 doing the analysis, to preparing filings, to keeping  
6 the lights on; those are the things we're  
7 responsible for at the end of the day and we don't  
8 have unlimited resources. Everyday that our  
9 modelers, our forecasters, our technical experts are  
10 preparing slides and presenting to stakeholders is a  
11 day they don't have to prepare the Carbon Plan  
12 itself.

13 Again, we recognize and value the input of  
14 stakeholders. We recognize the need to get  
15 stakeholder input in order to do that work, but  
16 there has to be a balance here. And we believe that  
17 what we've achieved in the stakeholder front and  
18 what we're doing in the stakeholder process,  
19 prefiling, is striking that right balance in terms  
20 of amount of time and resources dedicated to the  
21 respective obligations of the Company.

22 So, I want to turn next to the, sort of,  
23 second concern, which was that Duke should be  
24 sharing more information in advance of the filing



1 and this kind of comes with a couple of different  
2 flavors. Some folks have asked that Duke be  
3 required to respond to formal written discovery in  
4 parallel with preparation to the Carbon Plan, others  
5 have asked that we provide a draft Carbon Plan  
6 in advance of the filing, and then others have sort  
7 of raised just generalized concerns with lack of  
8 transparency.

9 So, let me start on that point by making  
10 one thing very clear which is we do not have a  
11 Carbon Plan right now. We asked this Commission for  
12 an extension of time to May 16th, because I'm  
13 confident we're going to need every day of that time  
14 to get this Carbon Plan filing ready. As much as I  
15 don't like to say that, given I might be the  
16 attorney that has to sign off on this filing, we're  
17 going to need every single day of this, of that  
18 extension to get this Carbon Plan filing ready. And  
19 that should be no surprise, I think, to most given  
20 the enormity and the complexity and the uniqueness  
21 of this Carbon Plan filing.

22 But while we can't share a draft Carbon  
23 Plan at this time because we don't have one, I would  
24 point out that the stakeholder process is evolving

1 as Rebecca kind of eluded to. Our first stakeholder  
2 meeting started at a very 30,000-foot level of  
3 issues and tried to educate and hear some high-level  
4 feedback about what was important to stakeholders.

5 Our second stakeholder meeting and,  
6 similarly, our subgroups that we had were much a  
7 more focused, detailed, technical presentation where  
8 there was even more substantive give and take around  
9 highly technical, excuse me, issues as well as  
10 potential pathways to the Carbon Plan.

11 So, the point here is that the stakeholder  
12 process is evolving very organically along with our  
13 thoughts and our preparation of the Carbon Plan.  
14 And the fact is we are receiving input and we're  
15 using it to shape the Carbon Plan. I can say  
16 personally I was in many, many meetings over the  
17 last few weeks discussing specific feedback we got  
18 in the stakeholder engagement process and dialoguing  
19 how and to what extent that feedback should shape  
20 our Carbon Plan.

21 Now, with respect to, sort of, general  
22 allegations about lack of transparency data, again,  
23 all of that information is still very much under  
24 development and not anywhere close to final and so

1 we are working through it in parallel with the  
2 stakeholder process.

3           However, I want to make one thing very  
4 clear which is that when we go forward with the  
5 Carbon Plan filing, every single piece of data input  
6 - final input, assumptions, and modeling data - the  
7 entire EnCompass modeling database will be made  
8 available to all intervenors according to the normal  
9 Commission processes.

10           In fact, we're working right now on  
11 getting a data room, electronic data room set up  
12 that will be made available very shortly after May  
13 16th. That will be the place in which we house all  
14 of the EnCompass database sets. So, with respect to  
15 transparency, I think nothing could be further from  
16 the truth. That information will be made fully  
17 available for all parties.

18           Now, I want to speak just briefly to  
19 discovery and then I'll wrap up. Again, a number of  
20 parties have suggested that Duke should be required  
21 to respond to formal written discovery in parallel  
22 with its preparation of the Carbon Plan and the  
23 stakeholder engagement process. And in response to  
24 that request, I would suggest that it would really

1 be really unprecedented and really untenable to  
2 require the utility to both simultaneously respond  
3 to formal written data requests at the same time it  
4 is doing those other efforts. And I think in  
5 understanding why that's untenable it's important to  
6 understand what formal written discovery actually  
7 looks like in a proceeding like the Carbon Plan.  
8 And I mentioned this in our last update, and a good  
9 reference point is to look back at the 2020 IRP.  
10 And in the 2020 IRP, again, we received more than  
11 3,500 data requests from parties during that  
12 process, and we absolutely know that discovery is a  
13 crucial and important and a critical piece of this  
14 process. But it's important to understand what it  
15 takes to respond to 3,500 data requests.

16 In the IRP, responding to that volume of  
17 data requests required hundreds of employees across  
18 the company devoting thousands of person hours over  
19 a course of many, many months. And so, from our  
20 perspective, it's just simply untenable -- it's not  
21 only impractical to respond to discovery at this  
22 stage in the process, given we don't have a final  
23 Carbon Plan process and we don't have finalized  
24 inputs and assumptions, it's also just untenable

1 from a work perspective and a resource perspective  
2 to be asked to do that in parallel with this, with  
3 this process.

4 So, I would just close in summary to say  
5 that, again, we've heard these critiques and we  
6 understand where they're coming from. We understand  
7 this is a unique process that we're all going  
8 through for the first time. We recognize the  
9 critical importance of these issues, the complexity  
10 of them. We understand the time pressures that many  
11 parties feel as they look at the procedural schedule  
12 that's currently in front of us, but at the same  
13 time we also recognize the work that's in front of  
14 us to get a good Carbon Plan filing to you-all on  
15 May 16th, and we are confident that we'll be able to  
16 get that. And we think the stakeholder process as  
17 currently designed and has currently been operating  
18 is setting this up for the best Carbon Plan filing  
19 we can make. But we don't believe any fundamental  
20 modification is needed to this stakeholder process  
21 at this time.

22 I want to just address one last thing and  
23 that is the issue of consensus. And just very  
24 briefly, I think it's important to think about --

1    how to think about consensus when it comes to  
2    something as big and as complex as the Carbon Plan.  
3    I think it would come as no surprise to you-all  
4    that -- and from our perspective, I think when we  
5    file that plan on May 16th, I'm fairly confident  
6    there will be many intervenors that find things in  
7    that plan that they don't agree with, don't  
8    necessarily fully support, or have questions about.  
9    And I certainly understand the instinct from parties  
10   that to view that outcome is meaning the stakeholder  
11   process has failed in some form or fashion, but I  
12   don't think that's the right way to think about the  
13   stakeholder engagement process to date.

14               We have done exactly what we intended to  
15   do in this stakeholder process, which is receive  
16   feedback and input from stakeholders and we're going  
17   to continue to do that over the next period of time.  
18   And we're using that input to shape our Carbon Plan.  
19   And importantly, stakeholder engagement and efforts  
20   towards consensus will not end on May 16th. We are  
21   absolutely committed to continuing to engage  
22   stakeholders after the filing and to build towards  
23   consensus. And I think consensus in something as  
24   big and complex as the Carbon Plan is probably more

1 likely not to occur post-filing much like it has  
2 historically in rate cases. It's just given the  
3 breadth of the issues at stake here, it takes time  
4 to work through many of these issues, but we are  
5 absolutely committed to doing so and we'll exert our  
6 best efforts to continue to engage stakeholders  
7 before the filing, continue to engage stakeholders  
8 after the filing and work towards consensus as well.

9 So, we thank you for this chance to update  
10 the Commission and glad to answer any questions that  
11 you-all may have.

12 CHAIR MITCHELL: Thank you, Mr. Jirak, and  
13 Ms. Dulin. I'll check in with colleagues. I'll  
14 take Clodfelter first and then McKissick.

15 COMMISSIONER CLODFELTER: Thank you both  
16 for the update. Mr. Jirak, you indicated that once  
17 Duke has its plan and has filed its plan that Duke  
18 is prepared to provide to other interested parties  
19 the data and assumptions, key assumptions, and so  
20 forth that really fed into your modeling and your  
21 portfolio selection. Given the compressed timetable  
22 that other parties will be under once you file your  
23 plan, they really don't have a lot of time to use as  
24 I think you referred to "normal Commission processes

1 for obtaining information".

2 So, my question really is can you  
3 elaborate a little bit more about when you're  
4 prepared to make that data room available after you  
5 file the plan? And are you satisfied that you're  
6 having sufficient dialogue with other stakeholders  
7 about what needs to be in that data room so that  
8 things can proceed as expeditiously as possible once  
9 you do file?

10 MR. JIRAK: Yes, thank you. So our plan  
11 right now is to develop a dedicated electronic data  
12 room and all of the modeling -- the -- I'm not a  
13 modeler so I'm probably using the wrong terms here,  
14 but the base level input modeling assumptions, all  
15 the things you need to turn the crank on EnCompass  
16 will be there in the data room, and we anticipate  
17 having that available shortly after the filing. I  
18 think right now we're thinking about a week after  
19 the filing, but we're still working on the timing  
20 exactly on that.

21 So, our goal here would be to have all the  
22 appropriate confidentiality agreements that are  
23 necessary to access that information in place prior  
24 to May 16th, get all that information uploaded



1     shortly after the Carbon Plan is filed, and then any  
2     intervenor whose got the data request is given  
3     access -- I'm sorry, who has a confidentiality  
4     agreement is then immediately given access and can  
5     pull every single piece of information from the data  
6     room to do whatever they want to do on the modeling  
7     side of the process.

8             We are giving some creative thought to  
9     sort of thinking how can we engage with stakeholders  
10    to ask them to sort of track how they are  
11    manipulating or changing or modifying the data in  
12    running their EnCompass model, so that we can have a  
13    really efficient exchange of information and  
14    perspective rather than just a two, sort of,  
15    free-standing battle of the models. How can we  
16    facilitate an efficient discussion about, you know,  
17    this intervenor modified these things and this was  
18    how the result changed and we can have a clear way  
19    to understand that. So, that's the big picture on  
20    how we anticipate facilitating.

21            So directly your question -- to answer  
22    your question directly, all that stuff will be  
23    available, we're targeting about a week after the  
24    filing and immediately upon that going live any

1 intervenor can get on -- can get into that website,  
2 that has a confidentiality agreement, and access the  
3 information. And then --

4 COMMISSIONER CLODFELTER: Go ahead.

5 MR. JIRAK: In addition, then, obviously  
6 we anticipate the opportunity for a further formal  
7 written discovery that would be sent to us and we  
8 would be in the ordinary course responding to  
9 written discovery in the ways in which this  
10 Commission has typically allowed that to occur in a  
11 proceeding.

12 COMMISSIONER CLODFELTER: Leaving aside  
13 the formal discovery, let me stay with the data  
14 room. Are you satisfied that you have a good  
15 understanding of what it is that folks want you to  
16 put in that data room? And what steps are you  
17 undertaking to be sure you've got the right stuff  
18 that everybody wants?

19 MR. JIRAK: That's a great question. I  
20 think we do, because I think the universe of inputs  
21 and assumptions you need to run EnCompass to folks  
22 who do it all the time are pretty well-known. But  
23 it's a great suggestion, Commissioner Clodfelter,  
24 that it might be worth some dialogue in advance of

1 the filing to make sure we're all on the same page  
2 about what is the universe of data required to be in  
3 a data room.

4 COMMISSIONER CLODFELTER: It would be a  
5 good idea. The more you're on the same page, the  
6 less formal data requests you may get.

7 MR. JIRAK: Agreed.

8 COMMISSIONER CLODFELTER: Thank you.

9 CHAIR MITCHELL: Mr. Jirak, just following  
10 up to Commissioner Clodfelter's question, you  
11 indicated the Company is anticipating at this point  
12 in time about a week between the filing and making  
13 the data room accessible to intervening parties.  
14 What's happening during that week? Why do y'all  
15 need a week?

16 MR. JIRAK: It's a little bit that -- I  
17 mean, we're going to do everything we can to beat  
18 that week. It's just given that this is the first  
19 time we've been through and we don't kind of know  
20 what like the last few days prefiling are going to  
21 look like, whether we'll still be tweaking things,  
22 modifying things. We just anticipate the need for  
23 some amount of a little breathing room, you know, a  
24 chance to take a breath after we get that filing

1 across to you-all and then to sort of QAQC all of  
2 the things to make sure that what we're actually  
3 putting up in the data room is a hundred percent the  
4 same as was reflected in the analysis. So, it's  
5 just the making sure we get it all right and a  
6 little bit of -- we're not sure exactly how much  
7 last minute tweaking we're going to be doing.

8 I think if we were able to get pencils  
9 down a few days ahead of the filing we'll do our  
10 best to speed up the availability of that data room,  
11 but it's just more of the unknown that's kind of  
12 keeping us from saying we'll have it right on  
13 May 16th.

14 CHAIR MITCHELL: Thank you. Commissioner  
15 McKissick.

16 COMMISSIONER McKISSICK: Thank you. A  
17 couple of questions. It looks as if right now these  
18 technical groups have been established. They are  
19 looking at modeling assumptions. And the three  
20 groups you established, from what I gather, are one  
21 dealing with solar interconnection forecasts; a  
22 second one dealing with solar wind technology,  
23 operational cost assumptions; and a third one  
24 dealing with storage operational cost assumptions

1 and system configurations.

2 Now, how much engagement has there been at  
3 this point in time in these technical conferences  
4 dealing with the modeling assumptions that are  
5 already being utilized? Because, I mean, I think it  
6 feeds back into some of the concerns that  
7 Commissioner Clodfelter had about the adequacy and  
8 breadth and depth of the information that's being  
9 saw.

10 MR. JIRAK: Yes. I think we are sharing  
11 the most current information that we have that we're  
12 able to share in a public setting like a 500-person  
13 stakeholder session. And, importantly, our ask to  
14 stakeholders has been we want every piece of market  
15 intel that you feel comfortable sharing with us that  
16 you think we should be using to shape the input in  
17 the assumptions, because we don't have our final  
18 inputs and assumptions finalized yet. We're looking  
19 for that data from the market, from the intervenors  
20 who have the specialized expertise in developing  
21 actual projects and actual locations. We want to  
22 hear from them what are the prices they're seeing.  
23 What are the assumptions that they think we should  
24 use.

1           So, that's really what we've been mostly  
2 focused on in the stakeholder process is getting  
3 that perspective from technical experts on the other  
4 side.

5           COMMISSIONER McKISSICK: And when these  
6 meetings have occurred, granted they're smaller and  
7 they're more narrowly focused and it's more than  
8 just Duke giving presentations, so how much  
9 engagement in terms of questions being asked by  
10 those that are stakeholders, responses being  
11 provided or either there at that time or being  
12 provided in a supplemental nature to them at a  
13 future date that, if you might go back and dig up  
14 some of the information? I mean, how significant is  
15 that level of engagement? How long have these  
16 meetings been lasting? I'm trying to get some idea  
17 of really if you're getting into the details or  
18 whether it's still 30 or 50,000-foot elevation.

19           MR. JIRAK: Yeah, great question. I  
20 think, again from our perspective, the specificity  
21 of the content is evolving, so it was certainly  
22 30,000-foot the first meeting. The next meetings I  
23 think have increased the specificity of detail  
24 shared and the specificity of the dialogue that's

1 occurred. And I -- it's our anticipation that that  
2 progress will continue on in the third stakeholder  
3 meeting.

4 I think if you look at the GPI reports,  
5 you will see a pretty fulsome transcription of what  
6 occurred in those meetings and you will see that  
7 there were extensive opportunities given for Q and  
8 A's of parties where Duke was asked questions,  
9 parties were giving an opportunity to ask questions  
10 and Duke was responding to those questions. Do we  
11 always in every instance have the exact answer to  
12 give on those topics? No. And there are certainly  
13 circumstances where parties expressed some  
14 frustration that they were not receiving the  
15 information in the exact form or detail that they  
16 thought was appropriate.

17 But we are doing our best to facilitate a  
18 healthy exchange of information and certainly giving  
19 a chance for parties to ask questions during the  
20 stakeholder process. And they were quite lengthy  
21 meetings for those of us who sat through it. The  
22 stakeholder meetings, the main ones were full-day  
23 affairs and the subgroup meetings were also close to  
24 full day, broken up between three different

1 sessions. So, it's a lot of content to cover.  
2 Again, the GPI reports, both of the reports do a  
3 great job of summarizing very specifically the  
4 topics shared, the topics covered, and the  
5 opportunities that were given to all stakeholders to  
6 have their voices heard.

7 MS. DULIN: Jack, do you mind if I add  
8 something?

9 MR. JIRAK: Sure.

10 MS. DULIN: Just to quantify it a little  
11 bit, Commissioner McKissick, the way we designed it  
12 was to say, for example, the solar interconnection  
13 forecast meeting was two hours long. We designed  
14 the content so about a third of that would be  
15 presentation and two thirds of that would be  
16 dialogue.

17 Now, sometimes we didn't even get through  
18 the presentation without dialogue because  
19 stakeholders, the technical panelists, had questions  
20 and so dialogue whispered quite quickly. But that  
21 was the way they were designed to have between the  
22 Duke presentation portion to not be more than a  
23 third at most a half of the content to allow for  
24 significant dialogue between stakeholders and the



1 Companies.

2 COMMISSIONER McKISSICK: That's helpful.  
3 And I think you indicated during your remarks that  
4 the meetings were scheduled back to back so they  
5 were not taking place simultaneously?

6 MS. DULIN: That's correct. So that  
7 everyone had an opportunity to observe, or often you  
8 have stakeholder technical panelists who are  
9 technical panelists for more than one panel, they  
10 may want to participate on all three, and so we  
11 wanted to make sure we provided the opportunity for  
12 that.

13 COMMISSIONER McKISSICK: How many  
14 additional technical conferences do you anticipate  
15 at this time?

16 MS. DULIN: I think that's still under  
17 consideration, particularly given Mr. Jirak's  
18 comments earlier about resources and time.  
19 Honestly, the time component of this is challenging.  
20 We're continuing to evaluate feedback from  
21 stakeholders in considering the development of in --  
22 even if it's not a technical subgroup, because we're  
23 kind of getting to the point in time where the  
24 modeling inputs and assumptions need to be rounding

1 out here soon for the modeling to be able to take  
2 place. But even if it's not a technical subgroup,  
3 maybe a subject matter-specific subgroup, we're  
4 continuing to evaluate that and I think we will be  
5 throughout this entire process.

6 For example, one thing that we know is  
7 important to stakeholders is talking about community  
8 impacts, just transition, environmental justice  
9 impacts of this effort, and those are things that we  
10 will be talking with stakeholders about now and  
11 through the entirety of this process. So, we're  
12 still trying to figure out precisely when meetings  
13 such as that will occur, but we see this as a  
14 long-term effort to engage with stakeholders on  
15 discrete issues that are better set for a smaller  
16 meeting like what we've seen in the technical  
17 subgroups.

18 COMMISSIONER McKISSICK: And that's a good  
19 lead into my, probably my last question. But were  
20 there topics or areas of concern, other than the  
21 ones that have been identified and which are being  
22 addressed in the technical conference, that  
23 stakeholders really wanted to see perhaps the  
24 subject matter of it and an additional group that,

1 you know, we're not able to cover with these three  
2 technical topics which have been established?

3 MR. JIRAK: Yeah. I would say absolutely.  
4 There were, as we monitored the discussion, and if  
5 you look -- I think the GPI report probably captured  
6 some of this, there were absolutely other topics  
7 that intervenors and stakeholders were asking for  
8 more, more stakeholder, future stakeholder meetings  
9 on.

10 And that kind of goes to the questions of  
11 what is the right balance here. I think if you  
12 probably added up all the different topics that were  
13 requested for future subgroup meetings you'd  
14 probably get a list of 15 to 20 or more topics.

15 And so, we're looking for the right  
16 balance here in terms of our resources and ability  
17 to do this well and what's achievable. So, I think,  
18 we've heard those, we just simply think it's not  
19 tenable to do all of the subgroup meetings that have  
20 been requested. We are certainly taking those  
21 requests into account as we development an agenda  
22 and plan for the last planned stakeholder meeting at  
23 this place. But at this point we now far exceeded  
24 the Commission's baseline expectations in terms of

1 the number of stakeholder meetings. If we had all  
2 the time in the world we would certainly do more,  
3 and more, and more stakeholder meetings but, again,  
4 we're looking here how to strike the right balance  
5 between getting the feedback we need and then  
6 turning around and going to do the work that needs  
7 to be done to get to a really good filing on  
8 May 16th.

9 COMMISSIONER McKISSICK: And I appreciate  
10 the very compressed timeframe that you're working  
11 in -- with at this time and the need to balance  
12 those competing interests. But if it is possible to  
13 perhaps look at some of those topics or categories  
14 that people raise the greatest concern about and the  
15 greatest number of stakeholders address, if you  
16 could do some subgroup meetings on those, I think it  
17 would probably be helpful and insightful and  
18 increase the level of dialogue at this point in time  
19 that may help you in developing a Carbon Plan to  
20 minimize issues that could come up after the plan is  
21 submitted. Thank you.

22 MS. DULIN: Thank you.

23 CHAIR MITCHELL: Any additional questions  
24 for Duke? I have one for y'all. Either one of

1 you-all can take this one. And I appreciate all of  
2 the explanation you-all have provided this morning.

3 What are you-all doing to demonstrate to  
4 participating stakeholders that their feedback or  
5 their input is being received and utilized or acted  
6 on. How can they see that? How can they have some  
7 confidence that what they are sharing and engaging  
8 with you on is actually influencing Duke's  
9 outcome -- the outcome for Duke?

10 MS. DULIN: Thanks, Chair Mitchell. Good  
11 question, because we've been thinking about this a  
12 lot ourselves. This is important to us that  
13 stakeholders have an understanding of how we are  
14 using their feedback. And frankly, I think it would  
15 be helpful for them to have concrete examples of  
16 where we have taken their feedback and made  
17 adjustments to our modeling assumptions. And that's  
18 something we're thinking about for the third  
19 meeting, and I think that may be a helpful point to  
20 raise with stakeholders to walk through that.  
21 That's with regard to sort of the granular modeling  
22 assumptions and how certain inputs have been  
23 adjusted or we've added, maybe we had one profile in  
24 the model for something and now we've got two

1 different kinds of profiles in the model.

2 From a more qualitative standpoint, I  
3 would say that in the first meeting stakeholders  
4 together with GPI created a document that was  
5 "Stakeholder's Desired Outcomes from the Carbon  
6 Plan". And so they worked on that, stakeholders  
7 worked on that together with GPI and then GPI took  
8 the feedback received in the meeting through the  
9 chat and otherwise and updated that document. And  
10 so, in the second large stakeholder meeting there  
11 was another hour of dialogue dedicated to  
12 incorporating more feedback into this desired  
13 outcomes document. And so, I'm hopeful that that  
14 feels to stakeholders like -- and is a demonstration  
15 to stakeholders of how their feedback is being taken  
16 into account with regard to these principles of what  
17 their desired outcomes are. So, that's what I think  
18 of from the qualitative piece. Jack?

19 MR. JIRAK: Yeah. And we -- I would  
20 anticipate that in our Carbon Plan filing itself we  
21 would have some narrative around the themes that we  
22 heard, the specific recommendations we heard, and  
23 some descriptions in various parts of the filing,  
24 and maybe even in a single spot of the filing just

1 an explanation for the Commission's benefit and all  
2 stakeholders' benefits, kind of where we changed  
3 things based on the input and where we didn't change  
4 things.

5 I mean, again, going back to the ideas of  
6 consensus that I touched on earlier, it's actually  
7 the case that there are issues on which we're not  
8 going to agree with each and every stakeholder on a  
9 particular topic. But where there are big themes in  
10 the stakeholder meetings around requests and where  
11 we have a difference of opinion, we actually will  
12 plan on including some narrative explanation for why  
13 it is that we came to a different conclusion on that  
14 topic than perhaps was recommended by intervenors.

15 CHAIR MITCHELL: Thank you. I think -- no  
16 further questions? Just checking in one last time.

17 All right. Guys, thank you very much. We  
18 will hear next from Public Staff.

19 MS. LUHR: Good morning. Nadia Luhr with  
20 the Public Staff and I have with me Mr. Lucas. If  
21 it's acceptable, he will be available in case he can  
22 help answer questions.

23 So this second stakeholder meeting, as  
24 discussed by Duke earlier, had more opportunity for

1 discussion, questions and feedback than the first  
2 stakeholder meeting. Duke also held three technical  
3 subgroup meetings several days before the second  
4 stakeholder meeting which provided a good  
5 opportunity for technical panelists to discuss some  
6 more topics in detail.

7 The Public Staff has several  
8 recommendations for improvements to the stakeholder  
9 process and some of this has already been discussed  
10 by the Commission and Duke this morning.

11 So, first, several parties have requested  
12 that Duke share inputs, assumptions and other data  
13 with stakeholders as soon as possible. The Public  
14 Staff recommends that if Duke is not able to provide  
15 this information before filing its proposed Carbon  
16 Plan that it be required to provide at a minimum all  
17 model input and output files at the same time or  
18 earlier than it files its plan and no later. This  
19 is especially important as the 60-day window for  
20 comments and alternate carbon plans provide little  
21 time for intervenors and the Public Staff to do  
22 their own modeling and prepare comments.

23 Furthermore, the Public Staff believes  
24 that providing the model input and output files



1 prior to the filing of the Carbon Plan is reasonable  
2 as the actual modeling should conclude several weeks  
3 before the final Carbon Plan is written and filed as  
4 is the case with IRPs.

5 Second, the Public Staff recommends that  
6 as inputs, assumptions and other data become  
7 available for sharing that Duke provide that  
8 information even if that is before it files its  
9 Carbon Plan. For example, the Public Staff believes  
10 that Duke should be able to share data related to  
11 the 2005 emissions baseline and how it comports with  
12 the recently published NC DEQ Greenhouse Gas  
13 Inventory, Appendix B, and the assumptions  
14 underlying carbon dioxide emission constraints to be  
15 used in the model, along with load forecast data and  
16 all underlying assumptions ahead of the filing of  
17 the Carbon Plan.

18 And third, many stakeholders have asked  
19 for additional technical subgroups, as has already  
20 been discussed, and the Public Staff agrees that  
21 further targeted technical subgroups would be  
22 useful, particularly on the following subject  
23 matters: The EnCompass model and its abilities;  
24 distributed energy resources and how they will be

1 considered; demand assumptions; and transmission  
2 upgrade costs.

3 And that concludes our recommendations and  
4 our update. Thank you.

5 CHAIR MITCHELL: Thank you, Ms. Luhr.  
6 Just one clarification before I see if there are  
7 questions for the Public Staff. You ticked off a  
8 couple of suggestions or recommendations for further  
9 targeted subgroups. Are those individual? So, one  
10 on EnCompass, one on DERs, one on demand, and one on  
11 transmission upgrade --

12 MS. LUHR: Yes. Those are the individual  
13 subgroups.

14 CHAIR MITCHELL: Okay. Got it. Let me  
15 check in with Commissioners. Questions for Public  
16 Staff? Commissioner Clodfelter.

17 COMMISSIONER CLODFELTER: Mr. Jirak says  
18 they may need as much as a week after filing. To  
19 get what you want in shape to share, what's your  
20 response?

21 MS. LUHR: And Mr. Lucas might be able to  
22 help with this. That's based on our understanding  
23 of how the modeling is conducted and our experience  
24 with the IRPs in the past.

1 MR. LUCAS: Yes. Duke Energy will have to  
2 develop its modeling assumptions before it files,  
3 well before it files. So we believe those modeling  
4 assumptions should be available. Some of the data  
5 sets that go into EnCompass should be available  
6 before Duke Energy files its plan.

7 COMMISSIONER CLODFELTER: The two I heard  
8 you mention were load forecasts and baseline 2005  
9 emissions data. Are there others?

10 MR. LUCAS: Oh, there are lots of data  
11 sets. EnCompass is very complicated --

12 COMMISSIONER CLODFELTER: I wasn't asking  
13 a good question. I'm sorry, Mr. Lucas. Are there  
14 others that you think should about available before  
15 Duke files the plan?

16 MR. LUCAS: Yes. There would be a large  
17 number of data sets that would be available before  
18 it files. Duke would have to complete some of its  
19 modeling before it writes the plan.

20 MS. LUHR: And those were the two that  
21 jumped out at us as things that need to be  
22 established fairly early on in the process that  
23 could become available earlier.

24 CHAIR MITCHELL: Commissioner Brown-Bland.

1           COMMISSIONER BROWN-BLAND: Ms. Luhr, I  
2 just want to ask this just for clarification of what  
3 you were saying. So, on additional technical  
4 subgroups, I had listed them as three, but are you  
5 saying in response to Chair Mitchell that there are  
6 four?

7           MS. LUHR: Yes. And I can read those out  
8 again. So, the first would be on the EnCompass  
9 model and its abilities; the second would be on  
10 distributed energy resources and how they will be  
11 considered; the fourth (sic) would be demand  
12 assumptions; and the fourth would be transmission  
13 upgrade costs.

14           COMMISSIONER BROWN-BLAND: I had the last  
15 two combined. Now -- and then the other question,  
16 just in general and in terms of making data  
17 available before, during and after the plan is  
18 filed, I understand that I'm hearing you say that  
19 you prefer if it's not available that, or if there's  
20 some issue that you prefer, at least some rolling  
21 production, not to have it all hit you at one time.  
22 Is that a fair characterization?

23           MS. LUHR: Yes.

24           COMMISSIONER BROWN-BLAND: That would be

1 better. You would like to have it as you said, but  
2 if you couldn't you would like some rolling  
3 provision so you didn't have a big dump at one time.  
4 Is that --

5 MS. LUHR: Yeah, that's correct. We --  
6 you know, as it becomes available. If it can be  
7 provided I think that will give all the stakeholders  
8 and the Public Staff a good opportunity to get  
9 started on their analysis as soon as possible.

10 MR. LUCAS: Yeah, EnCompass will have a  
11 vast amount of data, lots of different data sets.  
12 Everything from temperatures to operation of power  
13 plants.

14 COMMISSIONER BROWN-BLAND: Thank you.

15 CHAIR MITCHELL: Commissioner McKissick.

16 COMMISSIONER McKISSICK: Sure. And I  
17 appreciate you identifying those additional areas,  
18 those four areas where you believe they should  
19 establish technical conferences to deal with them.  
20 Has that been communicated to Duke prior to today?  
21 And to what extent have they provided feedback as it  
22 relates to those categories?

23 MS. LUHR: So, those were all categories  
24 that were brought up by stakeholders during this

1 February stakeholder meeting and so Duke has heard  
2 that. To my knowledge, I don't think there has been  
3 feedback on whether they will be holding those or if  
4 they are able to, but as we heard this morning it  
5 sounds like they are discussing it.

6 COMMISSIONER McKISSICK: Which I find  
7 encouraging. Anyways, is there a general consensus  
8 among stakeholders that these are probably the  
9 most important, significant categories where  
10 technical conferences ought to be established?

11 MS. LUHR: That's difficult to say as some  
12 of these were -- during the stakeholder meeting  
13 there was a chat box available for stakeholders to  
14 put feedback and questions into and some of these  
15 were mentioned in the chat box. I believe one or  
16 two may have been mentioned in a live question. So,  
17 it's hard to say how many stakeholders support each  
18 group.

19 COMMISSIONER McKISSICK: I understand.  
20 Thank you.

21 COMMISSIONER DUFFLEY: And with these  
22 additional subgroups, do you imagine these technical  
23 subgroups would occur after they file the plan or  
24 before?

1 MS. LUHR: I think they would likely be  
2 most useful before.

3 COMMISSIONER DUFFLEY: Okay. And what's  
4 your take on the time is limited and the division of  
5 resources of preparing a proper carbon plan for our  
6 review versus having to do these additional  
7 stakeholder technical subgroups?

8 MS. LUHR: And that's definitely  
9 understandable. The time table is very tight. So,  
10 it might be the kind of thing where you can't have  
11 seven technical subgroups in the next two months but  
12 maybe some of the most important ones. If they  
13 can -- if there are the resources to have them and  
14 get this important feedback from stakeholders and  
15 give stakeholders the information they are looking  
16 for, that would be very helpful.

17 MR. LUCAS: These four we've mentioned can  
18 be done in one day.

19 COMMISSIONER DUFFLEY: Okay. Thank you.

20 CHAIR MITCHELL: Any additional questions  
21 for the Public Staff?

22 (No response)

23 Thanks to you both. And next up we'll  
24 hear from NCSEA.

1 MR. LEDFORD: Good morning, Chair  
2 Mitchell, Members of the Commission. My name is  
3 Peter Ledford and I'm here on behalf of the North  
4 Carolina Sustainable Energy Association. I'd like  
5 to discuss two issues that we would like to bring to  
6 the Commission's attention.

7 First, NCSEA is extremely concerned about  
8 Duke's refusal to discuss certain topics in the  
9 stakeholder process. Two substantive issues were  
10 raised by numerous stakeholders in the February 23rd  
11 stakeholder meeting and Duke unilaterally refused to  
12 discuss them. One of these issues is explicitly  
13 called out in the Session Law. I would be happy to  
14 discuss what these issues are, but I don't want to  
15 run afoul of the procedural request in this  
16 conversation. But we are extremely concerned about  
17 Duke's unilateral refusal to discuss multiple issues  
18 deeming them outside the scope of the Carbon Plan.

19 CHAIR MITCHELL: For everyone's benefit,  
20 just identify the issues. We don't need to go into  
21 various prospective positions on them, just tell us  
22 what they are.

23 MR. LEDFORD: Thank you. The two issues  
24 are transmission planning and the impact of market



1 such as in a regional transmission organization or  
2 an ISO on carbon reductions.

3 The second issue that we wish to bring to  
4 the Commission's attention is Duke's refusal to  
5 share information and how that materially  
6 disadvantages intervenors. I wanted to bring up two  
7 issues here.

8 First, Duke's refusal to share  
9 preliminarily modeling outputs significantly  
10 disadvantages NCSEA's members including specifically  
11 offshore wind companies. The Bureau of Ocean Energy  
12 Management or BOEM is scheduled to hold an auction  
13 for offshore wind lease blocks off of Wilmington in  
14 early May prior to the filing of the Carbon Plan.  
15 Only Duke will know at this time whether the Carbon  
16 Plan calls for offshore wind, leaving other  
17 potential bidders at the auction in a severe  
18 disadvantage.

19 Second, Duke's refusal to share modeling  
20 inputs means intervenors will have 60 days or less,  
21 as Mr. Jirak noted depending on how long it takes  
22 Duke to respond to data requests, to perform our  
23 modeling. Duke will have had approximately eight  
24 months from the passage of the Carbon Plan, excuse

1 me, passage of the Session Law until the filing of  
2 the Carbon Plan to do their modeling, and Mr. Jirak  
3 has suggested that they will need every day.

4           The Commission's Order granting an  
5 extension of time made clear that further extensions  
6 are unlikely. The Carbon Plan process could benefit  
7 for multiple stakeholders who are experienced with  
8 EnCompass Resource Planning Software having  
9 conversations based on shared inputs. Duke sharing  
10 its EnCompass database or even a draft or a  
11 preliminary database that gets updated in native or  
12 machine readable format with these modelers, even if  
13 subject to confidentiality agreements, will allow  
14 stakeholders to cross validate results and engage in  
15 generative conversations with the utilities. If  
16 Duke is unwilling to share the full EnCompass  
17 database, Duke should at a minimum share stand-alone  
18 data inputs with stakeholders. These inputs are not  
19 an adequate substitute for the full database but  
20 they could -- they would provide a bear minimum for  
21 facilitating analysis based on a shared foundation.

22           The Commission's decision in this  
23 proceeding will be much easier if intervenors are  
24 able to conduct modeling and develop

1 apples-to-apples comparisons with Duke's plan.

2 Thank you, Chair Mitchell, I'd be happy to  
3 answer any questions.

4 CHAIR MITCHELL: Thank you, Mr. Ledford.  
5 Let me see if there are questions for you.  
6 Commissioner Clodfelter.

7 COMMISSIONER CLODFELTER: This just is the  
8 limitations of my understanding here, so what is a  
9 stand-alone data set?

10 MR. LEDFORD: Stand-alone inputs would be  
11 things such as overnight capital costs and gas price  
12 forecasts and whether they are going to, well  
13 actually, I believe this one has been answered,  
14 whether they are going to model Duke Energy  
15 Carolinas and Duke Energy Progress as separate  
16 balancing areas, EV adoption forecasts, gas price  
17 availability in futures and sensitivities; things of  
18 that nature. I've got a laundry list from our  
19 EnCompass expert.

20 COMMISSIONER CLODFELTER: Thank you.

21 CHAIR MITCHELL: Commissioner McKissick.

22 COMMISSIONER MCKISSICK: Sure. I guess  
23 the question is you've identified additional  
24 categories that Duke at this point in time you

1 indicated had refused to address. When you use the  
2 word "refusal" could you elaborate more in terms of  
3 what exactly occurred in terms of dialogue?

4 MR. LEDFORD: Yes. Despite the fact that  
5 transmission is explicitly called out in Section 1.1  
6 of the Session Law, Duke has said that transmission  
7 planning is outside of the scope of the Carbon Plan.  
8 They've also said that any sort of market is outside  
9 the scope of a Carbon Plan.

10 COMMISSIONER McKISSICK: So, basically  
11 that they are outside the limitations and boundaries  
12 of what they're doing at this time?

13 MR. LEDFORD: That was my interpretation.  
14 Yes.

15 COMMISSIONER McKISSICK: Okay. And do you  
16 think that some of this might be dealt with -- you  
17 know, they have the technical conferences, but they  
18 talked about having perhaps some subgroup meetings.  
19 I mean, do you think that some of that data could be  
20 shared like in a subgroup meeting or do you feel as  
21 if, with their delineation of the boundaries, it  
22 would appear they're off bounds completely?

23 MR. LEDFORD: To be clear, the technical  
24 meetings that occurred late last month --

1 COMMISSIONER McKISSICK: Yeah.

2 MR. LEDFORD: -- those were one and  
3 done's. And there's not been any follow up about  
4 additional meetings of those groups on solar  
5 interconnection, storage and wind. Transmission and  
6 market certainly could be discussed in such a forum  
7 and we would be very open to that. But the reality  
8 is if it's outside of the scope of --

9 COMMISSIONER McKISSICK: Right.

10 MR. LEDFORD: -- a carbon plan filing,  
11 it's going to be difficult to have a substantive  
12 conversation about decarbonization if that doesn't  
13 appear in what they file on May 16th.

14 COMMISSIONER McKISSICK: Thank you.

15 CHAIR MITCHELL: Commissioner Duffley.

16 COMMISSIONER DUFFLEY: Good morning. I  
17 thought I heard you say that Duke should share full,  
18 the full set or the full database for EnCompass.  
19 Can you explain that further to me, please? What  
20 are they not sharing, I guess? Or will they share  
21 it when they file their Carbon Plan or within the  
22 week after?

23 MR. LEDFORD: So not being a modeler, I  
24 share Mr. Jirak's frustration there, my

1 understanding is that the database is a term of art  
2 but is used by the modelers and it essentially  
3 includes all of the spreadsheets and inputs that go  
4 into the EnCompass software and then gets run, and  
5 those are made up of numerous different subtopics.  
6 To date, we have not received any of those inputs,  
7 spreadsheets, anything that would go into the  
8 database. What I heard Mr. Jirak's -- what I  
9 understood Mr. Jirak to say earlier is that those  
10 would be made available roughly a week after their  
11 Carbon Plan filing.

12 COMMISSIONER DUFFLEY: Thanks for that  
13 clarification.

14 CHAIR MITCHELL: Any additional questions  
15 for Mr. Ledford?

16 (No response)

17 Mr. Ledford, thank you very much.

18 MR. LEDFORD: Thank you.

19 CHAIR MITCHELL: We will hear next from  
20 Mr. Snowden. I believe you're up.

21 MR. SNOWDEN: Thank you, Chair Mitchell.  
22 Good morning, Commissioners. I'm Ben Snowden here  
23 for the Clean Power Suppliers Association. I want  
24 to thank you for your continued interest in the

1 stakeholder process and for providing an opportunity  
2 for us to present our views.

3 First of all, I do want to say we  
4 appreciate Duke's commitment to this process. The  
5 Carbon Plan itself is a ton of work and we  
6 acknowledge that Duke has a lot of good people, a  
7 lot of smart people spending a lot of hours working  
8 just on this stakeholder process, so that should be  
9 acknowledged.

10 I'd like to follow up on comments I made  
11 to the Commission at last month's proceeding  
12 regarding consensus and transparency. CPSA's goal  
13 in the stakeholder process is to achieve consensus  
14 with Duke and other stakeholders on as many issues  
15 as possible prior to the filing of the Carbon Plan.  
16 A complete consensus would, of course, be ideal but  
17 even if we can't get there, at the very least we can  
18 narrow the issues so that the Commission, when it  
19 comes to the litigated phase of this proceeding, can  
20 focus its attention on those issues where there is  
21 genuine dispute. This will result in more efficient  
22 proceedings and we think better policy.

23 Now, Duke has been working towards  
24 alignment with many stakeholders on a procurement

1 process for 2022, and we're optimistic that  
2 consensus can be achieved on that. We appreciate  
3 the hard work of Duke and other stakeholders on that  
4 topic. However, with regard to the larger Carbon  
5 Plan, we will not be able to achieve any consensus  
6 on the plan unless we have clarity on key inputs and  
7 assumptions that Duke is using to formulate the  
8 plan.

9 Now, we understand, as Mr. Jirak has said  
10 and others have acknowledged, that because of time  
11 constraints Duke will not be able to share a  
12 complete draft of its Carbon Plan before it's filed.  
13 It's not our view, just to be clear, that  
14 stakeholders need to see the filing itself before  
15 it's filed but, as others have also observed, it's  
16 inconceivable that Duke will not have finished work  
17 on key elements of its plan, notably the proposed  
18 resource plan and its plan for transmission upgrades  
19 well before the Carbon Plan is filed. Duke is  
20 already rounding out its key modeling inputs and  
21 assumptions now.

22 Now, up to this point, I think it also has  
23 been acknowledged Duke has done a lot of listening  
24 and has provided high-level guidance about its



1 modeling approaches and it has also provided some  
2 directional information about certain inputs such as  
3 certain capital cost assumptions, but stakeholders  
4 have yet to see detailed information about most  
5 inputs and assumptions. We also, as I think it's  
6 already been said, don't really know how Duke is  
7 using stakeholder input at this point and that would  
8 be extremely helpful to know that.

9 Now, we've heard that Duke's plan is to  
10 provide granular data only after the Carbon Plan is  
11 filed. We think that's great. It is necessary but  
12 it is not sufficient. If meaningful consensus is to  
13 be achieved and the issues in dispute are to be  
14 narrowed, information must be provided prior to  
15 filing.

16 We think, I mean, we acknowledge that it  
17 takes a significant investment of time to get that  
18 information out to stakeholders before the filing.  
19 We think that -- we acknowledge there's a trade off  
20 there, but not doing that we think is sort of a  
21 false economy, because the more information that's  
22 provided now the more of the issues can be narrowed,  
23 the fewer data requests Duke is going to have to  
24 respond to I think after filing. I mean, I have

1 drafted enough data requests and responded to enough  
2 data requests to know that is not the most efficient  
3 way to exchange information. It is much more  
4 efficient to just be transparent, have informal  
5 conversations and exchange information in that way.

6 At the end of the day I think what we want  
7 to avoid here is a repeat of the IRP process or the  
8 last IRP docket where Duke had done extensive  
9 stakeholder engagement but didn't get alignment with  
10 key inputs on the resource plan before it was filed.  
11 Stakeholders didn't really know it was coming in the  
12 IRP and this resulted in a docket that was  
13 extensively litigated rather than one that focused  
14 on key issues.

15 I'd also like to talk for a moment about  
16 the sufficiency of the stakeholder process as it  
17 relates to transmission planning. Transmission is a  
18 key aspect of the Carbon Plan. It's one that the  
19 Commission has heard a lot about in other contexts,  
20 and we believe that it is one of the most important  
21 aspects of the Carbon Plan. And without -- I think  
22 it's been acknowledged that without significant  
23 improvements to the transmission grid we will not be  
24 able to hit the carbon reduction mandates of 951.

1           In the last IRP Order, the Commission  
2     directed Duke in its Carbon Plan to identify all the  
3     major transmission and distribution upgrades that  
4     will be required to support its proposed portfolio.  
5     There have been repeated requests for Duke to engage  
6     with stakeholders on transmission planning,  
7     including to set up a technical subgroup on  
8     transmission planning. As Mr. Ledford said, Duke's  
9     general response has been that transmission planning  
10    is under the exclusive jurisdiction of FERC and that  
11    all transmission planning related to the Carbon Plan  
12    is outside the scope of the stakeholder process,  
13    instead, it will go through the North Carolina  
14    Transmission Planning Collaborative process.

15           Hearing that, CPSA has engaged with the  
16    TPC, the Transmission Planning Collaborative. As  
17    far as we can tell, the TPC isn't doing anything  
18    related to the Carbon Plan right now. CPSA has  
19    submitted a policy study of requests related to  
20    carbon plan implementation. We did that in  
21    February. And the messaging that we received was  
22    that the Transmission Planning Collaborative doesn't  
23    think it makes sense to begin work on a new  
24    transmission policy study until it gets the Carbon

1 Plan. I'd say you have a circularity here.  
2 Developing the Carbon Plan requires a transmission  
3 plan or a transmission study, but we're being told  
4 that developing a transmission plan requires the  
5 Carbon Plan.

6 To the extent that Duke may already be  
7 working on transmission plans, based on its  
8 preliminary resource assumptions, that should be  
9 brought into the open as soon as possible so it can  
10 be done in a transparent fashion with stakeholder  
11 participation, whether that is through the  
12 stakeholder process or through the TPC.

13 And I do want to say one thing about  
14 timing on transmission. In the recent Transitional  
15 Cluster Study, Duke identified a set of upgrades for  
16 that study that were required to interconnect  
17 interdependent projects in DEP territory. According  
18 to the report, the lead time for completing these  
19 upgrades, all of those upgrades, is five and a half  
20 years from the time that Interconnection Agreements  
21 are assigned.

22 CHAIR MITCHELL: Mr. Snowden, you're  
23 getting close there on substance versus process  
24 here.

1 MR. SNOWDEN: I understand. I am trying  
2 to suggest a process and this really only has to do  
3 with timing, not about results other than lead time  
4 for construction. If you would like me to move on,  
5 I can move on.

6 CHAIR MITCHELL: I'd just stick to  
7 process.

8 MR. SNOWDEN: Okay. Well, I'll just say  
9 this, based on what we know about the timelines  
10 required for building transmission, we have just the  
11 narrowest window of time to proceed with a  
12 transmission planning process if we're going to hit  
13 the 951 carbon reduction mandates.

14 In any event, we are hopeful that we'll  
15 hear more from Duke soon about the process that it's  
16 following on transmission planning and the  
17 opportunities for stakeholders to engage in that  
18 process.

19 To be clear, Duke and others have put a  
20 lot of effort into the stakeholder process and we  
21 believe that everyone already understands the  
22 benefits of building consensus. We hope that as the  
23 process continues to move forward, Duke will provide  
24 the transparency that's required for the parties to

1 achieve any substantial consensus on the Carbon  
2 Plan. Thank you.

3 CHAIR MITCHELL: Thank you, Mr. Snowden.  
4 Questions for Mr. Snowden? Go ahead, Commissioner  
5 Duffley.

6 COMMISSIONER DUFFLEY: So this policy  
7 study request that you sent to the North Carolina  
8 Transmission Planning Collaborative --

9 MR. SNOWDEN: Yes, ma'am.

10 COMMISSIONER DUFFLEY: -- do you know if  
11 it's been posted on their website?

12 MR. SNOWDEN: I don't think it's been  
13 posted. We've had a preliminary discussion with  
14 the -- with the TPC, with their consultant about it.  
15 I think it will probably -- my understanding is that  
16 other requests have also been received, ours is not  
17 the only one, and there will be some iterations,  
18 some synthesis of those set of requests.

19 COMMISSIONER DUFFLEY: And do you know  
20 when the next planning meeting is?

21 MR. SNOWDEN: The next meeting of the  
22 Transmission Advisory Group which is what --

23 COMMISSIONER DUFFLEY: TAG.

24 MR. SNOWDEN: TAG is, I believe it's

1 March 28th. The agenda has been posted for that  
2 meeting but it's pretty high level and so there is  
3 no indication of whether any of this is going to be  
4 discussed then.

5 COMMISSIONER DUFFLEY: Okay. And then --  
6 I should have asked this of Mr. Ledford. So I meant  
7 to ask this but you're the lucky recipient.

8 MR. SNOWDEN: Thank you.

9 COMMISSIONER DUFFLEY: So, I'm just trying  
10 to get a handle of what Duke has stated versus what  
11 the stakeholders are stating to get that right  
12 balance. And I guess one of my questions that pops  
13 into my head, if they provide information ahead of  
14 time, certain inputs, but then they tweak it prior  
15 to the filing; is there going to be some type of  
16 confusion with any of the tweaks? So that -- they  
17 provide the information but actually it gets revised  
18 beforehand so then we have several different data  
19 sets that are out there versus just having the final  
20 data set. Is that a possibility or not?

21 MR. SNOWDEN: I think that's certainly a  
22 possibility. It's something we want to watch out  
23 for. In my view, it's actually -- really the point  
24 of the process is that Duke can tweak those inputs

1 so it gets the actual, sort of, these are  
2 preliminary hard, not hard, but these are  
3 preliminary granular assumptions, right. These are  
4 the numbers we're working with. These are the data  
5 sets we're using. They can take feedback on that.  
6 And they may change those, they may not; they may,  
7 but I think it's -- you know, in the process it's  
8 not hard to control for that and simply to say here  
9 is our preliminary as of, you know, x and such date.  
10 This is not our final. And then at some point as  
11 they get closer to filing, things will be marked  
12 final. I mean, I get Duke does not want to -- you  
13 know, if I were in Duke's shoes I would not want to  
14 answer a million discovery questions about why they  
15 changed this or didn't change that. I understand  
16 that there's maybe some concern about drafts being  
17 shared like that. But again, I think that that can  
18 be controlled.

19 COMMISSIONER DUFFLEY: And then, how long  
20 does it take to run an EnCompass model like putting  
21 in different --

22 MR. SNOWDEN: You are asking the wrong  
23 person. I'm sorry.

24 CHAIR MITCHELL: Well, who can answer that



1 question among you? Mr. Jirak?

2 MR. JIRAK: I cannot. I'm sorry.

3 CHAIR MITCHELL: Mr. Lucas?

4 MR. LUCAS: I don't know.

5 CHAIR MITCHELL: Mr. McLawhorn?

6 MR. McLAWHORN: I cannot.

7 CHAIR MITCHELL: Ms. Luhr?

8 MS. LUHR: I cannot, but I will say Jeff  
9 Thomas who is not in the office today can answer  
10 that question.

11 CHAIR MITCHELL: Okay.

12 MS. LUHR: And if it's helpful he can file  
13 something.

14 CHAIR MITCHELL: Okay.

15 MR. SNOWDEN: I understand from talking to  
16 Duke representatives it is fairly labor intensive,  
17 but I don't know what that means.

18 COMMISSIONER DUFFLEY: But we don't  
19 know --

20 CHAIR MITCHELL: We've highlighted that a  
21 room full of lawyers is a pretty useless thing.

22 MR. SNOWDEN: Let's all speculate, shall  
23 we?

24 (Laughter)

1 MR. LEDFORD: Chair Mitchell, recognizing  
2 that I'm not under oath, my understanding is it  
3 takes a couple of days to run the model.

4 COMMISSIONER DUFFLEY: Thank you.

5 COMMISSIONER McKISSICK: In terms of the  
6 transportation (sic) planning collaborative, at this  
7 point in time have you had dialogue with them to  
8 know if they are planning to make any kind of a  
9 contribution through statements or comments dealing  
10 with the --

11 MR. SNOWDEN: I don't -- I'm sorry.

12 COMMISSIONER McKISSICK: -- Plan? Go  
13 ahead.

14 MR. SNOWDEN: I don't understand them to  
15 be for weighing in on the Carbon Plan or in this  
16 docket. I don't know that that's really their job.  
17 I do -- and I think the Commission heard about this  
18 during the IRP, the technical sessions, the Public  
19 Staff had submitted I think last year, pre-951, the  
20 Public Staff had submitted a policy study request  
21 that was sort of the Carbon Plan lite, I guess. I  
22 mean it was, I think, a lower level of renewables  
23 integration. The TPC is working on that. I believe  
24 they're going to have preliminary results to share

1 at the end of March and then I think that's -- and  
2 then that will be finalized fairly soon after that.  
3 My understanding is that will -- I would guess that  
4 would be part of the basis for what we're looking at  
5 in the Carbon Plan but I don't -- it's not clear to  
6 me what the next step is for the TPC after that. I  
7 mean, they have -- they have to do the reliability  
8 work. I think that's about half their work load.  
9 So, as to what they're going to do for expansion,  
10 you know, generator expansion work after that I  
11 don't really know.

12 COMMISSIONER McKISSICK: I was just trying  
13 to get some idea since Duke is sharing some  
14 information with them at this point in time, I mean,  
15 the extent to which they would be in a position  
16 to comment or provide dialogue. But you're saying  
17 at the end of March they will be doing exactly what?

18 MR. SNOWDEN: At the end of March, the TPC  
19 will be sharing the preliminary results of the  
20 policy study case that was done in response to the  
21 Public Staff's request.

22 COMMISSIONER McKISSICK: Got it. Thank  
23 you.

24 CHAIR MITCHELL: Any additional questions

1 for Mr. Snowden?

2 (No response)

3 Mr. Snowden, thank you.

4 MR. SNOWDEN: Thank you.

5 CHAIR MITCHELL: Next up, Mr. Burns.

6 MR. BURNS: Thank you, Chairwoman

7 Mitchell. At the risk of bringing the perspective  
8 of yet another useless attorney to the proceeding, I  
9 want to echo -- my name is John Burns for the record  
10 and I represent the Carolinas Clean Energy Business  
11 Association. I want to echo the comments of  
12 Mr. Ledford and Mr. Snowden. I don't want to take  
13 up too much of your time with that. We share their  
14 concerns. Our members and I and our executive  
15 director have participated, I think, quite actively  
16 in all of the stakeholder meetings to date.

17 I do want to thank Duke for the time and  
18 effort that especially these three folks here today  
19 have put into those stakeholder meetings and for  
20 providing -- I thank employees of Duke who did have  
21 real answers to give to questions. There were folks  
22 with a lot of knowledge at the table talking to us,  
23 and that's very much appreciated.

24 I will echo though the concern that it

1 kind of -- the current stakeholder process, and I  
2 assume it will continue in this manner, is there are  
3 questions, there are initial answers, and then there  
4 is we'll talk to you again in a few weeks. It's not  
5 really what we would hope for, it's more of an  
6 iterative process. And I think that's what  
7 Mr. Snowden and others have requested is we ask  
8 questions, we get responses. And then if we have to  
9 wait until May 16th to see how that's all  
10 incorporated, then I think we've missed an  
11 opportunity to provide feedback and confidence to  
12 stakeholders that their concerns are being taken  
13 into account and addressed.

14 I think we could go a long way towards  
15 that if we do what the Public Staff has requested,  
16 in many ways, which is to make sure that as data is  
17 developed it be shared with stakeholders. And if  
18 it's going to be confidential anyway, even after the  
19 filing of the Carbon Plan, then we are happy to have  
20 it be confidential prior to the filing of the Carbon  
21 Plan. We need to see that data so that we know what  
22 to look for when the Carbon Plan is actually filed.  
23 And if we can get drafts of the Carbon Plan and  
24 comment on them, then we get a lot closer to that

1 goal of consensus that Mr. Snowden was talking  
2 about. That's our goal as well. We only have 60  
3 days to review this, comment on it, and prepare  
4 counter plans or whatever it is that we're going to  
5 file. At this stage, we don't know what that's  
6 going to be because we won't see it until May 16th.

7 Anything that lengthens or causes more  
8 litigation during that process is going to delay  
9 getting to an answer for you and for the people of  
10 North Carolina. So, if we can share that  
11 information ahead of time to allow the questions to  
12 be honed and the issues to really be brought to a  
13 head on whatever those key issues are going to be,  
14 that will be very helpful to the process.

15 And I would also like to echo the call for  
16 transmission to be addressed. Without going too  
17 much into the details of the substance of what's  
18 been presented to date, it is very clear that one of  
19 the key restrictions on what Duke can propose is  
20 what its transmission system can undertake. We  
21 don't know what that limit is outside of drawing  
22 some conclusions from other processes that are --  
23 that we're going through. We really need to know  
24 and we need to know as soon as we can, I think, and

1 you need to know what role is transmission planning  
2 and upgrades playing in the development of the  
3 Carbon Plan itself. If it's pushing off purchases  
4 of energy from third parties until late in the plan  
5 period, we need to know that. If it is allowing for  
6 purchases of power from third parties earlier in the  
7 plan period because they anticipate doing some  
8 transmission upgrades more quickly than otherwise  
9 anticipated, we need to know that as well so that we  
10 can provide real comment and real feedback and in  
11 whatever we file after May 16th.

12 I don't want to test your patience.  
13 You're probably going to hear a lot of that from  
14 several folks, so I'll answer any questions you have  
15 and then I'm happy to turn it over.

16 CHAIR MITCHELL: Questions for Mr. Burns?  
17 Commissioner Brown-Bland?

18 COMMISSIONER BROWN-BLAND: Mr. Burns, I'm  
19 not asking this because we're going to go over and  
20 change what's happened to this point.

21 MR. BURNS: Yes, ma'am.

22 COMMISSIONER BROWN-BLAND: But just for  
23 future knowledge and working with stakeholder  
24 groups, you talked about it, you know, you come, you

1 ask questions, you get some answers and then they go  
2 away, and there's a critique or a criticism in  
3 there. So, just in terms of your vision or the  
4 creativity that you as an attorney might have, how  
5 could that be improved upon if you were kind of in  
6 the driver's seat and running the meeting?

7 MR. BURNS: Well, to some extent,  
8 Commissioner Brown-Bland, I have to say that I'm  
9 relatively new to this process. I've been at this  
10 job for over a year now, but this is the first time  
11 that I've gone through this type of engaged  
12 stakeholder process. So, maybe I do bring a  
13 perspective that might help. I do think anything we  
14 can do to get -- and it takes trust which may not be  
15 here on either side and we have to be careful about  
16 that, but I do think it should be aimed more at an  
17 iterative process. More of here's what we think  
18 we're going to propose. Can you give us some  
19 comments back on that. And then the next time when  
20 we talk we will tell you where that is -- where  
21 we've taken that into account.

22 I can tell you that in another context  
23 with another entity we have been engaged in  
24 discussions about their joint operating agreement



1 with yet another entity. And what we've done in  
2 those settlement discussions is have them provide us  
3 a draft, we comment on it, it gets sent back to  
4 them, two weeks later they send us back an  
5 additional draft and where they can't take our  
6 accounts -- our statements into account they will  
7 explain why. They will mark it out and there will  
8 be comments in the margins.

9 This is much more complex than that. I  
10 understand that and it may not be possible, but  
11 something more akin to a give and take rather than  
12 a -- I almost sometimes feel in some of these larger  
13 stakeholder groups as if I'm back in a freshman  
14 chemistry class and there's 400 of us and there's a  
15 presentation up front and we can raise our hand but,  
16 sort of, the lecture, the content of the lecture is  
17 already there, and I hope that that will be  
18 addressed at the next lecture. Not that they're  
19 lecturing us. That's a very bad analogy because  
20 there's a lot of hard work going on on the other  
21 side. I understand that.

22 COMMISSIONER BROWN-BLAND: In your other  
23 experiences that you kind of bring to bear here --

24 MR. BURNS: Yes, ma'am.

1           COMMISSIONER BROWN-BLAND:  -- were the  
2 groups of participants as large?

3           MR. BURNS:  That's why I said this is much  
4 more complex than that.  I would absolutely concede  
5 that that is, that's a difficulty here.

6           COMMISSIONER BROWN-BLAND:  So --

7           MR. BURNS:  With that said, even after May  
8 16th, a large number of people are going to be  
9 filing responses to this and we're going to have to  
10 deal with those.  It might be helpful if we can  
11 address those in the process.  I apologize.

12           COMMISSIONER BROWN-BLAND:  I ask the  
13 question about the size because immediately based on  
14 your response I'm remembering undergrad and there's  
15 the small class and there's the large class.

16           MR. BURNS:  Right.

17           COMMISSIONER BROWN-BLAND:  They are dealt  
18 with very different?

19           MR. BURNS:  Very different.  I get it.  
20 Yes, ma'am.

21           CHAIR MITCHELL:  Thank you, Mr. Burns.  It  
22 looks like you're off the hook.  Ms. Force?

23           MS. FORCE:  Good morning.  It's nice to  
24 see you in person.  My name is Margaret Force with

1 the Attorney General's Office. And first I want to  
2 thank you, Commissioners, for your efforts to  
3 broaden the notice to the public about these  
4 stakeholder meetings and, also, to provide more  
5 opportunities for input on the development of the  
6 plan, the Carbon Plan, and thank you for seeking  
7 these reports on the progress of the stakeholder  
8 process. The AGO appreciates this opportunity to  
9 comment and will focus on one concern. You may not  
10 be surprised, it's similar to what you've heard from  
11 other parties.

12           The meetings have been very well-attended  
13 but, unfortunately, there has not been the, sort of,  
14 in-the-weeds information available from Duke for a  
15 conversation that might produce a collaborative  
16 approach or a narrowing of issues by agreement on  
17 some of the terms.

18           As others have commented and Duke has  
19 indicated, Duke has not -- has resisted discovery up  
20 to this point but -- until the filing is actually  
21 made in May -- but of greater concern not having the  
22 information about primary inputs and assumptions  
23 that are going into the plan as those are developed  
24 has hampered the discussion that goes on in the

1 stakeholder meetings.

2           Instead of elaborating on examples, and  
3 you've had some of those already, we'd ask the  
4 Commission to take a look at a summary that Synapse  
5 put together for the North Carolina Sustainable  
6 Energy Association and other parties that was shared  
7 with us, with our office and our consultant Edward  
8 Burgess at Strategen. That summary offers many  
9 examples of information that will be needed, and the  
10 summary wasn't done by lawyers. And it would be  
11 helpful to get a better understanding of the kinds  
12 of inputs that would facilitate better conversation  
13 and discussion during the stakeholder process. And  
14 Duke is already -- as others have mentioned, Duke  
15 has already decided on many of these key  
16 foundational data points. And to the extent that  
17 they have not, it would be valuable to know that as  
18 well, and for Duke to share that information.

19           The point is that efforts undertaken in  
20 the stakeholder process are stymied by limited  
21 access to the details and that hampers collaboration  
22 and agreement.

23           As some of the questions have indicated,  
24 the time will be very short for response. And

1 having very clear, delineated information, that  
2 should be required when the filing is made in May,  
3 is going to be critical for the Commission and  
4 should be identified in advance by the Commission  
5 with input from parties, including non-lawyers, and  
6 could be filed along the lines of the E-1 filings  
7 that are made when a rate case is filed, and not  
8 with delay of seven days or more given the very  
9 short time that we're going to have for comments on  
10 the plan once it's filed. That concludes my

11 comments. If you have any questions I'd be happy --

12 CHAIR MITCHELL: Ms. Force, where is the  
13 Synapse document located that you've referenced?

14 MS. FORCE: I don't have a final copy with  
15 me. I'd refer to -- it was the North Carolina  
16 Sustainable Energy Association that we received it  
17 from.

18 MR. LEDFORD: Madam Chair, it has not been  
19 filed with the Commission, but we would be happy to  
20 do so.

21 CHAIR MITCHELL: All right. Well,  
22 certainly you can file it in the docket if it's  
23 relevant. Thank you, Ms. Force. Commissioner  
24 Clodfelter?

1 COMMISSIONER CLODFELTER: Mr. Ledford, is  
2 that the document you were referring to earlier when  
3 I asked you the question about data sets?

4 MR. LEDFORD: Yes, it was what I was  
5 using.

6 COMMISSIONER CLODFELTER: That's what you  
7 were referring to. Okay. Thank you.

8 MS. FORCE: I'd say that it's a very  
9 comprehensive data set. Our expert had a few ideas  
10 that either delineated some points so it's not  
11 exhaustive but it's very comprehensive.

12 CHAIR MITCHELL: Additional questions for  
13 Ms. Force?

14 (No response)

15 Thank you very much. Ms. Thompson?

16 MS. THOMPSON: Thank you, Chair Mitchell,  
17 Members of the Commission. Again, I'm Gudrun  
18 Thompson representing Southern Alliance for Clean  
19 Energy, Natural Resources Defense Council, and the  
20 Sierra Club in this proceeding. And I think the  
21 Commission for the opportunity to address you as to  
22 the sufficiency of the Carbon Plan stakeholder  
23 process.

24 You've heard -- many of my points have

1 already been made, but I think they're important so  
2 I'm going to hit them again, and I'll start with the  
3 big picture and then kind of funnel down to some of  
4 the details. I do want to start by saying that I do  
5 and my clients appreciate the efforts of Duke and  
6 Great Plains Institute with the stakeholder process.  
7 We know it's a big lift. We know they are working  
8 very hard to make it a success.

9 But starting with the big picture, there's  
10 a structural imbalance in the stakeholder process  
11 that I think presents a barrier to really meaningful  
12 participation by stakeholders and that is that the  
13 Company is setting the agenda, choosing what to  
14 focus on, and taking up the bulk of the time with  
15 its presentations. There's no assurance that Duke  
16 is going to incorporate stakeholder feedback into  
17 the Carbon Plan and no real mechanism so far to  
18 require them to document how or even whether it has  
19 taken stakeholder input into account. So I think  
20 without more direct Commission oversight or  
21 accountability to document how or whether  
22 stakeholder input was incorporated or disregarded,  
23 it is hard to gauge the value in devoting a lot of  
24 time to this process.

1           Again, you've heard this from a couple of  
2 other presenters, but Duke has not responded to some  
3 very clear stakeholder input and interest in  
4 discussing certain topics, even topics that are  
5 specifically called out in House Bill 951 as items  
6 that the plan may at a minimum consider such as  
7 transmission planning.

8           In addition, on the -- I don't think this  
9 point has been made. The Commission has given Duke  
10 clear direction to build on other stakeholder  
11 processes such as the Clean Energy Stakeholder  
12 process, which after-all was aimed at evaluating  
13 policies to achieve the very same carbon reduction  
14 targets that we have in H951. So far I have not  
15 seen any evidence that those other Clean Energy Plan  
16 stakeholder processes are being incorporated or even  
17 discussed in this process.

18           On the technical subgroup meetings, we  
19 definitely appreciate that Duke and its consultants  
20 scheduled these technical subgroup meetings to do a  
21 deeper dive on some topics, but the usefulness of  
22 those meetings has been limited due to Duke's  
23 unwillingness to share inputs and assumptions about  
24 those topics. And it is unclear again whether and



1 how stakeholder input from those meetings is going  
2 to be incorporated into the larger process. It also  
3 seems that a single meeting of each subgroup on each  
4 topic is not going to be adequate to address and  
5 really truly do a deep dive into these complex  
6 topics.

7           Finally, you've heard a lot about this  
8 today, but I just -- I think it is -- I really want  
9 to underscore this issue that stakeholders need  
10 access to the modeling inputs and assumptions before  
11 the Carbon Plan is filed in order to have meaningful  
12 input into the process. As the Commission may  
13 recall, when Duke requested an extension from April  
14 1st to mid-May to file the Carbon Plan, a central  
15 reason it gave was to have sufficient time to allow  
16 thorough review and deliberation of critical  
17 modeling inputs and input from stakeholders.  
18 Numerous stakeholders have asked Duke to share model  
19 inputs and assumptions as well as the scenarios and  
20 sensitivities that will be modeled for the Carbon  
21 Plan. Without detailed and comprehensive access to  
22 this data, stakeholders are only granted a vague and  
23 partial view of the proposed Carbon Plan inputs and,  
24 in turn, are unable to provide meaningful feedback.

1 Exercises such as the one Ms. Dulin  
2 described in which stakeholders were supposed to  
3 share the outcomes they would like to see are just  
4 not a productive use of time in the absence of these  
5 more granular data inputs and assumptions. And as  
6 Mr. Jirak has made clear Duke is not going to  
7 respond to discovery requests prior to filing the  
8 Carbon Plan in mid-May.

9 I don't know how much time it takes to  
10 actually do the modeling. Again, a lawyer not an  
11 engineer. But I am told by our consultant that two  
12 months is not going to be adequate and understand  
13 that the Commission is under a severe time crunch  
14 here. So, those two months are not going to be  
15 adequate to analyze Duke's plan or conduct their  
16 own, intervenor's own modeling prior to the deadline  
17 for intervenor filings. Duke can and should share  
18 those model inputs as soon as they are available,  
19 which will be in advance of their filing of their  
20 Carbon Plan, so the stakeholders have enough time to  
21 do their own modeling and develop the  
22 apples-to-apples comparison with the Duke plan for  
23 the benefit of the Commission.

24 So, you've heard a little bit about this

1 before but, finally, the EnCompass software that  
2 Duke will be using combines all of the inputs for a  
3 modeling project into a single database that our  
4 consultant tells me can be easily imported and  
5 exported across users and can be easily read, even  
6 by non-EnCompass users via Microsoft Xcel. I'm  
7 sensitive to Duke's limited resources and know that  
8 this plan is a big lift, but I am told that sharing  
9 the EnCompass database is not a big lift. So, Duke  
10 should share this database as soon as it is  
11 available, subject to appropriate confidentiality  
12 agreements, and Duke should also share the data  
13 sources and methodology used to develop the  
14 Encompass inputs and assumptions. And I have a  
15 checklist of these data points that I won't try to  
16 run through right now but would be happy to provide  
17 that to Duke and/or Great Plains Institute and other  
18 stakeholders and/or file with the Commission if that  
19 would assist you. Thank you very much for your  
20 time.

21 CHAIR MITCHELL: Ms. Thompson, I have a  
22 few questions. I'm going to -- you're the last on  
23 the witness stand so you're going to get them.

24 You know, this -- there has been a

1 consistent call for granular data assumptions, you  
2 know, model inputs, transparency into that  
3 information. That is within Duke's purview. But  
4 what I've also heard from Duke is that we're  
5 still -- we're not there yet, I mean, we're still  
6 working on this. All of this is, to me, I hear Duke  
7 saying that the data and the inputs sought or the  
8 assumptions sought by the intervening parties may  
9 not yet be crystallized. And so how do we make  
10 productive use of this time for the purpose of  
11 achieving a Carbon Plan that's consistent with the  
12 statutory mandate we're operating under at this  
13 point? We need to use this limited time  
14 productively and how do we do that? How do we  
15 not -- you know, if we were to give the intervenors  
16 everything that they are asking for as of right now  
17 - Duke, turn everything over right now - how do we  
18 keep this from devolving into litigation?

19 We need to use this time productively so  
20 that we get to -- so that we can influence the data  
21 and the assumptions that go into Duke's model,  
22 reflect the feedback and the engagement from all of  
23 the parties who are involved here. So, how do we do  
24 that? I mean, I hear you say, you said it, I think

1 very artfully when you said there are barriers to  
2 meaningful participation. I hear that. But how do  
3 we also keep this from just devolving into  
4 litigation where the lawyers are just firing off  
5 data requests back and forth and coming to us to  
6 help resolve those data requests before we really  
7 get into a litigated posture here? So, help me.  
8 Help me. How do we strike a good balance here?

9 MS. THOMPSON: Sure, I can try. I can't  
10 speak for the other intervenor counsel, of course.

11 CHAIR MITCHELL: Understood and I'm not  
12 asking you to, but just you help me.

13 MS. THOMPSON: What we -- what our  
14 consultant needs and what we would like to have is  
15 to have the EnCompass database when it is available,  
16 which we understand it probably isn't right now or  
17 almost certainly isn't right now --  
18 Mr. Breitschwerdt is nodding at me that it is not  
19 available -- because those inputs haven't been  
20 finalized and that's understandable. But at a  
21 certain point prior to filing of the plan in  
22 mid-May, that when Duke is getting ready to press  
23 start or whatever, however they get their model  
24 going, that database is going to be available and we

1 would like to have it at that time. And we  
2 understand that it is not a big lift to produce  
3 that.

4 In addition, I think there are other -- my  
5 understanding from going through IRPs and other  
6 proceedings is that there will be other inputs that  
7 need to be finalized in advance that may be ready  
8 now. The load forecasts, for example, that might be  
9 ready now. If Duke has done any new resource  
10 adequacy studies, those may be ready now. So, if  
11 there is anything that is final or near final -- I  
12 guess I shouldn't even say final. If there is  
13 anything that is ready now we would like Duke to  
14 produce that. And I think it should benefit Duke as  
15 well to have stakeholder input in advance of doing  
16 the modeling to produce the plan.

17 I think they -- you know, Ms. Dulin has  
18 expressed that it has been helpful to have some  
19 stakeholder input. And Mr. Jirak's been in a lot of  
20 meetings, I think. It sounds like discussing  
21 stakeholder input. But if it's -- but for input to  
22 be meaningful, I think you, you kind of -- we have  
23 to be able to get down to brass tacks and not be  
24 talking at such a high level of generality that --

1 maybe we're not. Maybe we're talking past each  
2 other and not talking about something that's really  
3 real and concrete.

4 So, I understand there needs to be a  
5 balance, but I think there's a way to lock that  
6 line, provide stakeholders with the information they  
7 need, but not put too much of a burden on the  
8 company, and hopefully avoid some of the litigation  
9 on the back end about, and hopefully minimize the  
10 discovery disputes that this Commission might have  
11 to adjudicate.

12 CHAIR MITCHELL: Thank you, Ms. Thompson.  
13 Thank you for fielding that question. Let me check  
14 in with Commissioners. Commissioner Clodfelter, did  
15 you have something?

16 COMMISSIONER CLODFELTER: No.

17 CHAIR MITCHELL: Commissioner Brown-Bland?

18 COMMISSIONER BROWN-BLAND: No.

19 CHAIR MITCHELL: Okay. Duffley?

20 COMMISSIONER DUFFLEY: So, I've heard you  
21 say, and I think we've all been there, when we go to  
22 a meeting and the bulk of the meeting is taken up by  
23 presentations that we could have looked at the slide  
24 deck ahead of time. So, what is your solution for

1 this next stakeholder meeting? If you were to  
2 envision Great Plains Institute, if you were in  
3 their position, like, how would you restructure that  
4 so there can be more discussion and less teaching?

5 MS. THOMPSON: Sure. Well, I think  
6 that -- I think one issue is the agenda setting  
7 itself and I think Duke has already, and Great  
8 Plains have already heard a lot of input into topics  
9 that they would like to be on the agenda, and the  
10 Commission has heard some of those today. So, I  
11 think hearing that and taking that into account,  
12 putting those things on the agenda, that could also  
13 potentially be done using a survey, sort of an  
14 online survey tool. What would you -- you know,  
15 sent out to stakeholders - what you would like to  
16 see on the agenda?

17 Stakeholders could be given some air time  
18 perhaps. I mean that actually, I think, was pretty  
19 effective in the technical subgroups. The fact that  
20 it wasn't just Duke presenting and that some of the  
21 intervenors who have really deep technical expertise  
22 were giving an opportunity to copresent or to also  
23 present in those. So, I think -- I think -- so  
24 those are some ideas.



1 I also want to mention, I think was eluded  
2 to by somebody else, but there is a -- it is almost  
3 like there is the stakeholder meeting and then there  
4 is a shadow meeting going on in the chat. There is  
5 a very robust discussion going on in the chat during  
6 these meetings. This is not my skill set being a  
7 facilitator but if there is a way to somehow bring  
8 in some of that discussion more effectively into the  
9 main discussion I think that would be helpful. I  
10 think the GPI folks are trying to do that by  
11 monitoring the chat and then asking questions from  
12 the chat of the presenters. But I think if that  
13 could be done more effectively that would be useful.

14 COMMISSIONER DUFFLEY: And then if it was  
15 structured differently are you losing anything?  
16 Would stakeholders be losing anything without this  
17 presentation period?

18 MS. THOMPSON: I think there would  
19 still -- I do -- sorry. I probably wasn't clear. I  
20 think it's still helpful to have the presentation  
21 period. If there's a way to share the slides  
22 farther in advance and, you know, folks should be --  
23 stakeholders should be there prepared, having done  
24 their homework, having reviewed the slides, maybe

1 that means you can spend less time with the Duke  
2 folks presenting and more time with Q and A.

3 COMMISSIONER DUFFLEY: Thank you for that.  
4 And then you mentioned that you didn't really see  
5 any type of build on a prior stakeholder process  
6 like the Clean Energy Plan. How would you suggest  
7 correcting that?

8 MS. THOMPSON: I think that the content,  
9 just some of that content just needs to be brought  
10 in. A lot -- there's a lot of overlap between the  
11 participants and the Clean Energy Plan, you know,  
12 so-called A-1 and B-1 processes. There's a lot  
13 of -- the same people participated but there's not  
14 complete overlap. So, I think that some of what was  
15 discussed in those Clean Energy Plan processes,  
16 there may need to be some level setting so that  
17 stakeholders, so that all stakeholders are aware of  
18 what was discussed in those processes. And then I  
19 think just discussion of some of those policy  
20 pathways and how they could be potentially  
21 incorporated into the Carbon Plan and into Duke's  
22 modeling.

23 COMMISSIONER DUFFLEY: Thank you for those  
24 answers.

1 MS. THOMPSON: Thank you.

2 CHAIR MITCHELL: Just following up on that  
3 last question, so has there been no reference to the  
4 Clean Energy Plan or, I mean, help me understand.  
5 Is the Clean Energy -- the work that went into the  
6 stakeholder processes associated with the Clean  
7 Energy Plan? How is this process building off of  
8 those processes?

9 MS. THOMPSON: I can't recall any explicit  
10 discussion at least of any of the particular policy  
11 pathways that were evaluated in either the A-1 or  
12 B-1 process. There have been allusions to  
13 securitization which was discussed in the B-1  
14 process and is now a real thing, but there hasn't  
15 been any extensive discussion of either the A-1 or  
16 B-1 policy pathways that I can recall. I've  
17 suggested it a couple of times in the chat for the  
18 record.

19 CHAIR MITCHELL: Okay. Additional  
20 questions for Ms. Thompson?

21 (No response)

22 Thank you very much. Mr. Jirak, I see you  
23 moving towards your microphone.

24 MR. JIRAK: You know, I think we can cover

1 a few high-level points --

2 CHAIR MITCHELL: Hang on one second. I'm  
3 sorry, Mr. Jirak. Ms. Cress?

4 MS. CRESS: Chair Mitchell, I just wanted  
5 to say I know I filed a letter in lieu of requesting  
6 presentation time, but I do have file stamped copies  
7 in case anybody would like to see it. And I'm happy  
8 to answer any questions from you if the Commission  
9 has any.

10 CHAIR MITCHELL: And let me -- I'm sorry,  
11 I neglected to ask Commissioners. Questions for  
12 Ms. Cress on CIGFUR's positions?

13 (No response)

14 Okay. Thank you very much. Mr. Jirak,  
15 back to you.

16 MR. JIRAK: I totally -- completely defer  
17 to you. Obviously, Chair Mitchell, we can respond  
18 to a few of those things briefly -- a few of the  
19 topics brought up briefly, but only if it would be  
20 helpful to you or to the Commission to hear from us.

21 CHAIR MITCHELL: Let me do this, check in  
22 with my colleagues to see. Questions for Duke  
23 before we call it a morning?

24 COMMISSIONER CLODFELTER: I'd be

1 interested in hearing Mr. Jirak's response.

2 CHAIR MITCHELL: Mr. Jirak and Ms. Dulin.

3 MR. JIRAK: Sure. We, again, appreciate  
4 the dialogue we've had here this morning. I  
5 recognize there's some differences of opinions here  
6 and we're -- we continue to be committed to hearing  
7 from stakeholders both in this forum and other  
8 forums, so -- and do our best to evolve the  
9 stakeholder process in ways that make it more  
10 meaningful and responsive to stakeholder input. So,  
11 that's absolutely on our radar and a very high  
12 priority for us.

13 I also don't want to create the  
14 false expectation that we can satisfy every  
15 stakeholder expectation. There's certainly going to  
16 be difference of opinions on these issues both from  
17 a substantive perspective and from a procedural  
18 perspective, but we're looking to do the best we can  
19 to strike direct balance.

20 I would just briefly respond to about  
21 three or four points and then I've asked Rebecca to  
22 chime in here if I miss anything and we'll just kind  
23 of tag-team this.

24 I think the big ones I would probably hit

1 are obviously giving an opportunity for stakeholders  
2 to have their voice heard in the meetings is a high  
3 priority for us and I would respectfully disagree  
4 with some of the characterizations. There has  
5 absolutely been chances in the meetings, and Rebecca  
6 alluded to this, that we have intentionally carved  
7 out time in the meetings thus far to allow  
8 stakeholders to have their voices heard. And, in  
9 addition, we are -- I mean, the stakeholder input  
10 line is open 24-hours a day. If there are -- we've  
11 asked for parties to deliver their -- the inputs  
12 they think we should be using and we are -- we would  
13 love to receive those.

14           So, we're doing the best we can to give  
15 the opportunities for stakeholders to make their  
16 voice heard. We will continue to focus on that in  
17 the final stakeholder meeting. And -- but it's  
18 obviously a challenge to Commissioner Brown-Bland's  
19 points about the large classroom versus the small  
20 classroom. We're in a large classroom with 500  
21 attendees on a conference call. There are practical  
22 limitations on whether everyone can feel like their  
23 voice was heard in that space. But we're doing the  
24 best we can to balance it given the context of what

1 we're doing here.

2 So, I don't know if there's anything you  
3 want to add there.

4 MS. DULIN: To Gudrun's point about the  
5 managing the chat, I agree with her characterization  
6 that it's like a whole extra meeting going on behind  
7 the scenes. And I think Great Plains is doing its  
8 best to try to pull those comments from the chat in.  
9 But, I mean, there's probably a comment a second and  
10 so it creates a -- excuse me -- a challenging --  
11 pardon me -- a challenging environment to  
12 effectively pull in all of that into the dialogue  
13 going on. That's happening contemporaneously with  
14 the -- if you're familiar with the raise-your-hand  
15 function as we've all become then that --  
16 stakeholders have the opportunity at any time to use  
17 the raise-your-hand function and folks are called  
18 on.

19 I think it's also important to think about  
20 the voices in the room are the ones that you hear  
21 from the most probably because these are parties  
22 that are going -- are intervenors and are going to  
23 participate in the litigated process, but there's  
24 also a whole lot of other voices out there that want

1 to be heard. And so where we've got a long line of  
2 folks with their hands raised, we do our best to get  
3 to everybody. And I say "we", I actually don't have  
4 anything to do with it. The Great Plains Institute  
5 facilitates all of that. And so if -- I appreciate  
6 the remarks about how stakeholders could feel more  
7 heard. As Jack said, that is an utmost priority to  
8 us and we will think about ways to -- I should say,  
9 that has actually been at the forefront of our minds  
10 in the development of the second meeting. So that,  
11 like I mentioned earlier, we put together six slides  
12 to cover four hours, because we wanted to make sure  
13 there was significant time for feedback. If there  
14 are process ways that we can improve that, we'll  
15 continue to do that, of course. But that's at the  
16 forefront of our minds and very important.

17 MR. JIRAK: Yeah. And one last thought  
18 there is just that we are -- I mean, to the question  
19 of "are we hearing stakeholder feedback" and "are we  
20 responding to it", the question (sic) is yes. We  
21 are doing that in real time behind the scenes. We  
22 are trying to communicate that in meetings. And in  
23 our filing we will absolutely describe the ways in  
24 which we responded to and evaluated stakeholder



1 feedback.

2 Two more quick points and then I'll get us  
3 out of here for lunch, which I know we all want to  
4 do.

5 The sharing of inputs: So, certainly --  
6 again, first to concede not the expert here, and  
7 we've heard these requests. We've heard some more  
8 clarity on the requests here that we can take back  
9 to talk to our real experts about what it may look  
10 like to share some of this stuff. But we  
11 continue -- I continue to have concerns about  
12 whether, when that will be ready, legitimately  
13 final, and in a way that can be shared. And we also  
14 have real concerns about what Commissioner Duffley  
15 raised which is this potential for moving target of  
16 reviewing of data inputs that get changed and then  
17 confusion in the proceeding about what was -- what  
18 were the differences between the draft that was  
19 shared and the final. And we see a real potential  
20 for, actually, increased complexity in the process,  
21 especially depending on timing of when we can even  
22 provide that, those drafts, if we could provide  
23 those draft inputs. Whether the small additional  
24 time gained, if possible, is outweighed by the

1 potential complexity that arises where you have  
2 potentially confusion about what changed and when  
3 and who was using what draft.

4 So, I don't have a perfect answer for  
5 that, but it's something we'll take back to think  
6 about for sure.

7 COMMISSIONER CLODFELTER: Mr. Jirak,  
8 EnCompass's website says that one of the virtues  
9 of their modeling software is that it's very simple  
10 to see when data sets have been changed, when they  
11 were changed, how they were changed, and who made  
12 the change. What's the issue?

13 MR. JIRAK: I will take their word for it,  
14 it's very simple. It's probably simple to a  
15 technical expert to see that. But, you know, I --  
16 it's not -- again, as it's been explained to me,  
17 there's millions and millions of data input  
18 assumptions that go into that. And so, again, we  
19 continue to have -- it's going to be awhile til  
20 those are in a place where we'd even feel  
21 comfortable sharing them --

22 COMMISSIONER CLODFELTER: The Public Staff  
23 has a list of the data inputs that they think are  
24 pertinent. Mr. Ledford seems to have a list that he

1 shared with some folks. Has it been shared with  
2 you? Have those -- have those data sets been shared  
3 with you? The kinds of things they think they'd  
4 want to see.

5 MR. JIRAK: Well, we heard some of it this  
6 morning. We haven't seen the list that was  
7 referenced this morning --

8 COMMISSIONER CLODFELTER: Would you be  
9 willing to sit down with them and sort of review  
10 that? Have your experts and their experts sit down  
11 and review --

12 MR. JIRAK: Yeah, absolutely.

13 COMMISSIONER CLODFELTER: -- the data  
14 inputs that they're looking for?

15 MR. JIRAK: And that's something we can  
16 even consider addressing at some level in the next  
17 meeting as well.

18 Again, I understand the time pressures,  
19 the complexity of this issue, and we're looking for  
20 ways to efficiently exchange information in a way  
21 that's going to optimize this process.

22 I just want to say a quick word about  
23 transmission then I'll wrap up. I would disagree  
24 with the characterization that said Duke refused to

1 engage on the transmission topics. We absolutely  
2 recognize that transmission upgrades are going to be  
3 an essential piece of the puzzle, how we achieve the  
4 goals set forth in 951. We presented to the  
5 Commission previously on those issues and understand  
6 that the Commission's expectation that we're going  
7 to address those issues in our Carbon Plan filing.

8           At the same time, the key -- the primary  
9 issue here is that there is defined FERC processes  
10 for how transmission happens. No one yet  
11 has disagreed with our fundamental position that  
12 transmission planning is fundamentally a  
13 FERC-jurisdictional activity that is inextricably  
14 linked to the Carbon Plan and inextricably linked to  
15 the achievement of state goals. We're navigating  
16 that right now along side of stakeholders. And  
17 seeking the leverage, the available planning and  
18 other processes already established by FERC, to  
19 figure out ways to achieve state policy goals that  
20 are before us.

21           So I -- again, we're open to further  
22 dialogue on that, but we're also -- I don't think  
23 we've heard any pushback on the fundamental point  
24 that we have to use the planning process available

1 to us under the FERC-established processes,  
2 recognizing this is a very complex issue as  
3 Commissioner Duffley and many of the Commissioners  
4 know full well from sitting in many long seminars at  
5 NARUC and other conferences discussing the  
6 complexities of these issues. So I'll wrap up  
7 there. I know there's a lot of other points we  
8 didn't get to touch on, but appreciate the chance to  
9 give a little more feedback.

10 CHAIR MITCHELL: Commissioner Brown-Bland.

11 COMMISSIONER BROWN-BLAND: Mr. Jirak and  
12 Ms. Dulin, so you started with the point of the  
13 intervenors or the stakeholders feeling the need to  
14 be heard. I think it is wrapped really closely to  
15 getting the information, because they may be able to  
16 be heard but they don't know what to say yet because  
17 it's kind of depending on the information, so that's  
18 all tied up together. And I would just -- I respect  
19 what both sides have to say about the difficulties  
20 and the complexities.

21 It's one thing for EnCompass as the  
22 designer to tell you what the specs are and what's  
23 intended, it's another thing to work with it. I  
24 fully understand that and that may be difficult.

1 But I would encourage, as you go back and think  
2 about what you heard today, that you just at least  
3 comb through information and maybe be willing to let  
4 go of some of it a little sooner with some caveats  
5 or understanding just so folks can come to the  
6 meeting and maybe participate more fully like they  
7 would like to. But if -- just that I -- you heard  
8 me ask that question about a rolling availability,  
9 if there's some info.

10 I know, Mr. Jirak, you've been on the  
11 other end, nobody likes the -- at one time and, in  
12 particular, if you're in a big crunch, it will be  
13 difficult. So, as much as you could come through,  
14 and maybe some of your people could provide some of  
15 the inputs now or some of the data that you're  
16 working with now, that would be helpful. And if you  
17 go through that and you can't, I'm not saying you  
18 have to do that, I'm just saying look for it and see  
19 if it's there.

20 MR. JIRAK: I appreciate that. Thank you  
21 for that feedback.

22 COMMISSIONER McKISSICK: Just one or two  
23 questions or observations, and I appreciate you  
24 addressing the transmission planning issue. But to

1 the extent to which Duke is, in fact, engaged on an  
2 ongoing basis in dealing with these transmission  
3 issues, I mean, what I'm hearing is, and everybody  
4 concedes, yes it's a FERC-jurisdictional issue,  
5 there should be some data that can be shared as it  
6 relates to the implementation of what will be your  
7 proposed Carbon Plan. Is there a real problem with  
8 sharing that data or sharing that information? I  
9 mean, cause, that's what I'm hearing.

10 MR. JIRAK: We will actually be sharing  
11 information and we will be responding to the  
12 Commission's expectations in our Carbon Plan filing,  
13 and we'll look for ways perhaps to clarify in the  
14 next stakeholder meeting, kind of how to think about  
15 these issues, and how we're thinking about these  
16 issues, and how we see maybe a pathway to solving  
17 them.

18 There is a, sort of, over-arching  
19 sensitivity that we have to making sure we're  
20 respecting the FERC processes. And we never want to  
21 be perceived by as going outside of the ways in  
22 which FERC has established the framework for  
23 identifying and assigning responsibility for  
24 upgrades. So, it's a tension there. And we

1 actually hear the perspective from stakeholders and  
2 from the Commission and we're going to, I think,  
3 provide a lot of information in the Carbon Plan  
4 filing and we'll try to think of ways that we can  
5 communicate more clearly about this to stakeholders.

6 COMMISSIONER McKISSICK: If you could, I  
7 think that will be very helpful to facilitate an  
8 understanding and appreciation of the way you're  
9 viewing things at this juncture. I understand it  
10 might be conditioned upon A, B, C, D, and E,  
11 whatever those assumptions may be.

12 And then secondly, of course, the Public  
13 Staff identified four additional categories where  
14 you might have technical subgroups working. One of  
15 them dealing with EnCompass which you've already  
16 addressed to some extent; the other one dealing with  
17 demand assumptions, transmission upgrade costs,  
18 distributed energy resources.

19 Do you see a possibility within the  
20 timeframe that's available to actually perhaps  
21 establish some of these technical subgroups and, you  
22 know, to try to get those issues hammered out as  
23 well, particularly if they can be done perhaps in a  
24 day? Granted, a lot of work has to go into it to



1 deal with it within that day or within that  
2 timeframe, and understanding there would likely be  
3 follow up which would occur subsequent to whatever  
4 sharing of information would occur.

5 MR. JIRAK: Yeah. I don't think we're in  
6 a position today to commit that we could absolutely  
7 do, you know, separate subgroups on these topics,  
8 but I would think we could absolutely take these in  
9 account in setting the agenda for the final one and  
10 give further conversation internally to whether a  
11 separate subgroup meeting would be appropriate. I  
12 mean, again, we hear the importance of these and so  
13 we want to be responsive to stakeholder feedback on  
14 the issues that are front and center on their minds.

15 COMMISSIONER McKISSICK: That would be  
16 appreciated. And try to hammer it out and see what  
17 can be done. I'm hearing that concern and I  
18 would -- and I guess that's why I asked early on  
19 "what were the additional categories that might be  
20 out there at work".

21 MR. JIRAK: Yeah.

22 COMMISSIONER McKISSICK: You might be able  
23 to work and establish dial-up communication and take  
24 a deeper dive other than the ones that were

1 initially established. So -- and if that could be  
2 done I think that would help facilitate the carrying  
3 of information in a way that would be meaningful and  
4 insightful to stakeholders and others. Thank you.

5 MR. JIRAK: Thank you.

6 CHAIR MITCHELL: Commissioner Duffley.

7 COMMISSIONER DUFFLEY: So I, too,  
8 encourage you, especially with the transmission  
9 planning issues, that's, you know, there's a  
10 difference between cost allocation which is clearly  
11 FERC-jurisdictional and transmission planning that  
12 I -- it's a bottom-up-type process. So, where you  
13 can work with the stakeholders on that transmission  
14 planning through the North Carolina Transmission  
15 Planning Collaborative please do so.

16 With respect to your statement that  
17 stakeholder input is open 24/7, is there a hotline?  
18 I mean, what's the process there?

19 MR. JIRAK: You can email it to me. No,  
20 I'm kidding. Rebecca can give you-all details about  
21 how we are inviting any and all feedback at any  
22 time.

23 MS. DULIN: Fortunately, it is not my cell  
24 phone. So, I'd have to get a new number, I worry.

1 No, we have -- Great Plains Institute has set up an  
2 email address that a number of stakeholders have  
3 used to share information with us and so that's the  
4 communication vehicle. It just helps with having it  
5 run through the third-party facilitator; seems to  
6 be, is preferential to us than having it run  
7 internally, because we think that Great Plains is  
8 very good at doing this and has done this a lot more  
9 than we have. So, that's the vehicle.

10 COMMISSIONER DUFFLEY: Okay. Thanks. And  
11 when you talk about seeking inputs, are -- I guess  
12 when you're receiving, I don't know what type of  
13 inputs, if you're receiving numbers or specific  
14 data; how are you checking the accuracy of data  
15 being received?

16 MS. DULIN: So we, to date, we haven't  
17 received specific granular information of -- not  
18 through the email account. And so specific  
19 information about this is what we're seeing as a  
20 particular assumption in a particular technology  
21 group, I encourage you to use this. Usually  
22 stakeholders provide a report that is -- and through  
23 reviewing that report we can assess what we believe  
24 the legitimacy of the information to be provided.

1 So, it's not as ad hoc as your question seemed to be  
2 leading to. It's more in providing a report or  
3 information where something has been done in another  
4 part of the country that stakeholders are urging us  
5 to look at. And so we have received some of those  
6 and have -- are appreciative of the information and  
7 have taken that into account.

8 COMMISSIONER DUFFLEY: Thank you for that  
9 description.

10 CHAIR MITCHELL: Let me check in and see  
11 if there are any additional questions. We are at  
12 two hours and I would love to be able to give our  
13 court reporter a break if we can do that. So, any  
14 other questions?

15 (No response)

16 With that, then, we will conclude for the  
17 morning. Thank you-all very much for your comments  
18 today and your meaningful participation in this  
19 stakeholder process. Again, thank you, and let's go  
20 off the record.

21 (The proceedings were adjourned)  
22  
23  
24

## C E R T I F I C A T E

I, KIM T. MITCHELL, DO HEREBY CERTIFY that  
the Proceedings in the above-captioned matter were  
taken before me, that I did report in stenographic  
shorthand the Proceedings set forth herein, and the  
foregoing pages are a true and correct transcription  
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Kim T. Mitchell

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NORTH CAROLINA UTILITIES COMMISSION