

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E 100, SUB 147

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
2017 Integrated Resource Plans and)	NC WARN'S RESPONSE
Related 2017 REPS Compliance Plans)	TO MOTION TO STRIKE

NOW COMES the North Carolina Waste Awareness and Reduction Network, Inc. ("NC WARN"), through the undersigned attorney, with a response to Duke Energy Carolinas, LLC and Duke Energy Progress, LLC'S Motion to Strike NC WARN Comments, filed October 18, 2017. In support of the response is the following:

As directly stated the purpose of NC WARN's comments is to assist the Commission and the Public Staff in their reviews of the IRPs. NC WARN's comments consisted of a brief summary and critique of the Duke Energy integrated resource plans (IRPs) in this docket, pointing out differences between the present IRP and past IRPs. The comments are accompanied by the NORTH CAROLINA CLEAN PATH 2025, a comprehensive plan for replacing forecasted and existing demand with distributed solar energy and batteries. This report is groundbreaking because it uses existing technologies to both forgo the construction of new plants and eliminate existing fossil fuel plants in the same time period as the IRPs.

Commission Rule R8-62(k) allows the Public Staff or other parties to file their own IRPs. The CLEAN PATH 2025 meets most, if not all, of the criteria for an IRP in Commission Rule R8-62. As noted in NC WARN's comments, it lays out how the current utility structure and growth strategy in North Carolina can be changed to meet electricity demand and replace some of the existing generation resources, and at the same time saves ratepayers money, creates jobs, and better protects the environment. It reaches the "least cost generation" criteria of the IRPs by comparing costs between the solar-battery plan and the IRP's new gas-fired generation. In addition to the decreasing costs of solar panels and battery storage, the need for major grid enhancements and construction is substantially curtailed.

Frankly, NC WARN is surprised at Duke Energy's Motion to Strike. Just a few days prior to receiving the motion, NC WARN sent the CLEAN PATH 2025 report to Duke Energy officials, including Ms. Good, requesting a serious discussion about the merits of the proposal. ATTACHMENT A. NC WARN believes the IRP proceedings are an ideal venue for Duke Energy, the Commission, the Public Staff, and other concerned parties to develop new, cost effective strategies to develop the "least cost mix of generation and demand-reduction measures which is achievable." G.S.62-2(a)(3a).

Lastly, in the event the Commission finds NC WARN's comments as somehow outside the purview of the Commission and Public Staff review of the IRPs and grants the motion to strike or finds it to be a violation of Commission Rule R8-62(l) for failure to petition for leave to file comments, then NC WARN

requests its comments and the CLEAN PATH 2025 are included in the record as a public statement of position. Because there will be no evidentiary hearing on IRPs this year, there is little or no difference whether NC WARN's comments are designated "comments" or "statement of position." Either way, the comments are helpful to the Commission and Public Staff's review of the IRPs and should not be ignored.

In light of the above, NC WARN urges the Commission to closely accept its comments and the NC CLEAN PATH 2025 to assist in finding an economic way forwards in reliably meeting our electricity needs.

Respectfully submitted, this the 29th day of October 2017.

/s/ John D. Runkle

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing NC WARN'S RESPONSE TO MOTION TO STRIKE COMMENTS (E-100, Sub 147) upon each of the parties of record in this proceeding or their attorneys of record by deposit in the U.S. Mail, postage prepaid, or by email transmission.

This is the 29th day of October 2017.

/s/ John D. Runkle

ATTACHMENT A



Building people power for climate & energy justice

OFFICIAL COPY

Oct 30 2017

October 12, 2017

Lynn J. Good
President and Chief Executive Officer
Duke Energy Corporation
Charlotte, North Carolina

VIA EMAIL

Subject: Your 15-year fossil fuel expansion vs the breakthroughs in rooftop solar power and battery storage your predecessor Jim Rogers warned you about

Dear Ms. Good,

Once again, NC WARN sincerely urges you to abandon your plans to greatly expand fossil fuels in a manner that drives humanity toward runaway climate chaos, to nearly ignore renewable energy and to perpetually raise electric bills. By contrast, the new [NC Clean Path 2025](#) plan – based on local solar power, breakthroughs in on-site battery storage and proven energy-management programs – provides for rapid phase-out of coal and natural gas while lowering power bills for North Carolina customers across the economic spectrum.

I implore you to change course and lead a clean energy revolution in all Duke Energy states. Under your leadership, Duke Energy remains on the wrong side of the accelerating climate crisis despite spending tens of millions of dollars annually to make the news media, civic leaders and the public believe otherwise. Your carbon emissions continue to rise due to the super-potent methane leaking and venting throughout the natural gas supply chain – while you oppose requirements to capture it. And tragically, your total generation in the Carolinas remains less than 2% renewable.

Key contrasts between your recent Integrated Resource Plan for both Duke utilities in the Carolinas versus the Clean Path authored by engineer Bill Powers, as detailed in [NC WARN's comments](#) filed yesterday with state regulators, include:

- Duke Energy projects the bare minimum in renewables, peaking at 7.86% of total generation in 2025, *then falling each year*, along with little energy efficiency. This proves our longstanding criticism that Duke Energy plans no more than the minimum required by the state REPS law.

- You continue to ignore customer-sited solar and battery storage, while the Clean Path shows that this combination already provides power that's far less expensive than current rates for business customers, and far cheaper – for all customers – than building gas-fired power plants.
- Duke Energy virtually ignores demand response. As explained in Clean Path, this ability to balance system-wide demand during high use periods is indispensable for avoiding perpetual power plant construction, yet Duke exercises well under 10% of its available potential.
- Duke Energy continues to project reserve margins (generation capacity over and above peak usage) at twice the industry requirement. Up to one-third of all Duke plant capacity sits idle even during peak demand periods, with neighboring utilities having similar gluts of supply. Yet you all continue to build power plants despite flat customer demand growth over many years.
- Duke proposes to build the equivalent of 20 large gas-fired plants – to burn fracked gas – while retiring a few little-used coal plants. As reflected in NC WARN's opposition motion in the [Lincoln plant docket](#), your own IRP shows you wouldn't need that plant for eight years.

These examples clearly reflect Duke executives' business model: build plants, raise rates and invest millions to influence public officials, civic leaders and news media in order to keep it going. State law requires you to use demand response, renewables and proper reserve margins – a "least cost" approach – instead of over-building plants, but regulators join you each year in ignoring the law.

The Clean Path shows that North Carolina can replace all fossil fuels used for electricity by 2030, and half by 2025. All utility customers can benefit – and avoid having tens of billions of their dollars spent building unneeded power plants, transmission lines and a massive fracked gas pipeline, plus more than \$2 billion each year on coal and natural gas fuel.

Since we began alerting you two years ago of the science showing natural gas to be even worse for the climate than coal, Duke Energy and the gas industry have kept that issue virtually out of the state and national news even as more studies show that curbing methane emissions is critical to averting climate chaos. If Duke insists on burning natural gas, won't you, at the very least, agree to minimize methane emissions through proven, cost-effective methods?

A course correction by Duke Energy could not be more urgent. As weather extremes devastate communities right here and worldwide, NASA found July 2017 to be the hottest month ever recorded amid an ongoing, four-year heat wave. The world's most prominent climatologist, Jim Hansen, says global warming is getting worse, that "we are running out of time" to change course, and that methane emissions simply must be reduced.

NC WARN members and allies are implementing the Clean Path in many counties, but we really need Duke Energy's size and market power to join this effort toward climate stabilization – before we pass tipping points leading toward a horrific future for all.

Despite the years of acrimony, I deeply wish to find a way to cooperate in this unprecedented challenge, and to be able to applaud rather than criticize you. Let's openly discuss the Clean Path 2025 strategy, build upon it, and rise to our duty to truly cut carbon emissions – CO2 *and* methane – as quickly as possible.

Sincerely,

A handwritten signature in blue ink that reads "Jim Warren". The signature is fluid and cursive, with the first name "Jim" and last name "Warren" clearly distinguishable.

Jim Warren
Executive Director

cc. Governor Roy Cooper