

UPDATE ON COUNTY'S ADVOCACY EFFORTS RELATED TO DUKE'S CARBON PLAN

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BACKGROUND

- House Bill 951 “Energy Solutions for North Carolina”
 - Requires NCUC to develop a plan for a 70% reduction in CO2 emissions from Duke’s NC power plants by 2030, and zero CO2 by 2050 (“carbon neutrality”).
 - Stakeholder engagement has been ongoing
 - Duke filed its proposed plan on May 16, 2022
 - NCUC has set a schedule for filing comments, public hearings, and potentially an expert witness hearing
 - Person County granted intervention as a party on May 26, 2022

PERSON COUNTY GENERATING PLANTS

- Mayo Plant

- 727 MW coal-fired plant
- Began operation in 1983
- Proposed closure: 2029



- Roxboro Plant

- 2,422 MW coal-fired plant
- Began operation in 1966
- Proposed closure: '29, '32, or '34

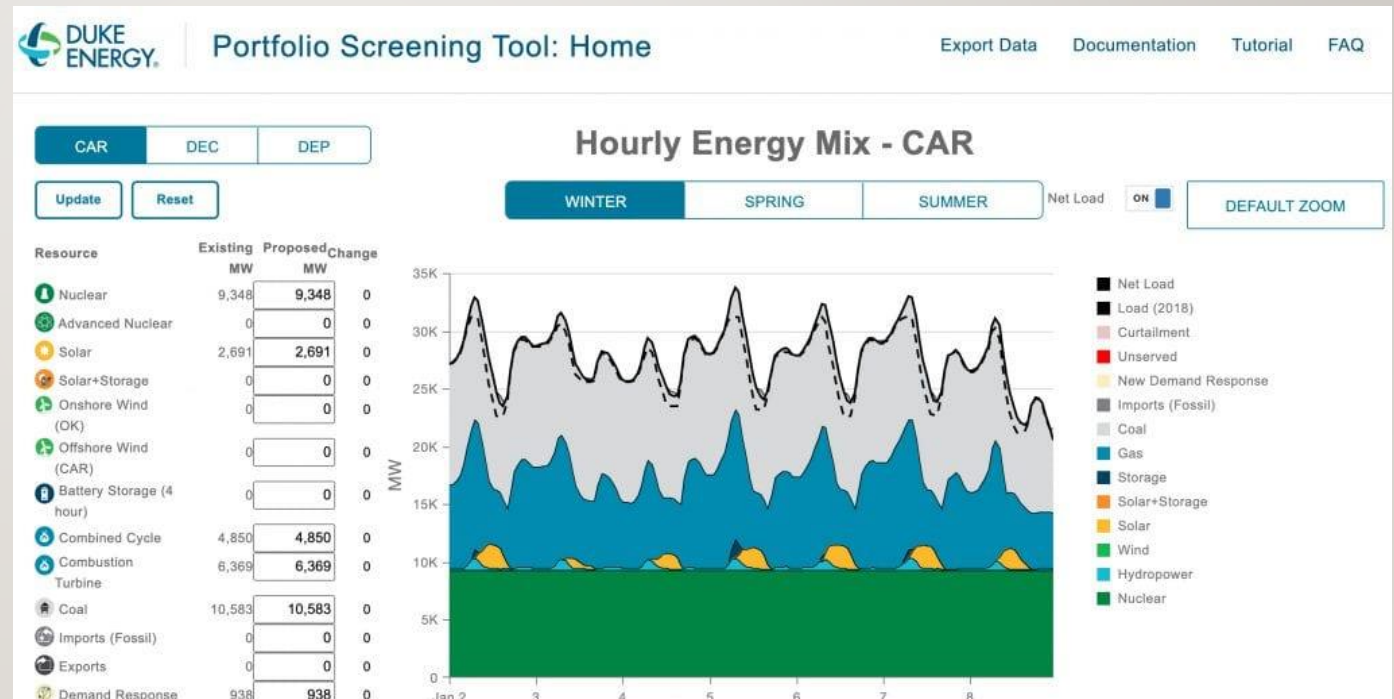


IMPACTS TO PERSON COUNTY & DUKE ENERGY

- Mayo and Roxboro represent significant investments, tax value, employment, and ancillary economic development.
 - What does the closure of Mayo and Roxboro Plants mean for Person County?
- Mayo and Roxboro are key generation assets for Duke Energy, producing reliable and economical power for its customers.
 - What does the closure of Mayo and Roxboro mean for Duke Energy and its customers?

POWER SUPPLY PORTFOLIO

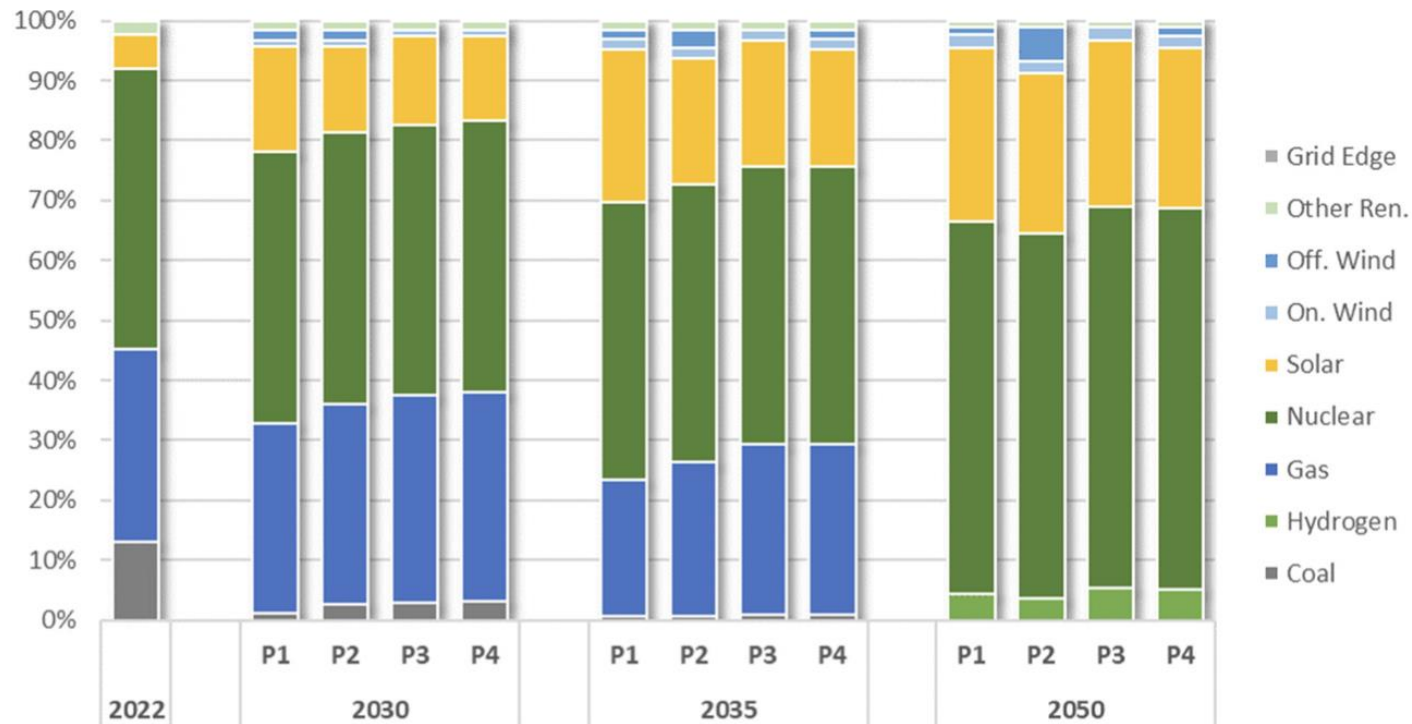
- Near 100% Reliability
- Plan for Peak Demand
- “Least Cost”
- Power Quality
- Dispatchability
- Demand Reduction
- Demand Shifting
- Distributed Generation



POWER SUPPLY PLANNING: ADEQUACY, RELIABILITY, AND AFFORDABILITY

Duke's Portfolio Options Contain Different Mixes of Power Supply that Change over Time

Figure 3-3: Energy Mix by Portfolio, Combined Carolinas System (percentage basis)



WHAT IF THERE ISN'T ENOUGH POWER?



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Lack of firm generation may necessitate increased reliance on imports to maintain reliability

For Immediate Release

April 28, 2022

Media Contact

[Brandon D. Morris](#)

CARMEL, Ind. — Today, the Midcontinent Independent System Operator (MISO) projected the need for potentially emergency resources to meet the 2022 summer peak demand with warmer-than-normal weather.

NEWS > POLITICS

ERCOT predicts record demand for electricity this summer

The agency asked power generators to defer planned outages through Friday, out of concern that sweltering heat may create a crisis



ROLE OF THE WHOLESALE GAS MARKETS

	6-1-22	6-2-22	6-3-22
	\$/MMBTU	\$/MMBTU	\$/MMBTU
Dawn Ontario	\$ 8.092	\$ 8.249	\$ 8.333
Dominion N	\$ 7.630	\$ 7.650	\$ 7.430
Dominion S	\$ 7.577	\$ 7.617	\$ 7.650
Lebanon	\$ 7.950	\$ 8.027	\$ 8.200
Leidy	\$ 7.700	\$ 7.666	\$ 7.700
Parkway Ontario	\$ 8.115	\$ 8.200	\$ 8.563
TCO pool	\$ 7.638	\$ 7.721	\$ 7.520
TETCO M2	\$ 7.578	\$ 7.627	\$ 7.462
TETCO M3	\$ 7.780	\$ 7.724	\$ 7.519
Transco Zone 5	\$ 9.010	\$ 9.021	\$ 8.985
Transco Z6 non-NY	\$ 7.780	\$ 7.800	\$ 7.500



OPPORTUNITIES FOR PERSON COUNTY AND DUKE ENERGY

- How does Duke maintain adequacy, reliability, and affordability?
- Will replacement generation be located in Person County?
 - Land and major transmission assets available
 - Trained, skilled workforce at the ready
 - Ancillary service providers established
- What kind of generation assets replace Mayo and Roxboro?
 - Fuel source?
 - Size?
 - Tax base and employment?
- Are there ways to mitigate impacts from closing Mayo and Roxboro?
 - Job retraining? Employee retention? Community development support?

THE PATH FORWARD

- NCUC will hold public hearings:
 - July 11 in Durham
- NCUC will receive comments from parties on July 15
- NCUC decides what issues need expert testimony and schedules a hearing for expert witness testimony (September 19)
- Parties file briefs
- December 31 deadline for NCUC decision...appeals? Legislative response? Two-year review cycle?

THANK YOU

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