

Key Points about Duke Energy's Integrated Resource Plan (IRP) Scenarios Implications for Climate, Customers and Pollution

>Utilities are regulated according to a “rate of return” or the profit they can earn on the capital they have spent to build and operated their generating facilities. Duke currently has most of its coal fired power plants operating at low “capacity factors” or a small percentage of the time, but is leaving them open while claiming that power demand has been growing, while it has actually been FLAT for the past decade.

>Duke has a much lower percentage of implemented efficiency measures and renewable power than other major utilities, a situation that's completely out of step with needs to reduce climate impacts and for protecting customers from ongoing substantial rate hikes. Their current IRP scenarios are just more of the same, and based on extremely faulty economic estimates for the cost of renewables with battery storage, and efficiency, versus the costs of building new gas fired power plants.

>If Duke can convince the NC Utilities Commission that demand is growing (it's not) and that gas fired power is the most cost effective way to meet that “growing” demand (it's not), they could be allowed to build up to 50 new gas fired plants at undisclosed locations. As you know, fracked gas is over 95% methane, a far more powerful greenhouse gas than carbon dioxide. Building additional gas fired plants would add \$\$billions to the capital expenditures Duke would make and thus the amount of profits it can collect from its ratepayers!

>Focusing on rapidly deploying carbon free renewable energy (mostly wind and solar), along with battery storage to meet demand during times that renewables are generating less power, is, in fact, MORE cost effective than building gas fired power plants. Duke has, in its plans, inflated the cost of battery storage, which has been declining rapidly and will continue to do so, while underestimating the cost of building new gas fired power plants by nearly 50% based on their own experience building the combined cycle gas fired Asheville plant.

>A study by Synapse Energy Economics has estimated that a plan to shut down all NC coal fired power plants (expensive to operate while producing less and less power) by about 2022, and speed up the deployment of renewables with battery storage, increasing efficiency efforts closer to levels of most utilities, while avoiding new gas fired power plants, could reduce system costs by \$7.2 billion dollars, and reduce CO2 emissions by 78%, not to mention the reduced leaks of powerful greenhouse gas, methane.

In other words, there's really no excuse for climate, for economic justice and for reducing polluting emissions, as well as new job creation, for letting Duke pursue its extremely low expectations, climate harming, polluting and unjust Integrated Resource Plan scenarios. The NC Utilities Commission should reject Duke's IRP, and demand far greater implementation of efficiency, renewables with battery storage, and not allow Duke to build new gas fired generating facilities or keep open highly polluting coal fired power plants.