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April 30, 2020

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's
Notice of Plans for Compliance with IRP Coal Unit Retirement
Requirements
Docket No. E-100, Sub 157**

Dear Ms. Campbell:

I write on behalf of Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP," and collectively the "Companies") to inform the Commission of the Companies' planned approach for the coal unit retirement analysis to be included in the Companies' 2020 Integrated Resource Plans ("IRPs") in compliance with the North Carolina Utilities Commission's ("Commission") April 6, 2020 *Order Accepting Filing of 2019 Update Reports and Accepting 2019 REPS Compliance Plans* ("2019 IRP Order") and the Commission's August 27, 2019 *Order Accepting Integrated Resource Plans and REPS Compliance Plans, Scheduling Oral Argument, and Requiring Additional Analyses* ("2018 IRP Order") in connection with the referenced matter. In the 2019 IRP Order, the Commission directed the Companies to "present one or more alternative resource portfolios which show that the remainder of each Company's existing coal-fired generating units are retired by the earliest practicable date" and noted that its directive did not supersede the coal unit retirement analysis required by the Commission in the 2018 IRP Order. 2019 IRP Order at pp. 8-9.

Commission Rule R8-60 requires DEC and DEP to file separate IRPs for each utility. As the Commission is aware, the Companies present IRPs for each individual utility that meet the individual reserve margin targets for DEC and DEP, but also show a "Joint Planning Scenario" that illustrates the impacts on their respective individual plans under a potential future in which DEC and DEP could defer generation needs through future capacity sharing between the utilities. Although the existing Joint Dispatch Agreement ("JDA") allows DEC and DEP to share energy on a non-firm basis, and the Commission's March 21, 2017 *Order Accepting Second Revised Agreement for Filing*

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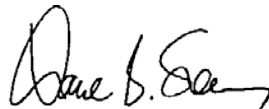
Apr 30 2020

and Ending Advance Notice Period (“As-Available Capacity Sharing Order”) allows DEC and DEP to share short-term firm capacity with 7-day advance notice, neither the JDA, nor the As-Available Capacity Sharing Order, allow the Companies to share capacity on a longer-term basis. For the 2020 IRP coal unit retirement analysis and planning purposes, the Companies believe it is appropriate to use the Joint Planning Scenario as the basis for the coal unit retirement analysis. Using the Joint Planning Scenario as the basis for the retirement analysis would assume, at a minimum, that DEC and DEP could serve each other’s capacity needs through market-based mechanisms in the future. This assumed ability to share capacity may also lead to a more optimal result in the required coal unit retirement analysis. For this reason, the Companies plan to use the “Joint Planning Scenario” as the basis when conducting the coal unit retirement analysis for the 2020 IRPs. Due to the extensive requirements of the comprehensive 2020 IRP and the number of sensitivities envisioned for the retirement analysis, it would be difficult for the Companies to perform two sets of analysis under both an independent view and a joint view on a timely basis to support the 2020 IRP filing date.

Accordingly, the Companies wanted to inform the Commission of their plans for compliance with the coal unit retirement requirements of the 2018 and 2019 IRP Orders. To the extent that these plans do not meet the Commission’s expectations, the Companies respectfully request guidance from the Commission on an expedited basis to ensure that the Companies’ 2020 IRPs comply with the Commission’s expectations as to the coal unit retirement analysis.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence B. Somers", with a stylized flourish at the end.

Lawrence B. Somers

cc: Parties of Record

CERTIFICATE OF SERVICE

I certify that Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Notice of Plans for Compliance with IRP Coal Unit Retirement Requirements, in Docket No. E-100, Sub 157, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties of record:

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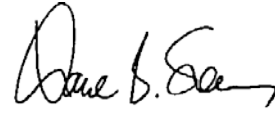
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This is the 30th day of April, 2020.

A handwritten signature in black ink, appearing to read "Lawrence B. Somers". The signature is fluid and cursive, with a prominent initial "L" and a long, sweeping underline.

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