

1 PLACE: Buncombe County Courthouse

2 Asheville, North Carolina

3 DATE: Tuesday, January 26, 2016

4 TIME: 7:00 p.m. - 11:55 p.m.

5 DOCKET NO: E-2, Sub 1089

6 BEFORE: Chairman Edward S. Finley, Jr., Presiding

7 Commissioner Bryan E. Beatty

8 Commissioner ToNola D. Brown-Bland

9 Commissioner Don M. Bailey

10 Commissioner Jerry C. Dockham

11 Commissioner James G. Patterson

12

13

14 IN THE MATTER OF:

15 Duke Energy Progress, LLC

16 Application for a Certificate of Public Convenience

17 and Necessity to Construct a 752 Megawatt Natural

18 Gas-Fueled Electric Generating Facility in Buncombe

19 County near the City of Asheville.

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NORTH CAROLINA UTILITIES COMMISSION

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P R O C E E D I N G S

CHAIRMAN FINLEY: Good evening. Let's come to order and go on the record. My name is Edward Finley and with me this evening are Commissioners Bryan E. Beatty, ToNola D. Brown-Bland, Don Bailey, Jerry C. Dockham and James G. Patterson.

The Commission now calls for hearing Docket Number E-2, Sub 1089, the Application of Duke Energy Progress, LLC, for a Certificate of Public Convenience and Necessity to Construct an Electric Generating Facility in Buncombe County, North Carolina.

On June 25, 2015, the North Carolina General Assembly passed the Mountain Energy Act which requires the Commission to make an expedited decision on whether to authorize Progress Energy to construct a natural gas-fired generating facility:

At the site of the coal-fired Asheville steam electric generating plant located in Buncombe County, which will result in closing down all of the coal-fired unit there.

The new natural gas-fired generating facility must have no more than twice the generation capacity as the coal-fired generating units to be retired.

1 The Act requires Progress to submit an
2 Application that contains an estimate of the costs of
3 construction of the gas-fired generating plant in such
4 detail as the Commission may require. The Act states
5 that many of the rules that the Commission otherwise
6 would follow shall not apply, and that the Commission
7 shall require the Applicant to publish a single notice
8 of the public hearing in a newspaper of general
9 circulation in Buncombe County. Finally, the Act
10 requires the Commission to render its decision on the
11 Application for a Certificate, including any related
12 transmission facilities located on the site of the new
13 generation -- let's cut off our phones please --
14 within 45 days of the date that the Application is
15 filed with the Commission and all of the above
16 requirements -- if all of the above requirements of
17 the Act have been met.

18 On December 15, 2015, Progress filed its
19 letter giving notice that it would file an Application
20 on or after July 15, 2016. Progress plans to
21 construct up to 752 megawatts of natural gas-fired
22 (sic) electric generating capacity consisting of two
23 natural gas-fueled 280-megawatt combined cycle units
24 and a natural gas-fueled 190-megawatts (sic) simple

1 cycle combustion turbine, all with fuel back-up.

2 On December 18, 2015, the Commission issued
3 an Order Scheduling Public Hearing and requiring the
4 investigation and report by the Public Staff. The
5 Order scheduled the required public hearing for
6 today's date, time and place. Further, the scheduling
7 Order directed Progress to publish notice of the
8 public hearing as required by the Act. In addition,
9 the Order requires the Public Staff - North Carolina
10 Utilities Commission to investigate the Application
11 and present its findings, conclusions and
12 recommendations to the Commission at the Commission's
13 Regular Staff Conference on February 22, 2016.

14 On December 21, 2015, the North Carolina
15 Waste Awareness and Reduction Network (NC WARN) and
16 The Climate Times filed a Petition to Intervene in
17 this docket. In addition, these parties filed a
18 Motion for Evidentiary Hearing or, in the alternative,
19 to deny Progress' Application as being incomplete and
20 insufficient until an evidentiary hearing can be held.

21 The Commission allowed intervention of these
22 parties on January 20, 2016.

23 On December 22, 2015, the Sierra Club and
24 MountainTrue filed a Joint Petition to Intervene in

1 this docket.

2 On January 15, 2016, the Commission issued
3 an Order granting the Petition of Sierra Club and
4 MountainTrue to intervene.

5 On December 29, 2015, Carolina Industrial
6 Group for Fair Utility Rates filed a Petition to
7 Intervene. On December 30, 2015, the Commission
8 issued an Order granting that party's Petition to
9 Intervene.

10 On December 31, 2015, Progress filed a
11 Response to the Motion filed by NC WARN and The
12 Climate Times requesting that the Commission deny the
13 Motion for an evidentiary hearing.

14 On January 5, 2016, Progress filed an
15 Affidavit of Publication.

16 On January 6, 2016, NC WARN and The Climate
17 Times filed a Reply to Progress' Response regarding
18 their Motion for an evidentiary hearing.

19 On January 14, 2016, Carolina Utility
20 Customers Association filed a Petition to Intervene.
21 On January 14, 2016, the Commission issued an Order
22 granting that Petition to Intervene.

23 On January 15, 2016, the Commission issued
24 an Order denying NC WARN and The Climate Times' Motion

1 for an evidentiary hearing. In summary, the
2 Commission concluded that the Commission does not have
3 the authority to ignore the General Assembly's mandate
4 that the Commission issue a decision on Progress'
5 Application within 45 days.

6 On January 15, 2016, Progress filed its
7 formal Application for a Certificate of Public
8 Convenience and Necessity to construct up to 746
9 megawatts of natural gas-fired electric generating
10 capacity. In summary, Progress states that the two
11 new combined cycle units will serve Progress'
12 customers in North Carolina and South Carolina, and
13 are planned for commercial operation in the Fall of
14 2019.

15 With regard to the 186-megawatt natural
16 gas-fired -- fueled -- natural gas-fueled simple cycle
17 generating unit, Progress states that construction of
18 this unit is contingent upon Progress being able to
19 develop an alternative -- alternative resources that
20 will make the unit unnecessary, such as demand-side
21 management and energy efficiency measures. In
22 addition, Progress states that it will make a
23 subsequent application to construct a new solar
24 facility at the site, but that the size and details of

1 the solar facility are not yet known at present.
2 Further, Progress explains that the natural gas for
3 the new generation units will be provided by a new
4 pipeline and associated facilities being constructed
5 by Public Service Company of North Carolina, Inc.

6 In its Application, Progress also explains
7 the on-site transmission facilities that will serve
8 the project. Further, Progress states that the total
9 cost of the project is approximately \$1.1 billion.

10 On January 30, 2016, (sic) North Carolina
11 Sustainable Energy Association filed a Petition to
12 Intervene. That request was granted on
13 January 20, 2016.

14 On January 26, 2016, Grant Millin, a
15 resident of Asheville, filed a Petition to Intervene
16 in this docket. That Motion was granted today.

17 The intervention and participation in this
18 docket by the Public Staff is recognized and made
19 pursuant to Statute.

20 On January 22, 2016, the Commission issued
21 an Order on Procedure for Accepting Comments of the
22 Parties. That Order provides three things: (1) that
23 the parties may present brief opening statements at
24 tonight's hearing; (2) the parties may file statements

1 of position or comments on or before April --
2 February 12, 2016; and (3) that any party shall have
3 the opportunity to make comments at the Commission's
4 Regular Staff Conference on Monday, February 22, 2016,
5 when the Public Staff presents its findings,
6 conclusions and recommendations to the Commission.

7 In compliance with the requirements of the
8 State Ethics Act, I remind all members of the
9 Commission of their duty to avoid conflicts of
10 interest, and inquire whether any member of the
11 Commission has a known conflict of interest with
12 regard to the matters coming before the Commission
13 this evening?

14 (No response.)

15 There appear to be no conflicts so we will
16 proceed. And I now call upon the parties represented
17 by counsel to announce their appearances for the
18 record, beginning with the Applicant.

19 MR. SOMERS: Good evening, Mr. Chairman and
20 Members of the Commission. I'm Bo Somers, Deputy
21 General Counsel, on behalf of Duke Energy Progress.

22 MR. RUNKLE: Good evening. I'm John Runkle
23 representing NC WARN and The Climate Times.

24 MS. THOMPSON: Good evening, Mr. Chairman

1 and Members of the Commission. Gudrun Thompson with
2 the Southern Environmental Law Center representing
3 MountainTrue and the Sierra Club. With me this
4 evening in the gallery is my co-counsel, D.J. Gerken,
5 with SELC's Asheville office.

6 MS. DOWNEY: Thank you, Mr. Chairman,
7 Members of the Commission, I'm Dianna Downey with The
8 Using and Consuming Public. With me is Bob Gillam.

9 MR. MILLIN: Grant Millin representing
10 myself.

11 CHAIRMAN FINLEY: All right, we welcome
12 everyone. Before we get started there are a few
13 preliminary matters that need to be brought to you all
14 as to how we will proceed. But before we go, are
15 there any matters that any party needs to bring to the
16 Commission's attention before we get started?

17 (Counsel shakes head no.)

18 CHAIRMAN FINLEY: Well, that brings us to
19 the hearing before us this evening. The main purpose
20 of tonight's proceeding is to hear from Progress'
21 customers in response to this Application to build the
22 new generating facilities. Tonight's hearing is not
23 for the purpose of receiving expert witnesses, and the
24 Commission will be unable to accept such testimony

1 tonight here.

2 Thank you all for coming out tonight to
3 voice your views on this important matter. We welcome
4 your testimony and we are glad that you are here.

5 A few of the ground rules that we're going
6 to have to follow -- there's a big crowd and there are
7 a lot of people that have signed up and so we want to
8 get through that and let everybody be heard to the
9 extent that we're able to do that and take into
10 account what you have to tell us. So conducting the
11 hearing, the Commission functions as a court; we're in
12 a courtroom, we do that pursuant to Statute. And we
13 take sworn testimony, again, that's pursuant to
14 Statutes that have been in effect by the General
15 Assembly for many years, pursuant to the Rules of
16 Procedure and evidence prescribed by the Legislature.
17 We must apply the rules so that the hearing
18 proceedings go forth in an orderly manner and I will
19 go over those rules in a minute. I request you
20 voluntarily agree and abide by them and trust that you
21 will. If not, we have remedies available to us, such
22 as striking testimony, removing those who are
23 uncooperative, civil contempt, and other more severe
24 remedies required by Statute, and we hope we're not

1 going to have to deal with any of that.

2 The Commission wants to ensure that everyone
3 who desires to speak on the issue relevant to this
4 docket has an opportunity to do so and make the points
5 they believe that the Commission should consider. In
6 order to facilitate a full and fair opportunity for
7 all speakers to participate, the Commission has
8 guidelines for public hearings. These guidelines are
9 as follows:

10 (1) Witnesses must register on witness
11 sheets maintained by the Public Staff in order to
12 speak. And we understand that a lot of people have
13 already signed up to do that;

14 (2) In order to allow each person an equal
15 amount of time, and to prevent cumulative, repetitive,
16 irrelevant and unnecessary testimony, witnesses will
17 be limited to five minutes each for their
18 presentation. In lieu of oral testimony, witnesses
19 may submit written statements. However, written
20 statements must be submitted by the person under oath
21 during the hearing, at which time the witness will be
22 subject to cross examination by any party desiring to
23 cross examine the witness. And General Counsel of the
24 Commission, Mr. Watson, is sitting down here, and the

1 witnesses will be sitting over here, and he has a
2 prompt to tell you when you're reaching five minutes
3 so we can move the hearing along;

4 (3) We will hear from elected public
5 officials or their representatives first. Those
6 persons who are Progress customers will be called to
7 testify next. Other persons called to testify
8 according to the order in which they are registered on
9 the witness sheet. However, we may decide to call a
10 witness or witnesses in a different order if we
11 determine that such a change would provide a more full
12 spectrum of opinions and ideas.

13 I must have the witness swear or affirm
14 prior to the witness providing testimony. Each
15 witness will be sworn and must affirm in order to have
16 that testimony received into evidence.

17 Only one witness may testify at a time.
18 Witnesses shall refrain from offering opinions on
19 matters not specified in the Notice of Hearing for
20 this docket. Also, witnesses should address their
21 testimony to the Commission and, therefore, should
22 refrain from addressing non-Commission participants in
23 the hearing room and from asking questions. This is
24 for you to tell us what you want us to know. The

1 testimony is being recorded by a Court Reporter.
2 Therefore, to ensure accuracy of the record, I may
3 limit unconventional modes of testimony. Please do
4 not sing. We can't take down the songs by the -- You
5 can sing outside and we'll be happy to listen to any
6 song you want to sing to us, but not in the hearing
7 room.

8 To ensure that all witnesses are heard and
9 their testimony is properly transcribed by the Court
10 Reporter, the Commission will maintain hearing room
11 decorum. We have the right to instruct security to
12 remove any member of the audience who is attempting to
13 participate out of order and any verbal or -- any
14 verbal or visual manner. In addition, members of the
15 audience shall refrain from bringing signs or other
16 placards into the hearing room.

17 The parties' attorneys will have the
18 opportunity to cross examine all witnesses, as will
19 the Commissioners. But usually in a case like this
20 that cross examination is limited so that we can move
21 through the hearing expeditiously.

22 The Commission's goal is to receive
23 information that will help the Commission make a
24 decision in this docket. The Commission wants

1 everyone to feel welcome and comfortable in voicing
2 their relevant views. Therefore, please do not
3 disturb the hearing by clapping, booing, hissing or
4 other such behavior. In addition, please refrain from
5 personal criticisms or attacks on the participants,
6 including Progress' attorneys, and representatives of
7 the Commission and the Public Staff.

8 Also, please bear in mind that we have a lot
9 of people that want to be heard. I think as many as
10 50 people have signed up to be heard tonight and maybe
11 more than that by this time. If you are one of the
12 early witnesses at the top of the list, we ask that
13 you think about the number farther down, 45 for
14 example, on the list waiting to be -- have their turn.
15 They will appreciate it if you will get to your point
16 quickly, be succinct as possible, and avoid
17 repetition.

18 All right, Public Staff, let's call -- we're
19 going to have opening statements, about a three-minute
20 opening statement from any party who wants to make an
21 opening statement. Progress, we'll hear you first.

22 MR. SOMERS: Thank you, Mr. Chairman.
23 Mr. Robert Sipes, Duke Energy's General Manager for
24 the Western Zone, will make a very brief opening

1 statement on behalf of the Company.

2 CHAIRMAN FINLEY: Ladies and gentlemen,
3 opening statements are not evidence in the case. This
4 is just sort of a preview of the positions of the
5 parties but it is not evidence.

6 Can you tell us -- give us your name, please
7 and tell us your position and give your three-minute
8 opening statement.

9 MR. SIPES: Yes, my name is Robert Sipes. I
10 am the General Manager of Duke Energy's Western zone.

11 And, good evening, Mr. Chairman,
12 Commissioners, Public Staff and members of the public.
13 I'm responsible for operations here in Western North
14 Carolina, and I also have responsibility for the
15 Western Carolina's Modernization Project. Thank you
16 for coming to Asheville to hear about what we believe
17 is a transformational energy plan for Duke Energy
18 Progress customers and communities.

19 The Company has requested your approval for
20 the Western Carolinas Modernization Project, which we
21 reconfigured after we canceled plans for the foothills
22 transmission line in early November. This project
23 allows for the early retirement of the Asheville plant
24 coal-fired units as prescribed in the Mountain Energy

1 Act Legislation passed last year. The coal units will
2 be replaced with two new 280-megawatt efficient and
3 clean burning, combined cycle natural gas-fueled
4 units, one contingent natural gas-fueled 186-megawatt
5 simple cycle unit in the 2023 time frame, and new
6 solar generation of the Asheville plant site in which
7 the Company will file a separate CPCN.

8 We're fortunate to live in a vibrant and
9 fast-growing community. This plan enables Duke Energy
10 Progress to reliably and affordably serve the electric
11 needs of our customers where peak demand growth has
12 tripled since 1970 and is expected to increase by 17
13 percent in the next 10 years based on current trends.

14 In addition to the specific generation
15 changes requested, the Company is beginning to work
16 with the community to transition the region to a
17 cleaner and smarter energy future through active
18 community engagement, deliberate investment in
19 distributed energy resources including solar and
20 storage, and greater promotion of and access to energy
21 efficiency and demand-side management programs.

22 Transitioning to a smarter and cleaner
23 energy future comes with a shared responsibility
24 between Duke Energy, the local community and its

1 leaders. We are committed to engaging with the
2 community to achieve our ultimate goal of eliminating,
3 or at least delaying, the need for the contingent
4 unit. I am confident that we can achieve significant
5 progress toward controlling and reducing peak load
6 growth through these collaborative efforts. However,
7 it is our responsibility to serve customers with
8 reliable electricity. To that end, the contingent
9 unit is a critical aspect of this project.

10 This plan strikes the optimal balance
11 between clean, reliable and affordable electric
12 service for all Duke Energy Progress customers through
13 a combination of traditional and emergent solutions.

14 This project will be a catalyst for enabling
15 the energy future which we believe is eminent, and our
16 customers respect.

17 We look forward to partnering with this
18 community to make that future a reality.

19 CHAIRMAN FINLEY: Do other parties want to
20 make an opening statement? Ms. Thompson.

21 MS. THOMPSON: No, thank you, Mr. Chairman.
22 I think we'll waive our opportunity to make an opening
23 statement and allow the public witnesses to speak.

24 CHAIRMAN FINLEY: Thank you. Mr. Runkle.

1 MR. RUNKLE: We also will waive our
2 opportunity to an opening statement.

3 CHAIRMAN FINLEY: Mr. Millin.

4 MR. MILLIN: Hi, my name is Grant Millin.
5 I'm a long-time resident of Asheville. And I have
6 developed a knowledge of enough of these electrical
7 grid issues to be, I think, a fairly informed
8 representative of ratepayers and I have bothered to
9 look into these issues as much as possible.

10 I appreciate the Utilities Commission
11 granting me my Petition to Intervene. My Petition to
12 Intervene is very detailed so I don't need to repeat
13 what's in it so much. It's very interesting that
14 there's always something more to learn. I think I've
15 looked at the Mountain Energy Act. It's very
16 interesting to learn that it mandates a doubling, a
17 new capacity that doubles what's being turned off in
18 terms of existing coal units.

19 I have proposed a scenario where there is
20 one 200-megawatt combined cycle natural gas plant
21 accompanying the existing combustion turbines and
22 filling out the rest with these great modernization
23 ideas. Yea, renewable efficiency and efficiency but
24 there is a whole lot going on that -- I have --

1 concerned citizens will collaborate with Duke Energy
2 and the new program that the Department of Energy
3 Quality is developing. Yes, it may improve with new
4 political leadership in Raleigh. It all may improve
5 after next November but, for now, we need to take
6 advantage of this \$1.1 billion project and work with
7 what comes out of this Certificate of Public Necessity
8 and Convenience (sic). It may not be everything
9 everybody wants but I recommend -- it's probably going
10 to happen that everybody kind of got what they want
11 with the transmission issues and substation issues in
12 terms of public needs. So work with this and expect
13 that a lot of other things are going to happen.

14 There is very important Supreme Court
15 decision on demand response yesterday, I hope folks
16 will look into; it may apply here. I encourage people
17 to really open up there minds about this opportunity
18 because we can set the bar higher on a lot of
19 issues -- climate change, getting the North Carolina
20 Clean Power Plan happening here in North Carolina --
21 so I'm looking forward to participating, and thank
22 you.

23 CHAIRMAN FINLEY: Thank you, Mr. Millin.
24 Let's call your first witness, Ms. Downey.

1 Are there any public officials, elected officials or
2 other representatives in the room that need to testify
3 before we go to the customers? All right, Ms. Downey.

4 MS. DOWNEY: Bruce Clarke.

5 CHAIRMAN FINLEY: Mr. Clark, if you'll come
6 around and be sworn please.

7 BRUCE CLARK; was duly sworn and
8 testified as follows:

9 EXAMINATION

10 BY MS. DOWNEY:

11 Q Would you please state your name and address for
12 the record?

13 A Yes. Bruce Clarke, 416 Canonero Drive, Fairview,
14 North Carolina.

15 Q And you're a customer of Duke Energy Progress,
16 correct?

17 A I am, yes.

18 Q And you're not affiliated with any of the parties
19 in this case?

20 A No, I'm not.

21 Q And you have a statement for the Commission?

22 A Do I what?

23 Q Please proceed with your statement to the
24 Commission.

1 A Okay. By definition, a peaking unit is basically
2 only needed during a heavy air conditioning
3 usage. Fortunately, those are the longest days
4 for solar-producing, peak sunlight. God gave us
5 the ultimate peaking unit, the sun. So let's not
6 block the gift of sunlight with more pollution
7 from fossil fuels.

8 The solar industry has created
9 more jobs in North Carolina than the gas industry
10 ever will. Why would we want to buy gas from
11 out-of-state any more than we have to? Duke
12 promised us solar in Arden so where are the
13 plans. We haven't heard much about any solar
14 plans at all.

15 The General Assembly killed jobs
16 in North Carolina when they killed the state tax
17 credit. So now the solar installers will go to
18 South Carolina to find work. So we'd like for
19 Duke to keep their promise to build solar and put
20 North Carolinians back to work.

21 The people of power in North
22 Carolina have let the people of North Carolina
23 down by making decisions to buy out-of-state coal
24 and gas.

1 I'm personally tired of paying
2 Duke to pollute the air that I'm breathing. I
3 want clean solar energy now! Please show us that
4 you, with your power, can make a wise decision
5 for future generations. Thank you.

6 CHAIRMAN FINLEY: Thank you, Mr. Clarke.
7 Let's see if there are questions.

8 (Clapping in the Courtroom)

9 CHAIRMAN FINLEY: Please not clap so we can
10 get through this. Are there questions of Mr. Clarke?

11 MR. SOMERS: No.

12 CHAIRMAN FINLEY: Thank you very much,
13 Mr. Clarke, for coming out tonight.

14 (The witness is excused.)

15 MS. DOWNEY: Bob Hanna.

16 BOB HANNA; was duly sworn and
17 testified as follows:

18 EXAMINATION

19 BY MS. DOWNEY:

20 Q Would you please state your name and address for
21 the record?

22 A Bob Hanna, 16 Tarpon Avenue, Asheville.

23 Q And you're a customer of Duke Energy Progress,
24 correct?

1 A Yes.

2 Q And you're not affiliated with or a member of a
3 party in this case?

4 A I am not.

5 Q Please proceed with your statement.

6 A Thank you. I come here to speak as a father with
7 two children who I'm raising in this wonderful
8 community in Asheville, and I hope someday also
9 to be a grandfather.

10 And I'm very concerned about the
11 current plan of building and investing in more
12 natural gas at this time because -- well, one of
13 the things I'm coming -- I'm a psychologist. I'm
14 a clinical psychologist and my training was based
15 on science. And through science, we understand
16 that there is a consensus on climate change that,
17 through science, says that we have to keep the
18 majority of carbon in the ground or its future
19 generations will experience significant and
20 serious problems. They estimate at this point
21 that of all the known carbon reserves,
22 three-fourths of that, needs to stay in the
23 ground. At this point, we know by science that
24 the planet has already warmed by .8 degrees

1 Celsius. And that we're currently on track to
2 warm the planet by 4 degrees Celsius which equals
3 about 7 degrees Fahrenheit, which any scientist
4 would tell you is it's an inhospitable planet to
5 live on at that temperature. So why, at this
6 time are we making a choice to invest in more
7 fossil fuel infrastructure is beyond me.

8 Asheville is a forward-thinking,
9 progressive city. And I encourage you, in
10 creating your plan, to consider how we can bring
11 renewable clean energy. I don't consider natural
12 gas to be a clean energy because it is requiring
13 the use of carbon, and that we have the ingenuity
14 in this city to be able to create solar, create
15 wind, create other forms of truly clean renewable
16 energy that doesn't pollute our environment, that
17 doesn't affect other people in that we could
18 become a model city at this point for other
19 cities to follow across the country in investing
20 in truly clean renewable energy. Thank you for
21 this opportunity to offer these comments.

22 CHAIRMAN FINLEY: Mr. Hanna, hold your seat
23 just a minute. Any questions? Thank you.

24 (The witness is excused.)

1 MS. DOWNEY: Bill Maloney.

2 BILL MALONEY; was duly sworn and
3 testified as follows:

4 EXAMINATION

5 BY MS. DOWNEY:

6 Q Would you please state your name and address for
7 the record?

8 A Bill Maloney, 100 Hawk Ridge, Asheville 28804.

9 Q And you're a customer of Duke Energy Progress,
10 correct?

11 A Yes, I am.

12 Q And you're -- but you're not affiliated with or a
13 member of a party in this case?

14 A No, I'm not.

15 Q Please proceed with your statement.

16 A Thank you. In particular, I'd like to thank
17 Mr. Sipes from Duke for being with us this
18 evening. I appreciate it.

19 I'd like to comment on the peaker,
20 not overbuilding, and moving forward with
21 renewables that benefit all of us. There are
22 many good solar panel stories in this community,
23 many of them - churches, buildings and so on -
24 and I would just like to name one. The price of

1 solar is dropping, storage technologies are
2 coming online and here's a short story: This
3 past year, Saint Eugene Catholic Church in North
4 Asheville installed 147 panels on the roof.
5 Since November, the panels have saved a
6 hundred -- pardon me, saved over 13,000 pounds of
7 CO2, the equivalent of 340 trees planted. The
8 church is taking care of the earth for all of us,
9 as the Pope says, and it's saving about 22
10 percent of the churches' electric bill. I just
11 named that because we can do this all over this
12 city and county with projects like this. They
13 can be duplicated everywhere. They pay off; they
14 make sense.

15 Let's bring this into tonight's
16 discussion. If you do the math and if you use
17 solar and storage, you do not need the peaker.
18 Take the current 379-megawatt capacity, add
19 15 percent increase -- I realize you said 17
20 percent -- subtract this from the 570 megawatts
21 that we're going to build with the two new units,
22 and you still have 124 megawatts or 22 percent in
23 excess capacity without a peaker. This is
24 actually 64 percent of what the 192-megawatt

1 peaker would produce.

2 Let's talk about this further and
3 how Duke can help out. If I were the CEO of
4 Duke, I would probably view renewable energy in
5 this way: Number one, it's new technology. We
6 understand coal and gas and we're invested in it.
7 It's inevitable, however, that renewable is going
8 to happen. Number 3 (sic), it's mandated. Duke,
9 I believe, is supposed to have 12.5 percent of
10 its power from renewables by 2021. And lastly,
11 sitting here as the CEO, we're not getting our
12 fair share on this. Solar users are using our
13 power lines, we're crediting back what they
14 produce, and they pay lower monthly bills.

15 So what can we about this? Well,
16 here's something Duke can do. Duke needs to get
17 into the new solar and storage technologies game
18 with an abundance of effort and show some profit
19 to stockholders and here's how you can do that.
20 Our City of Asheville has done a good job of
21 reducing costs with efficient lighting. Let's do
22 it with solar systems and storage systems that
23 get better each year. There's a lot of sunshine
24 that's being wasted on roofs, businesses, public

1 buildings and homes that can be used to generate
2 power.

3 I'd like to propose a partnership
4 where everyone wins and here's how it would work.
5 What if Duke made a business case to go with
6 solar systems on city and county buildings,
7 businesses and homes? What if they borrowed the
8 money from our local banks? And what if they
9 went with our local solar companies to do the
10 installation - Haynes, Sugar Hollow, Sundance,
11 SolFarm and others - let these be the installers
12 so everybody profits. Duke takes the tax
13 incentives, sells back the power -- and there are
14 many LLCs that do this -- it would get Duke into
15 a whole new paradigm. It would be very
16 profitable for them and their stockholders and
17 help us. The systems would use new battery
18 storage technologies to pick up the slack at
19 night during high demand and when solar is not
20 available. In summary, there would be no need
21 for a peaker; Duke's stockholders would profit;
22 Asheville would take the lead for their forward
23 thinking and clean energy; local banks and solar
24 installers would benefit; and the citizens, we,

1 would be very proud of all the parties for your
2 leadership. Thank you.

3 CHAIRMAN FINLEY: Thank you, Mr. Maloney.

4 Any questions?

5 (Applause from the audience.)

6 CHAIRMAN FINLEY: Please twinkle but please
7 no clapping. (Twinkle Fingers) Thank you.

8 (Laughter from audience.)

9 (The witness is excused.)

10 MS. DOWNEY: Steve Runholt.

11 STEVE RUNHOLT; was duly sworn and
12 testified as follows:

13 EXAMINATION

14 BY MS. DOWNEY:

15 Q Would you please state your name and address for
16 the record?

17 A Steve Runholt, 114 Village Pointe Lane,
18 Asheville.

19 Q And you're a customer of Duke Energy Progress,
20 correct?

21 A I am indeed.

22 Q According to your sign up, you're not affiliated
23 with a party in this case?

24 A That's correct.

1 Q Please proceed with your statement.

2 A Chairman Finley and Commissioners, thank you for
3 hosting us here tonight. I am the pastor of the
4 Warren Wilson Presbyterian Church and it's partly
5 in my role as a christian and partly in my role
6 as a private citizen that I speak to you today.

7 I am sure you all exercise
8 conscientious care in discharging your duty as
9 members of this Commission of providing fair
10 regulation of public utilities in the interest of
11 the general public. That charge is ultimately
12 informed by a commitment, which I believe is
13 shared by everyone in this room, to create the
14 best possible conditions for the citizens of
15 North Carolina to prosper and flourish.

16 I also realize that in an advance
17 industrial economy like ours, providing ample
18 electricity is one of the essential components
19 for creating such conditions. But here's another
20 thing we all know for certain, carbon-based fuels
21 are incompatible with the long-term interest of
22 the citizens of this state and any state. Carbon
23 emissions are the principal cause of the climate
24 disruption we're all witnessing and experiencing

1 outside of highly partisan circles. There is
2 simply no doubt about the causal connection here.

3 When it rains for 40 days and 40
4 nights, and I mean that literally, as it did here
5 in Western North Carolina two summers ago,
6 farmers are unable to harvest their crops and so
7 suffered staggering losses. Rising sea levels,
8 the risk of super storms, and dramatic flooding
9 pose risks to homeowners along the coast and to
10 hotel and restaurant owners and to everyone else
11 whose fortunes are connected to the tourism
12 industry. Soon, some of the iconic species for
13 which this area is so well known and that draw
14 thousands of visitors here - Northern Cardinals,
15 mountain-laurel, brown trout to name a few -
16 these might disappear from these mountains
17 altogether if they cannot adapt to increasingly
18 hot summers and steadily warmer winters. That's
19 where I speak to you as a christian person.
20 Basic moral teaching tells us that if we know a
21 specific action is harmful we must refrain from
22 visiting that harm and others or be held morally
23 accountable. We're grateful that Duke Energy has
24 agreed to retire its coal-fired plant near Lake

1 Julian, but you replace that one plant with two,
2 perhaps even three, that rely on carbon-based
3 fuels is I believe morally untenable.

4 Given what science tells us about
5 the cause of planet destruction, this proposal
6 knowingly persists in doing harm to our
7 environment and to the public interest, serious
8 harm, possibly irreversible harm with devastating
9 consequences. Which is why the question of where
10 we get our energy is no longer just a political
11 issue or even a scientific issue, it's a matter
12 of vital moral urgency. The public interest,
13 indeed, the very health of our planet is at
14 stake.

15 I believe the better course of
16 action is first to invest in fuel efficiency so
17 that Duke Energy actually helps to decrease the
18 carbon emissions we produce in North Carolina.
19 But beyond that, I believe Duke Energy has an
20 opportunity to set an example for the rest of the
21 country to follow.

22 When JFK laid out his vision that
23 America would be the first nation to go to the
24 moon, it seemed like an impossible dream. But

1 the American people rose to that challenge and,
2 through investments and innovation, we made that
3 dream come true in less than 10 years.

4 I would now like to think that
5 Duke Energy might lead the country in moving us
6 away from our dependence on fossil fuels and to a
7 day where our energy is provided by clean,
8 renewable sources. That will take innovation,
9 investment, and hard work, but it's the right
10 thing to do. And, looking at our long-term
11 future, I hope you will agree, as our state
12 utility Commissioners, that denying the proposal
13 is the best way to protect the public interest.

14 CHAIRMAN FINLEY: Are there questions?

15 Thank you.

16 (The witness is excused.)

17 MS. DOWNEY: Steve Kaagan.

18 STEVE KAAGAN; was duly sworn and
19 testified as follows:

20 EXAMINATION

21 BY MS. DOWNEY:

22 Q Would you please state your name and address for
23 the record?

24 A My name is Steve Kaagan, 45 Craftsman Circle,

1 Asheville, North Carolina.

2 Q And you're a customer of Duke Energy Progress,
3 correct?

4 A Yes, I am.

5 Q And you're not affiliated with or a member of any
6 of the parties in this case?

7 A No, I'm not.

8 Q Please proceed with your statement.

9 A Thank you. Thank you, Mr. Chairman. Natural gas
10 is not a transitional fuel unless we count
11 climate disruption as that to which it
12 transitions. The biggest danger is methane
13 leakage. The industry puts methane leakage at
14 about 3 percent but then selected sites across
15 the country in Utah and California, it's up to
16 17 percent. And we know that methane is between
17 25 and 75 times as volatile a fuel in terms of
18 causing climate change. If one wants to ask
19 whether there can be methane leakage, one only
20 has to ask the people in Parker Ranch, California
21 at the moment. Our situation has already been
22 documented. 80 percent of fossil fuels has to
23 stay in the ground. By 2050, we have to wean
24 ourselves from fossil fuels if we're going to be

1 able to keep temperature rise to within two
2 degrees by 2100.

3 There are two sources of energy
4 which really we have to deal with. One has to do
5 with stationary energy generation facilities like
6 Duke Power plants and the other with mobile,
7 trucks and cars. It's likely that in terms of
8 trucks and cars we will not be able to wean
9 ourselves through fossil fuels as quickly as we
10 will be able to do so from stationary sources
11 like Duke Power plants. So it's really incumbent
12 upon Duke, government leaders, and corporate
13 leaders to take us through the massive cultural
14 and psychological shift that will be necessary to
15 wean ourselves from fossil fuels. So, along with
16 other people who have testified, I argue that
17 Duke, Duke's proposal should be denied, that Duke
18 has to revamp its proposal to up its ante with
19 regard to renewables and come in with a better
20 proposal that will save not only the planet but
21 its inhabitants. Thank you.

22 CHAIRMAN FINLEY: Thank you.

23 (The witness is excused.)

24 MS. DOWNEY: Mac Swicegood.

1 MAC SWICEGOOD; was duly sworn and
2 testified as follows:

3 EXAMINATION

4 BY MS. DOWNEY:

5 Q Would you please state your name and address for
6 the record?

7 A My name is Mac Swicegood. Address is 10 Round
8 Oak Road, Asheville, North Carolina 28804.

9 Q And you're a customer of Duke Energy Progress,
10 correct?

11 A Yes, ma'am.

12 Q You're not associated with or a member of a party
13 in this case?

14 A No.

15 Q Please proceed with your statement.

16 A Thank you for allowing the public comment on
17 upgrades proposed by Duke Energy. My name is Mac
18 Swicegood representing the Board of Directors of
19 the Council of Independent Business Owners.
20 CIBO, as the organization is known, represents
21 over 18,000 employees that are dependent upon
22 electricity generated by Duke Energy.

23 We appreciate the efforts that
24 have been made to modernize the coal-fired

1 electric plant at Lake Julian. But now, our
2 community has the opportunity to replace that
3 plant with new natural gas-fired units built by
4 Duke Energy. Additionally, there will be
5 alternative solar energy generated on the site.

6 There will be some who do not want
7 parts of this project and others who state that
8 nothing needs to be built. The problem here
9 though is that our area is growing at a rapid
10 pace. Not only are we attracting new industry,
11 we're also attracting retirees from around the
12 world. Asheville, Buncombe County and the
13 surrounding communities have been featured in
14 numerous publications as the place to visit and a
15 place to retire. When a community receives such
16 accolades, it means enormous growth is coming.
17 That growth cannot be stopped and we must prepare
18 for it. Duke Energy is trying to meet our future
19 needs. Our community cannot regress. It must
20 move forward with available, reliable and
21 affordable energy.

22 We appreciate Duke's efforts and
23 request that the public Utilities Commission
24 grant Duke's request. Thank you.

1 CHAIRMAN FINLEY: Thank you, Mr. Swicegood.
2 Questions? You read that verbatim; did you not?

3 THE WITNESS: Sir?

4 CHAIRMAN FINLEY: Did you read that
5 verbatim?

6 THE WITNESS: Yes, sir.

7 CHAIRMAN FINLEY: Thank you.

8 (The witness is excused.)

9 MS. DOWNEY: Joan Walker.

10 JOAN WALKER; was duly sworn and
11 testified as follows:

12 EXAMINATION

13 BY MS. DOWNEY:

14 Q Would you please state your name and address for
15 the record?

16 A Joan Walker, 63 Washington Avenue, Asheville
17 28804.

18 Q And you're a customer of Duke Energy Progress,
19 correct?

20 A Yes, ma'am.

21 Q And according to your sign up, you're associated
22 with MountainTrue --

23 A (Interposing) That's right.

24 Q -- is that correct?

1 A Yes.

2 Q Please proceed with your statement.

3 A Thank you. My name is Joan Walker and I'm the
4 Campaign Director for MountainTrue.

5 For over 34 years, we have worked
6 to protect the environment and natural heritage
7 of Western North Carolina. We are, as stated
8 before, formal intervenors, in the docket of
9 these proceedings represented by the Southern
10 Environmental Law Center.

11 Duke's Western Carolinas
12 Modernization Plan is a huge opportunity for our
13 communities and for the ratepayers of Western
14 North Carolina. Already, we've all won the
15 scheduled retirement of a coal plant that's
16 seeping toxins into our rivers and emitting SO2
17 and CO2 into our atmosphere. Excuse me.

18 And Duke has listened to our
19 communities and revised their plans by canceling
20 a new transmission line that would have cut
21 through the forests, farms and neighborhoods of
22 Buncombe, Henderson and Polk Counties.

23 We also secured Duke Energy's
24 commitment, stated in their November 4th Press

1 Release, to work with the community to reduce the
2 region's peak power and ongoing demand through
3 much more participation in energy efficiency
4 programs, demand response and renewable energy
5 and related technologies. They said this in the
6 hope of eliminating the need for the 192-megawatt
7 unit that they've included in their Application.

8 With the Mountain Energy Act, the
9 Legislature has fast-tracked this approval
10 process, but your responsibilities remain the
11 same: To ensure that Duke Energy works in the
12 best interest of the ratepayers and the residents
13 of Western North Carolina. And, to that end, we
14 encourage the honorable members of the Utilities
15 Commission to consider the hopes and desires of
16 those who give testimony today and to hold Duke
17 Energy to the commitments that they have made to
18 us.

19 We want a truly modern plan that
20 doesn't just keep the lights on in Western North
21 Carolina but also uses less climate-disrupting
22 fossil fuels, invests more in energy efficiency
23 programs that can lower all of our bills, and to
24 create clean energy solutions that would bolster

1 our local economy. This isn't pie in the sky.
2 This is doable now.

3 There are plenty of examples from
4 other power companies that are doing a better
5 job. In the 2014 Report, *Benchmarking Utility*
6 *Clean Energy Deployment by Ceres*, Duke Energy
7 ranked only 22nd out of the 32 largest U.S.
8 investor-owned utilities for a cumulative amount
9 of annual energy efficiency savings as a
10 percentage of retail sales and only 19th out of
11 32 for renewable energy sales. There's room for
12 improvement and Duke Energy can do better.

13 MountainTrue and other community
14 partners stand ready to work with Duke Energy
15 toward that clean energy future. This Commission
16 can help by requiring Duke Energy to be more
17 aggressive with their energy efficiency programs,
18 more innovative when it comes to renewable
19 infrastructure, and more accountable to the
20 public by only giving Duke Energy approval for
21 the capacity that they need now, not for what
22 they would need if our collective, collaborative
23 efforts failed. Thank you.

24 CHAIRMAN FINLEY: Thank you, Ms. Walker.

1 (The witness is excused.)

2 MS. DOWNEY: Katie Hicks.

3 KATIE HICKS; was duly sworn and
4 testified as follows:

5 EXAMINATION

6 BY MS. DOWNEY:

7 Q Would you please state your name and address for
8 the record?

9 A My name is Katie Hicks. Address is 263 Fairview
10 Road, Asheville.

11 Q Are you a customer of Duke Energy Progress?

12 A Yes.

13 Q According to the sign up, you are not affiliated
14 with a member of a party in this case, correct?

15 A Correct.

16 Q Please proceed with your statement.

17 A Thank you. In addition to being a customer of
18 Duke Energy, I also work with the organization
19 Clean Water for North Carolina. We're a
20 state-wide environmental justice organization
21 founded in 1984. We have hundreds of supporters
22 here in Buncombe County and Western North
23 Carolina who care about our region's energy
24 choices and their effects on public health,

1 climate and communities both near by and those
2 who have to buy the extraction and transportation
3 of fossil fuels.

4 We're alarmed at Duke Energy's
5 decision to invest an estimated \$1.1 billion in
6 the construction of two 280-megawatt natural gas
7 units and a 186-megawatt combustion turbine.
8 From an economic perspective alone, industry
9 experts agree that natural gas for power
10 generation is swiftly becoming obsolete, as the
11 costs of battery storage, solar and wind power
12 are being more competitive. Specifically, use of
13 gas for peaking units, such as the one Duke is
14 applying to build here, is becoming less and less
15 cost effective as low-cost battery storage allows
16 solar and wind to be used for peaking capacity.

17 Jon B. Wellinghoff, a former
18 Chairman of the Federal Energy Regulatory
19 Commission, has recently warned investors against
20 over-investment in gas pipeline infrastructure
21 for this very reason. In an article I have here
22 and would be happy to submit, taking on huge
23 costs to transition to natural gas makes no sense
24 when cleaner, renewable technologies are ready

1 now and will continue becoming more cost
2 effective, and when there are so many ways to
3 further reduce demand through energy efficiency.
4 If this entire plant and the associated gas
5 pipeline owned by PSNC become unnecessary within
6 a few years, the stranded costs could fall to
7 consumers.

8 In the same article, Duke Energy
9 spokesman Tom Williams stated that the Company is
10 investing in gas because it's a safe bet because
11 gas is inexpensive right now and the regulatory
12 environment, meaning Commissions like you all,
13 favors gas over coal.

14 In the Company's Application,
15 however, they admit that *the landscape of the*
16 *electric utility business is rapidly changing*
17 *thanks to the emergence of new technologies that*
18 *are quickly enabling alternatives to traditional*
19 *generation resources.* That's page 13, add in C.
20 Decisions should be based on what's best for the
21 consumers, not the Company's bottom line. And
22 it's clear that dependence on gas is not in the
23 interest of either one.

24 It's the responsibility of this

1 Commission to review and act on these factors and
2 we urge you to deny Duke's Application. At the
3 very least, the Commission should deny the
4 premature Application for an optional peaking
5 unit, instead requiring concrete commitments to
6 the solar installation and utilities' stale
7 battery which Duke describes but does not commit
8 to in the Application. There is absolutely no
9 reason for this Commission to rubber stamp a
10 peaking unit that's not even sure to be needed
11 years in advance, especially when the technology
12 is changing so quickly and it is likely to be a
13 very risky investment for Duke's shareholders and
14 its ratepayers. Thank you.

15 CHAIRMAN FINLEY: We'll mark the Wellinghoff
16 article as Hicks Exhibit Number 1.

17 Hicks Exhibit 1

18 (Identified)

19 MR. SOMERS: I have a question.

20 CHAIRMAN FINLEY: Yes, sir. Ms. Hicks, I
21 see you have a question by Mr. Somers.

22 CROSS EXAMINATION

23 BY MR. SOMERS:

24 Q Ms. Hicks, as I understood it, you said that Duke

1 is not committed in its Application to the new
2 solar generation or the battery shortage. What
3 do you mean by that?

4 A I just meant that you have not yet applied for
5 permission from the Commission to construct
6 those.

7 Q Do you understand Duke has made that commitment;
8 correct?

9 A Yes.

10 MR. SOMERS: Thank you.

11 CHAIRMAN FINLEY: Other questions? Thank
12 you, Ms. Hicks.

13 (The witness is excused.)

14 MS. DOWNEY: Xavier Boatright.

15 XAVIER BOATRIGHT; was duly sworn and
16 testified as follows:

17 EXAMINATION

18 BY MS. DOWNEY:

19 Q Would you please state your name and address for
20 the record?

21 A Xavier Boatright, 1000 Aventin Drive, Arden,
22 North Carolina.

23 Q And you're a customer of Duke Energy Progress,
24 correct?

1 A Yes.

2 Q But you're not affiliated with or a member of a
3 party in this case, correct?

4 A No.

5 Q Please proceed with your statement.

6 A I live exactly 1.6 miles from the Arden Power
7 Plant site. I became extremely concerned when
8 Duke Energy applied for two 280-megawatt gas
9 units along with a 186-megawatt peaking unit.

10 One immediate concern with Duke
11 Energy's trend towards independence on gas would
12 be the increase of methane in the area and the
13 possibility of methane leaks like the one in
14 Porter Ranch, California, which is still leaking
15 as we talk today.

16 2015 was the hottest year on
17 record and increased methane emissions have been
18 shown to be a large contributor to greenhouse
19 gases. A personal account, I tell you all that
20 for the first time my family -- for the first
21 time ever my family this holiday had an outdoors
22 cookout, because the temperatures were so warm
23 this past December, instead of our traditional
24 holiday dinner indoors. With that said, it felt

1 as though Duke Energy's idea of modernization is
2 a dependence on gas. Duke Energy claims that it
3 will need a peaking unit to meet winter peak
4 demands in the western region. The actual gas
5 plant Application states on page 8, Article 15,
6 additionally, according to the application, the
7 winter peak demand in the DEP Western Region
8 outpaces that of the rest of the DEP system in
9 North Carolina and South Carolina. With this
10 said, after a statement from page 4, Article 4 of
11 the gas plant Application again, the Asheville
12 Combined Cycle units will provide base load
13 generation for DEP's customers in North Carolina
14 and South Carolina.

15 So in the case of the additional
16 peaking unit, is it growth in Western North
17 Carolina minus demand or are we adding to the
18 frack gas consumption in Western North Carolina
19 just so we can provide energy to a growing demand
20 in the sprawling South Carolina upstate region?
21 Why not relieve Asheville from some of the toxic
22 burdens and hazards associated with gas plants?
23 Why not invest in a clean, modern power source,
24 specifically solar or wind for upstate South

1 Carolina within the South Carolina borders and
2 stop trying alternatives like running
3 transmission lines down, or now, after that, make
4 Asheville responsible for the burden of a gas
5 plant that also supplies to a demand outside of
6 Western North Carolina in the state's
7 boundaries -- in this state's boundaries.

8 The entire project is expected to
9 cost \$1.1 billion. Last year, Dubai started a
10 project on a 200-megawatt solar plant as a part
11 of the 1000-megawatt solar project in an effort
12 to decrease total methane emissions by 5 percent
13 by 2030. The 200-megawatt solar plant only costs
14 \$327 million U.S. dollars.

15 In the Asheville gas plant
16 Application, there are some modern ideas thrown
17 about hinting to an on-site -- well commitment to
18 an on-site 15-megawatt solar farm in the
19 construction of the utility battery. These are
20 just outlined in the Application but only the two
21 gas units and the peaking unit were actually
22 applied for.

23 In comparing a not-too-costly
24 example of a 200-megawatt solar farm already

1 under construction in Dubai to the 186-megawatt
2 peaking unit Duke Energy has applied for, as one
3 of the largest utilities in the world, I think
4 the gas plant proposal is a perfect opportunity
5 for Duke to be a leader and show the world a true
6 modernization plan for Western North Carolina.

7 In closing, Article number 6 of
8 page 4 from the gas plant Application states, *the*
9 *power blocks for the Asheville Combined Cycle*
10 *units be will be sited in the former "1982 ash*
11 *pond" area, which is currently being excavated.*

12 Would it really be such a bad
13 thing if Duke Energy maximized its efforts and
14 invested an investment to use -- to existing
15 property from its coal -- from its retiring coal
16 ash facilities to promote a huge leap forward in
17 the modernization of energy with a peaking solar
18 farm instead of another gas unit?

19 I think it's only fair that I say
20 when talking about -- when referring to Dubai and
21 talking about solar --

22 CHAIRMAN FINLEY: It's time to close,
23 Mr. Boatright, please.

24 THE WITNESS: Yes, sir.

1 A -- that land is a huge issue. But I feel as
2 though this Company could WOW us with one heck of
3 a solar project and say "take that, Dubai!" as a
4 global competitor.

5 MR. MILLIN: I have a question.

6 CHAIRMAN FINLEY: Wait just a minute,
7 Mr. Boatright. Mr. Millin.

8 CROSS EXAMINATION

9 BY MR. MILLIN:

10 Q Xavier --

11 A Yes.

12 Q I'm going to try and help you because that was
13 very informed what you shared. If Duke Energy
14 is, as established, going to add an energy
15 storage, at least 5 megawatts -- and that's the
16 beginning because the wording is a minimum of
17 5 megawatts of energy storage -- in this project
18 and batteries, meaning batteries. If you knew
19 that it was possible to add -- there is a six --
20 66-megawatt fuel cell project approved for a spot
21 called Beacon Falls, Connecticut; it was just
22 approved recently -- yes, right now it's fuel
23 cells use natural gas, but for that 66 megawatts
24 of that base load power used to back up solar, if

1 you knew that that kind of large, highly
2 efficient, low-carbon technology was possible for
3 Asheville, would you consider adding a large
4 amount of the fuel cell for even more energy
5 storage to back up your 200-megawatt number of
6 solar to make it all work better, to make the
7 grid work better?

8 A Well, really, to be honest with you, we just got
9 the Application about two weeks ago and I haven't
10 had the opportunity to do enough research --

11 Q (Interposing) Okay.

12 A -- to answer that question.

13 Q We can talk about it, right?

14 A Huh?

15 Q We can talk about it, right.

16 A Oh, we could talk about it afterwards.

17 CHAIRMAN FINLEY: Why don't we do that, talk
18 about it afterwards so other people can testify.

19 Thank you, Mr. Boatright.

20 THE WITNESS: Thank you.

21 (The witness is excused.)

22 MS. DOWNEY: Brad Rouse.

23 BRAD ROUSE; was duly sworn and
24 testified as follows:

EXAMINATION

BY MS. DOWNEY:

Q Would you please state your name and address for the record?

A Yes. I'm Brad Rouse, 3 Stegall Lane in Asheville, North Carolina.

Q And you're a customer of Duke Energy Progress, correct?

A I am.

Q And you left the space blank about your affiliation with any member of a --

A (Interposing) Oh, I'm not affiliated with --

Q Okay.

A I mean, I'm a member of the Sierra Club but --

Q That's a yes then.

A I think probably most people in here are.

Q Please proceed with your statement.

A Thank you. And thanks to the Chairman and all of the Commissioners for making the trip out to Asheville. We're really glad to have you here.

I'm speaking also as not only a Duke customer, Progress customer, but also as a shareholder of Duke. And I will say I've devoted my career to economics-based planning,

1 principally, utility integrated resource
2 planning. I've worked with over 100 utility
3 companies on planning systems and issues
4 including I led the development in the first
5 economics-based load forecasting system for Duke
6 Progress or originally Carolina Power & Light.
7 And I worked with Duke Energy in Charlotte on
8 capacity optimization and financial planning
9 models. I closely follow developments in the
10 utility industry.

11 I got an MBA in Finance from
12 Chapel Hill and I had my BA in Economics from
13 Yale University.

14 I have reviewed Duke's Application
15 in detail and I conclude that the Commission
16 needs to reject the Application. Duke is
17 required to show that this plant is needed and
18 they have not shown that, and I'll tell you why.
19 The main reason is that the two 280-megawatt
20 units are excessive versus what is needed and
21 actually do harm -- they do harm -- to the
22 electric reliability of this area.

23 And I want to just refer you --
24 you will probably have to go look at this later,

1 you might not have it right in front of you -- to
2 Exhibit 1B, the Statement of Need, Table 1. Now
3 that table calculates the NERC compliance
4 reserves after a single contingency. And you can
5 see from the table that the NERC compliance
6 reserves are 90 in 2020, which basically means
7 because they've canceled the plant Julian coal
8 unit that they have to shut down -- they have to
9 add additional capacity of 560 megawatts to get
10 you at a 90 megawatts of reserve which is above
11 zero and that's what they want to do. And Duke
12 wants you to conclude that the only way to keep
13 these reserves from going below zero is to
14 install the two 280-megawatt combined cycle
15 units, but there's more to the story.

16 I developed the spreadsheet that
17 duplicated all of the results from this table.
18 And my analysis shows that Duke could just as
19 easily satisfy that need with two 185-megawatt
20 combined cycle units or a 185-megawatt combined
21 cycle unit and a 185-megawatt combustion turbine.
22 And the magic number 185 is because what you
23 don't want to do is, in a geographically
24 constrained, transmission-constrained region, is

1 add to the size of the largest unit, and Duke is
2 moving the size of the largest unit in our
3 territory from 185 to 280. They are locking us
4 into an excessive fossil fuel infrastructure by
5 what they're doing and it's wrong, they shouldn't
6 be doing that.

7 They could just as easily build
8 370 megawatts in two units and have the same
9 reliability, exact same reliability as what they
10 have with their current plan. So based on all of
11 their assumptions, we could cut 190 megawatts off
12 this system, have the same reliability and not be
13 adding to the burden of additional fossil fuel,
14 base load fossil fuel infrastructure in the
15 territory.

16 Now, I've also examined Exhibit 1A
17 which is the Integrated Resource Plan. Table 6A
18 of that exhibit shows only 348 megawatts are
19 renewable energy capacity in the system and
20 they're claiming that that indicates a need in
21 2020 for more power. But Duke, in Table 4F,
22 shows that they have forward that 3,800 megawatts
23 of solar capacity waiting to be hooked up. So I
24 don't get it. I don't know why they need power

1. for the system. And so my conclusion is they
2. don't need power for the system. They don't need
3. power for the local area. Yea, they need
4. something based on their calculations but they
5. don't need what they've proposed. Therefore, and
6. I think secondarily, it's fool-hearted for Duke
7. to pursue fossil investments beyond the minimum
8. needed for reliability given all of the things
9. that people are talking about here today. Let's
10. don't do more than what's required for
11. reliability. So what I believe as a resident, a
12. ratepayer, and a shareholder that I would request
13. that you keep Duke from doing this and tell them
14. to go back to the drawing board. Thank you.

15. CHAIRMAN FINLEY: Thank you, Mr. Rouse.

16. Questions?

17. MR. SOMERS: I have one.

18. CROSS EXAMINATION

19. BY MR. SOMERS:

20. Q Mr. Rouse, did you review Confidential Attachment
21. A to Exhibit 1B to Duke Energy Progress' CPCN
22. Application that discusses the NERC system
23. planning and operations requirements?

24. A I did.

1 Q And who provided you with that?

2 A One, I got an e-mail but I think it was out there
3 on the -- I believe I went out to the website and
4 pulled it up off the -- yea, I believe I pulled
5 it right off of the -- off of the NCUC, the
6 docket listing is what I recall.

7 Q And so you understand this exhibit was filed
8 under seal with the Commission and it's not on
9 their website?

10 A I don't recall that.

11 MR. SOMERS: Okay. Thank you.

12 A Yea.

13 CROSS EXAMINATION

14 BY MR. MILLIN:

15 Q If you -- I have looked at the Utilities
16 Commission Fuel Consumption Reports for the
17 actual plant, the triple coal units particularly,
18 and it doesn't seem that in recent years the
19 capacity factors for those two units have
20 exceeded more than around 175 megawatts in the
21 peak months of February and July. If you knew
22 that, how would that figure into confirming what
23 you found?

24 A Well, I believe that the NERC -- yea, that would

1 lend evidence, the fact that it's -- the four
2 units that are currently there only run at a 26
3 percent capacity factor or so the last couple of
4 years. Now they may be -- have been using a lot
5 of import capacity during that time, which is
6 probably true.

7 CHAIRMAN FINLEY: Thank you, Mr. Rouse.

8 MS. THOMPSON: Mr. Chairman, just a question
9 following up on Mr. Somers' question, if I may.

10 CROSS EXAMINATION

11 BY MS. THOMPSON:

12 Q Good evening, Mr. Rouse. Gudrun Thompson
13 representing Sierra Club and MountainTrue. Just
14 to clarify, following up on Mr. Somers -- the
15 question from Mr. Somers with Duke, the -- in all
16 of the documents and information you were citing,
17 you obtained on your own from the Commission's
18 website, correct, or from an email and not
19 from -- not by virtue of your affiliation with
20 Sierra Club in any way, correct?

21 A That's correct and there was no -- yea, that's
22 correct.

23 MS. THOMPSON: Thank you.

24 CHAIRMAN FINLEY: Who did you get the email

1 from, Mr. Rouse?

2 THE WITNESS: I, honestly -- there was one
3 email that I might have gotten from someone related to
4 the NC WARN group and that's where -- that's where --
5 that maybe where I got the table. Honestly, it --
6 maybe there or it may be from the website itself; I
7 don't recall.

8 CHAIRMAN FINLEY: Mr. Runkle.

9 MR. RUNKLE: NC WARN and The Climate Times
10 did not sign the Confidentiality Agreement and so it
11 didn't come from us if it's confidential in nature.

12 CHAIRMAN FINLEY: All right. Thank you,
13 Mr. Rouse.

14 THE WITNESS: Okay. Thank you.

15 (The witness is excused.)

16 MS. DOWNEY: Rowdy Keelor.

17 ROWDY KEELOR; was duly sworn and
18 testified as follows:

19 EXAMINATION

20 BY MS. DOWNEY:

21 Q Would you please state and spell your name for
22 the Court Reporter, please?

23 A Rowdy, R-O-W-D-Y, Keelor. My address is
24 9 Shannon Drive, Asheville.

1 Q Would you spell your last name for her?

2 A K-E-E-L-O-R.

3 Q And you put a question mark -- and since you live
4 in Asheville, are you a Duke Energy Progress
5 customer?

6 A I believe so. Yes, yes, I am.

7 Q And, according to your sign up, you're not
8 affiliated with or a member of any party?

9 A That is correct.

10 Q Please proceed with your statement.

11 A Hello, my name is Rowdy. I'm the Community
12 Outreach Coordinator for Brother Wolf Animal
13 Rescue. I'm also here for Vegans for Bernie
14 Sanders. And I'm also here on behalf of my
15 one-year old niece, Lydia (spelling uncertain).

16 I find it very interesting and
17 appropriate that we have to take an oath tonight
18 before we speak. An oath to make sure that we
19 tell the truth. That word "truth". Well, let's
20 tell some truths. The truth is there is
21 absolutely nothing about hydraulic fracturing
22 that can be constituted as clean energy. The
23 truth is there is nothing modern about this plan.
24 Fracking is already an archaic form of energy.

1 The truth is this power plant is an enormous
2 waste of money that could be spent on actual,
3 clean and renewable energy. The truth is the
4 tide is turning. The digging, drilling, burning
5 and exploiting our earth's resources are no
6 longer seen as acceptable practices. The truth
7 is this plan is more irreprehensible. And the
8 truth is this is not our only option.

9 We have a serious obligation to
10 one another as citizens of this earth to do what
11 is right for the collective good and this plan is
12 not it. How many fracking catastrophes do we
13 have to bear witness to until we change? How
14 many children need to be poisoned? Facts, laws
15 money, I understand their importance, but an even
16 better guide for how we can move forward on this
17 is our heart.

18 So please take some time later on
19 and close your eyes, take some deep breaths and
20 look into that part of your heart where truth
21 lives and see if this plan feels right. You have
22 an amazing opportunity to be on the right side of
23 history or the wrong side. Please make the right
24 choice.

1 CHAIRMAN FINLEY: Thank you, Mr. Keelor.

2 (The witness is excused.)

3 MS. DOWNEY: Alice Wyndham.

4 ALICE WYNDHAM; was duly sworn and
5 testified as follows:

6 EXAMINATION

7 BY MS. DOWNEY:

8 Q Would you please state your name and address for
9 the record?

10 A My name is Alice Wyndham. I live at 2 Gilbert
11 Street, Asheville 28804.

12 Q And you're a customer of Duke Energy Progress,
13 correct?

14 A I am, yes.

15 Q And you left a blank about your affiliation with
16 one of the parties; you're not affiliated?

17 A No, I'm not.

18 Q Please proceed with your statement.

19 A I'm recently retired and spend much of my time
20 working on climate change issues. This helps me
21 to assuage the anxiety and concern that I feel
22 about climate change. I was heartened to follow
23 the Paris climate talks and watched 195 countries
24 promise to go home and do what they could to

1 decrease their carbon emissions.

2 UNKNOWN SPEAKER: Would you please speak
3 into the microphone a little more?

4 A This could be us right now.

5 CHAIRMAN FINLEY: Ms. Wyndham, why don't you
6 pull it down to you -- pull it down a little bit.
7 That's right. Thank you.

8 THE WITNESS: Thank you.

9 A This could be us right now trying to help fulfill
10 the promises from the climate change part of it
11 as we stand on this precipice. As we plan for
12 the future energy needs we know that this is a
13 time of transition. We know that Duke must rely
14 on some fossil fuel. But let's see this as an
15 opportunity to begin that transition and
16 seriously look for ways to decrease our
17 dependence on fossil fuel. That includes, of
18 course, encouraging efficiency and energy
19 alternatives. We need to be looking for
20 alternative energies as if our lives depended on
21 it or, at least, as if our children's lives
22 depended on it.

23 As we stand on this precipice
24 planning our energy future, we must look forward

1 not back. We must incorporate new methods, new
2 technologies, new ideas into the mix. Duke's
3 plan is heavy handed on fossil fuels and
4 extremely light on alternative technologies.
5 They have grossly over-estimated our future
6 energy needs, even considering the booming growth
7 in Asheville, as Mr. Rouse has pointed out.
8 Their efforts to include anything but fossil fuel
9 is minimum at best. Their hearts don't seem to
10 be in it. They don't really seem to be trying to
11 make that transition to a cleaner energy. Their
12 plan includes references to carbon fees.

13 Carbon Pricing Leadership

14 Coalition came out of the Paris talks. Carbon
15 pricing is considered the key strategy for
16 steering the plan away from fossil fuels and
17 toward cleaner energy in an effort to address
18 climate change. Since Duke realizes carbon
19 pricing is coming, transition is coming, change
20 is coming. Let's help them rethink this plan;
21 let's help them to find ways to limit the number
22 and size of power plants they want; help them
23 with ways to encourage solar, wind, geothermal
24 and others; ways to encourage efficiency, the

1 true low-hanging fruit; ways to encourage energy
2 use during off-peak hours. Climate change is
3 real. The solutions are new but they're real.
4 The plan shows that Duke is stuck in a dirty rut
5 from the past. Let's help them see a cleaner
6 future. Thank you.

7 CHAIRMAN FINLEY: Thank you, Ms. Wyndham.

8 (The witness is excused.)

9 MS. DOWNEY: Steffi Rausch.

10 STEFFI RAUSCH; was duly sworn and
11 testified as follows:

12 EXAMINATION

13 BY MS. DOWNEY:

14 Q Would you please state your name and address for
15 the record?

16 A Steffi Rausch, 373 Lytle Cove Road, Swannanoa,
17 North Carolina 28778.

18 Q And you're a customer of Duke Energy Progress,
19 correct?

20 A Yes.

21 Q And you're not affiliated with a member of a
22 party in this case?

23 A No.

24 Q Please proceed with your statement.

1 A As citizens, we feel frustrated because we are
2 told we need to change our lifestyle drastically.
3 We are told to stop using so much energy. We are
4 told to buy a hybrid car that we can't afford.
5 We are told to insulate our homes better, replace
6 our light bulbs, be more efficient, and on and on
7 and on. We need to get real!

8 Climate change is happening
9 because we put things that trap heat into the
10 atmosphere. When you're on a sinking ship, the
11 first thing you do is plug the hole, so we need
12 to stop putting greenhouse gases into our
13 atmosphere. The fastest way to do that is to get
14 renewables on the ground now. The fastest way to
15 get them on the ground now is to make them
16 cost-competitive or even cheaper than fossil
17 fuels, and the only way to do that is to price
18 carbon for its true cost to society and the
19 environment. This is usually referred to as a
20 carbon tax but can be in the form of what we call
21 fee and dividend, where citizens get back this
22 money via a monthly dividend check to offset our
23 increased costs. There is both international
24 support for this as well as bipartisan support in

1 the U.S. There are even oil and gas companies on
2 board, big banks, large businesses, top
3 economists and more. So basically carbon pricing
4 is coming down the pike, which means if we get
5 locked into paying for carbon-based fuels
6 including natural gas then we, the citizens and
7 consumers, will end up paying the cost of Duke's
8 bad decisions. We need you, our Commission, to
9 not let that happen and started plugging the hole
10 that we will fall into if you do nothing.

11 So who is in support of carbon fee
12 and dividend or revenue-neutral carbon tax?
13 Internationally, there are four countries -
14 Sweden, British Columbia in Canada, Chile, and
15 Ireland - who have implemented some form of a
16 carbon fee with revenues given back to their
17 citizens to offset the impact to the economy, and
18 sometimes this is done in combination with
19 regulation. The leaders of France, Germany,
20 Norway, Canada, Mexico and Ethiopia support a
21 carbon tax.

22 According to the Editorial Board
23 of the *New York Times*, nearly 40 countries around
24 the world are engaged in some form of carbon

1 pricing already.

2 In the U.S. there are
3 conservatives who support: George Schultz,
4 Arthur B. Laffer, Henry Paulson - these are all
5 Reagan's Secretary of State, Economic Policy
6 Adviser; George W. Bush's Treasury Secretary.
7 Liberals who support are Elizabeth Warren and
8 Bernie Sanders; Steven Chu, the longest serving
9 former Secretary of Energy; well-known climate
10 scientists Drs. James Hansen and Katherine
11 Hayhoe; even Obama was quoted as saying *I urge*
12 *this Congress to pursue a bipartisan,*
13 *market-based solution to climate change* before he
14 was forced to implement a regulatory approach.

15 Carbon tax is going to happen and
16 because of that we need you to get -- we need to
17 get on board with renewables now. We, the
18 citizens, can't do this alone. We need you to
19 make this happen. Please make us proud.

20 CHAIRMAN FINLEY: Thank you, Ms. Rausch.

21 (The witness is excused.)

22 MR. GILLAM: Rebecca Bringle.

23 REBECCA BRINGLE; was duly sworn and
24 testified as follows:

EXAMINATION

BY MR. GILLAM:

Q Good evening. Would you state your name and address for the record, please?

A Yes. My name is Rebecca Bringle. My address is 1005 River Ridge Drive, Asheville 28803.

Q Are you a customer of Duke Energy Progress?

A I am.

Q Are you affiliated with or a member of a party in this case?

A No.

Q Please proceed with your statement.

A Okay. I wanted to piggyback on what Steffi just said. A carbon tax will be coming is what we believe because -- well anyway, let me start again. The tax on carbon will be a good thing because that will force us all to think about our energy usage and it will help us to restrict our energy usage and will spur creative minds to find alternatives. There are alternatives now, but -- anyway there are many, many groups and organizations that support this fee on carbon.

The World Bank produced a statement putting a price on carbon and a call on

1 governments, companies and other stakeholders to
2 sign up to it. The International Monetary Fund's
3 Chief Christine Lagarde advocates introducing a
4 carbon tax to generate more funds to sponsor poor
5 countries' climate goals. Bill Gates supports a
6 rapid expansion of carbon pricing policies. Six
7 of the largest European oil companies - Shell,
8 BP, and others - put out an open letter to the
9 United Nations requesting a carbon fee because
10 it's less costly than regulation, allows for more
11 predictability in the market and their
12 projections, and allows them to move away from
13 carbon fuels into renewables. Six major U.S.
14 banks - the Bank of America, CitiGroup, Goldman
15 Sachs, JPMorgan, Chase, and Wells Fargo - wrote a
16 letter in support of climate change solutions
17 stating *Policy frameworks that recognize the*
18 *cost, the true cost of carbon are among many*
19 *important instruments needed to provide greater*
20 *market certainty, accelerate investment, drive*
21 *innovation in low-carbon energy, and create jobs.*
22 There are major tire company executives for --
23 from Michelin, Bridgestone and others who call on
24 strong action on climate, who support carbon

1 pricing to level the playing field for clean
2 energy.

3 According to a Yale climate
4 opinion poll, 44 percent of adults nationwide
5 here support a carbon tax if revenues are
6 refunded back to households.

7 U.S. States already with carbon
8 tax and/or a dividend legislation being proposed
9 are Washington, Oregon, Rhode Island, Vermont and
10 Massachusetts. Also supporting a carbon tax are
11 Physicians for Social Responsibility; the Friends
12 Committee on National Legislation; Tesla and
13 SpaceX's CEO, Elon Musk; Bill Nunn; 350.org; and
14 the Sierra Club.

15 The U.S. Congressional Budget
16 Office concludes that a carbon tax will be far
17 more effective than capping trade at reducing
18 greenhouse emissions and avoiding harm to our
19 economy. The World Economic Forum, with CEO's
20 from 78 companies in 150 countries, issued a
21 statement calling for prices on carbon; the
22 Organization of Economic Cooperation and
23 Development. So this list is long and this is
24 probably coming and we will bear the cost if we

1 continue with using only a fossil fuel and not
2 look forward to the development of clean energy.
3 So I urge us to look forward to another solution.

4 CHAIRMAN FINLEY: So, Ms. Bringle, your
5 position, with respect to this case, is that we should
6 deny Progress' Application in anticipation of a carbon
7 tax; right?

8 THE WITNESS: Yes.

9 CHAIRMAN FINLEY: Okay. Thank you very
10 much, but we can't -- we can't impose the carbon tax
11 and so --

12 THE WITNESS: (Interposing) Oh no, of
13 course not! But what I'm saying is --

14 CHAIRMAN FINLEY: I understand what you're
15 saying but let's sort of keep it -- keep it where
16 we're going here so all the other people can have a
17 chance. Thank you.

18 MR. MILLIN: I had a question -- question
19 real quick.

20 THE WITNESS: Yes.

21 CHAIRMAN FINLEY: Quick please.

22 CROSS EXAMINATION

23 BY MR. MILLIN:

24 Q I just wanted to reaffirm a little bit of what

1 the --

2 MR. MILLIN: I can't remember what your
3 title is tonight -- Utilities --

4 CHAIRMAN FINLEY: Just any old thing. Just
5 go ahead and ask your question.

6 MR. MILLIN: -- Chair or Administrator --
7 what you just said.

8 BY MR. MILLIN:

9 Q I know about the systems climate law -- and I
10 approve of most of it. Actually Duke Energy is
11 familiar with carbon trading at least such as
12 part of the N.C. Clean Power Plan. And this is
13 an opportunity to start with discussions for
14 communities' sake and to set the bar higher in
15 Asheville for the rest of the nation, so I agree
16 with that. But as the Administrator just stated,
17 if everybody who wants to talk about the systems
18 climate law agenda and mentions, at least
19 mentions something about either denying the
20 Certificate for Public Convenience and Necessity,
21 or convenience and necessity, modifying it
22 somehow as I brought up or just straight out
23 approving it, that will -- I want everybody to
24 speak but it will help everybody who's coming up

1 tonight to be relevant to his point.

2 A Yes. And I think we need to modify it to include
3 more clean energy.

4 (The witness is excused.)

5 CHAIRMAN FINLEY: We're going to take about
6 a 15-minute break to let the Court Reporter stretch
7 her legs and her fingers. We'll be back at -- it's
8 twenty-five after eight -- twenty before nine.

9 (WHEREUPON, the proceedings were recessed at
10 8:25 p.m., to be reconvened at 8:40 p.m.)

11 CHAIRMAN FINLEY: All right, ladies and
12 gentlemen, we're going to renew the hearing. First of
13 all, the Commission expresses its appreciation to the
14 decorum that the folks in the audience have displayed
15 and we appreciate that very much. We appreciate the
16 hospitality we've received in coming up here to
17 Asheville and we're very appreciative of your
18 cooperation.

19 The Public Staff tells me that there have
20 been 64 people who have signed up to testify. We
21 appreciate the fact that those who have testified so
22 far have done so by keeping their testimony within the
23 limits that we've established. We're getting the gist
24 of what most of those people in this room believe and

1 we know that you've worked hard on the statements that
2 you've made so far, but if you have -- if you're able
3 to accept and conclude that you agree with somebody
4 else's testimony, and we can shorten this thing up a
5 little bit, everybody will appreciate that. The
6 Commission is not able to stay here into the wee hours
7 of the morning so let's try to do what we can and
8 expedite matters as best we can.

9 So, Mr. Gillam, call your next witness,
10 please.

11 MR. GILLAM: Randy Talley and after him will
12 be Pat Moore.

13 RANDY TALLEY; was duly sworn and
14 testified as follows:

15 EXAMINATION

16 BY MR. GILLAM:

17 Q State your name and address for the record,
18 please.

19 A My name is Randy Talley, 48 Wild Cherry Road,
20 Asheville, North Carolina.

21 Q Are you a customer of Duke Energy Progress?

22 A Absolutely.

23 Q Are you a member of or affiliated with a party in
24 this case?

1 A I am.

2 Q And what party would that be?

3 A I'm a member of the Sierra Club and MountainTrue.

4 Q Thank you. Do you have a statement to make?

5 A I'm speaking on my own behalf.

6 Q Please proceed.

7 A Okay, thanks. Thank you guys for letting me
8 speak. I am the co-owner of Green Sage Cafe with
9 three restaurant locations in Asheville. We are
10 certified under the Green Restaurant Association.
11 We're committed to sustainable practices,
12 renewable energy, reducing our carbon footprint;
13 we have solar panels on all three locations; we
14 buy renewable energy certificates from Arcadia
15 Wind Power to offset our coal-powered
16 electricity. Recently, we started working with
17 Ripple to measure our sustainability matrix. We
18 scored really well in every area but energy, and
19 I was really shocked because of all the effort
20 that I put into reducing the amount of energy
21 that we consume. But most of our score -- most
22 of our poor score comes from the use of natural
23 gas.

24 For many years I thought natural

1 gas was a clean source but now I know better.
2 The production of natural gas releases methane
3 which is at least 23 times more harmful to the
4 atmosphere than carbon. So, for this reason --
5 for this reason, I request that Duke Energy's
6 Application for building the new natural gas
7 electric generators be denied and that their plan
8 for serving Western North Carolina be -- include
9 the significantly higher percentage of renewable
10 energy, maybe 10 times, maybe 100 times.
11 Renewable energy is what consumers want, it's
12 what the small businesses want and it's what the
13 future of life depends on.

14 CHAIRMAN FINLEY: Thank you, Mr. Talley.

15 (The witness is excused.)

16 MR. GILLAM: Pat Moore and after him or
17 after her, sorry, will be Ken Huck.

18 PAT MOORE; was duly sworn and
19 testified as follows:

20 EXAMINATION

21 BY MR. GILLAM:

22 Q Would you state your name and address for the
23 record, please?

24 A I'm Pat Moore, 1571 Queens Road West, Charlotte.

1 Q Are you a customer of Duke Energy Progress?
2 A Yes.
3 Q Being from Charlotte, are you not a customer of
4 Duke Energy Carolinas?
5 A Yes. I thought you meant Duke Energy or
6 Progress.
7 MR. GILLAM: Mr. Chairman --
8 CHAIRMAN FINLEY: Ms. Moore, you're going to
9 have to wait until the Progress customers testify.
10 I'm sorry. Stick around. But we're taking the
11 Progress customers affected by this --
12 THE WITNESS: I'll be here.
13 CHAIRMAN FINLEY: Thank you, ma'am.
14 (The witness is excused.)
15 MR. GILLAM: Ken Huck and next will be Jane
16 Laping.
17 THE WITNESS: May I stand?
18 CHAIRMAN FINLEY: Yes.
19 KENNETH HUCK; was duly sworn and
20 testified as follows:
21 THE WITNESS: Thank you --
22 MR. GILLAM: I need to ask some preliminary
23 questions.
24 MR. HUCK: I'm sorry. Go ahead.

EXAMINATION

BY MR. GILLAM:

Q Would you state your name and address for the record?

A Kenneth Huck, 103 North Bear Creek Road in Asheville 28806.

Q Are you a customer of Duke Energy Progress?

A I certainly am.

Q Are you a member of or affiliated with a party in this case?

A No.

Q Please proceed with your statement.

A Thank you to the Commission member --

CHAIRMAN FINLEY: If you're going to stand up there, you're going to have to get a little closer to the mike.

A Thank you to the Commission members for coming out to Asheville to hear our input on this Duke initiative. I see this proposal for a fossil fuel power plant. It appears to create barriers that will limit the use of other peak shaving technologies that dovetail well with solar and wind.

Briefly, technology such as

1 insulation or efficiency retrofits of existing
2 buildings, incentivizing or continuing to
3 incentivize the construction of more highly
4 efficient new buildings; bi-directional, grid
5 interactive, electric vehicles, plug-in hybrid
6 vehicles with that same bi-directional or good
7 heating capacity and pump storage.

8 I invite the Commission to send
9 Duke Power back to the planning round table to
10 come up with solutions that serve the public
11 interest by lowering carbon emissions from this
12 facility by a factor of 10. It's clear to me
13 that it can be done, and that it could be
14 profitable to Duke, and that it could be
15 cost-saving to the ratepayers of Western North
16 Carolina. Thank you.

17 CHAIRMAN FINLEY: Thank you, sir.

18 (The witness is excused.)

19 MR. GILLAM: Jane Laping and next will be
20 Ken Brame.

21 JANE LAPING; was duly sworn and
22 testified as follows:
23
24

EXAMINATION

BY MR. GILLAM:

Q Please state your name and address for the record?

A Jane Laping, 14 Concord Place, Asheville.

Q Are you a customer of Duke Energy Progress?

A Yes, I am.

Q Are you a member of or are you affiliated with a party in this case?

A I am a member of Sierra Club and MountainTrue, but I am speaking on my own behalf.

Q Please proceed with your statement.

A I feel obliged to speak today because I am a person of faith and believe that we are not caring for creation as God intended. Burning of fossil fuels has harmed our environment, our climate and consequently all living things that inhabit this earth.

I commend Duke Energy for making the decision to retire the Asheville coal plant in five years. However, until there is an established need for a third gas unit to be installed in 2023, I request that the Utilities Commission disapprove the third gas unit in this

1 Application.

2 I also applaud Duke Energy for
3 including energy efficiency and solar power in
4 the mix. However, if DEP is serious about its
5 public announcement to reduce power demand across
6 the region through renewable energy, the
7 application for a new solar generation facility
8 should be part of this Application and not
9 subject to future CPCN application.

10 Secondly, 15 megawatts of solar
11 power is just 1 percent of Duke Energy's
12 projected need for this region in 2020. Again,
13 if DEP is serious about renewable energy, this
14 contribution to the needs of our community should
15 be much, much larger. Energy efficiency is a
16 low-cost, sustainable and achievable option to
17 meet electricity demand. Duke currently offers
18 some energy efficiency programs, but these will
19 need to be improved greatly if DEP is serious
20 about energy efficiency and to be competitive
21 with the rest of the nation. Additionally, Duke
22 efforts should be expanded beyond Buncombe County
23 to all nine Western North Carolina counties in
24 their service area.

1 On a personal note, I am on the
2 Steering Committee of the Creation Care Alliance
3 of Western North Carolina and for a year now I
4 have been working to engage churches in energy
5 efficiency and renewable energy. Churches and
6 other houses of worship are notable for being
7 inefficient, energy inefficient for several
8 reasons: Their buildings are generally older and
9 have high ceilings; the space is primarily used
10 only one day a week; and there are insufficient
11 budgets for maintenance. This not only places a
12 financial burden on the faith community but also
13 increases demand for available energy in the
14 larger community. Duke Energy's announcement to
15 work with the community to reduce power demand
16 across the region through energy efficiency,
17 demand response, renewable energy and other
18 technologies is welcome news. The Creation Care
19 Alliance is eager to partner with Duke Energy to
20 make this happen in the multitude of churches and
21 houses of worship in this region.

22 I have written -- further written
23 comments. Who should I leave them with?

24 CHAIRMAN FINLEY: If you will give them to

1 the Clerk. If you will give them to the Clerk. It's
2 Laden -- how do you pronounce your last name?

3 A Laping with a long A.

4 CHAIRMAN FINLEY: Like Laping. We'll mark
5 that as Laping Exhibit Number 1.

6 Laping Exhibit 1

7 (Identified)

8 CHAIRMAN FINLEY: Thank you, Ms. Laping.

9 (The witness is excused.)

10 MR. GILLAM: Ken Brame and next will be Sara
11 Lynch-Thomason.

12 KEN BRAME; was duly sworn and
13 testified as follows:

14 EXAMINATION

15 BY MR. GILLAM:

16 Q Would you state your name and address for the
17 record, please?

18 A Ken Brame, 15 Morning Star Drive, Leicester,
19 North Carolina.

20 Q Are you a customer of Duke Energy Progress?

21 A Yes, I am.

22 Q Are you a member of or affiliated with a party in
23 this case?

24 A Yes, I'm a member of both the Sierra Club and

1 MountainTrue, and I'm speaking today just my --
2 just for myself.

3 Q Please proceed with your statement.

4 A Thank you. Well, first of all, I want to thank
5 the Commission for sitting through all of our
6 testimony and having the patience to hear us, we
7 appreciate that. But I also want to thank Duke
8 Energy for their decision to shut the
9 coal-powered plant here in Buncombe County. So
10 they deserve a thanks to that.

11 I was also very pleased to hear
12 their commitment to 15 megawatts of solar power
13 storage and also the commitment to working with
14 the city and the county and other organizations
15 and individuals to reduce demand so that there
16 would not be a peaking unit. I was, however,
17 disappointed to find that those initiatives were
18 not part of this filing but yet the peaking unit,
19 that hopefully will never need to be built, was
20 included in this. That didn't make sense.

21 Secondly, I wanted to make sure
22 that you, as the Commission, look at what the
23 actual needs of our region are. They are
24 building these two units that are substantially

1 greater in capacity than what's being replaced.
2 Do we need that much? Do they need to be that
3 big? Do ratepayers need to pay the extra money
4 for something that we may not even need? So that
5 would be the first question that I would hope you
6 would look at in making your decision.

7 Secondly, none of us knows what
8 the price of natural gas is going to be seven or
9 eight years from now when the peaking unit that
10 they are proposing to build would be built? We
11 also don't know at this point how much more
12 solar, wind and battery storage the price of
13 those are going to come down. To approve a
14 peaking unit with those unknowns this far out
15 doesn't make sense. We need to make that
16 decision much closer to the time that it would
17 need to be built if it needs to be built and when
18 they can look at all of the economic factors to
19 make this the right decision for the ratepayers
20 of North Carolina.

21 Lastly, I'd also like to just make
22 the point that in North Carolina we don't have
23 any fracking jobs or gas generation jobs in this
24 state. Here in Buncombe County and across the

1 state, we have thousands of clean energy jobs.
2 We have a thriving solar energy business here in
3 Western North Carolina. We've got a number of
4 ~~many~~ people that could go to work and put insulation
5 in homes, weather stripping and things like that.
6 We would ask that we make a decision, or Duke
7 would make a decision, to invest in jobs in North
8 Carolina, not in jobs in Pennsylvania, Texas or
9 wherever else the gas is coming from.

10 And lastly, I would just leave by
11 saying that please look at the amount of
12 gas-powered electricity that Duke really needs to
13 build and don't allow them to overbuild what's
14 needed. And, most of all, delay - do not approve
15 a peaker unit seven or eight years down the road
16 when we don't know what the economic impacts are
17 going to be.

18 And, lastly, we also don't know
19 what the regulatory environment is going to be in
20 the future. If we go with a lot of natural gas,
21 we could end up in a regulatory environment 10,
22 15 years down the road where those would have to
23 be shut down and we've wasted money. So that's
24 another reason not to build more than we need.

1 Thank you, guys, for taking our testimony.

2 CHAIRMAN FINLEY: Thank you, Mr. Brame.

3 (The witness is excused.)

4 MR. GILLAM: Sara Lynch Thomason and next
5 will be Judy Mattox.

6 SARA LYNCH-THOMASON; was duly sworn and
7 testified as follows:

8 EXAMINATION

9 BY MR. GILLAM:

10 Q Please state your name and address for the
11 record?

12 A Sara Lynch-Thomason, 40 Congress Street,
13 Asheville 28801.

14 Q Are you a customer of Duke Energy Progress?

15 A I am.

16 Q Are you a member of or affiliated with a party in
17 this case?

18 A I marked yes on my form because I get Sierra Club
19 emails so you can decide whether that counts or
20 not.

21 Q Please proceed with your statement.

22 A Sure. So thank you very much for having this
23 hearing. I believe that now is the time for new
24 solar installation and energy efficiency measures

1 in North Carolina. Today, the cost of investing
2 in clean, renewable, reliable energy sources is
3 dropping rapidly. But when I say now is the
4 time, I really mean that a year ago was the time,
5 and 10 years ago was the time, and 50 years ago
6 was the time because oil and gas are not
7 environmentally sustainable for our country or
8 its people.

9 In considering the shift from coal
10 to gas, we need to consider where this energy
11 source is coming from and who is being affected.
12 Hydraulic fracturing used for gas extraction is
13 still very much in an experimental phase. States
14 like Maryland, Pennsylvania and New York, and
15 countries like Canada, Scotland and Germany have
16 banned and limited this practice.
17 Washington D.C. itself has banned fracking in the
18 George Washington National Forest because of
19 concerns that the drinking supply for our
20 nation's capital will be contaminated. All these
21 bans are because of the long-term effects
22 of extraction on the environment and on its
23 citizens are, at best, unclear and, at worst, is
24 dangerous.

1 As a documentarian in eastern Ohio
2 and central West Virginia, what I have seen and
3 heard are people who are literally sick from the
4 effects of hydraulic fracturing and gas
5 processing. Children who are getting rashes all
6 over their bodies from the water they're
7 drinking. Families who are suffering neurotoxin
8 damage from living near compressor or cracker
9 plants.

10 We can't let the term "natural"
11 gas green wash the unnatural process of gas
12 extraction. If we continue to let gas be one of
13 our dominant energy sources, we continue to let
14 ourselves, the rest of Appalachia and the south
15 become more and more sick. Are we so low to
16 allow our regional neighbors to suffer so that
17 we, in Buncombe County, have this energy source.

18 I am so grateful for the work that
19 MountainTrue and the Carolina's Land Coalition
20 did to convince Duke Energy to abandon the
21 transmission lines, trim down the scale of this
22 project and delay the building of a portion of
23 the natural gas plant. But as I said, now,
24 yesterday, 10 years ago was the time to end our

1 reliance on fossil fuels altogether.

2 My heart hurts what I hear the
3 stories of people whose health is deteriorating
4 simply because they drink the water from their
5 own streams, from their own wells, from their own
6 sinks. I don't want this to be the legacy of our
7 region. North Carolina and Duke have a
8 responsibility to change this legacy now and
9 there is no time to wait. This Application needs
10 to be revised. Thank you.

11 CHAIRMAN FINLEY: Thank you.

12 (The witness is excused.)

13 MR. GILLAM: Judy Mattox and next will be
14 Cathy Scott.

15 JUDY MATTOX; was duly sworn and
16 testified as follows:

17 EXAMINATION

18 BY MR. GILLAM:

19 Q Would you state your name and address for the
20 record, please?

21 A Yes. I'm Judy Mattox, 15 Morning Star Drive,
22 Western North Carolina.

23 Q Are you a customer of Duke Energy Progress?

24 A Yes, I am.

1 Q Are you a member of or affiliated with a party in
2 this case?

3 A I'm a member of Sierra Club. I'm a member of
4 MountainTrue. I'm also a volunteer member of our
5 local Sierra Club who are 6,000 volunteer members
6 and supporters just locally, volunteers. I'm
7 speaking on my own.

8 Q Please proceed with your statement.

9 A Thank you. I was very interested in November of
10 last year when Duke announced replacement for
11 coal plant. But most notably in this
12 announcement was, and I quote from Asheville
13 *Citizen-Times*, a stepped up effort to work with
14 customers and interested groups to expand
15 participation in programs to reduce peak power
16 demand; this is November 4th. For Duke to apply
17 now to you guys, the Utility Commission, to build
18 a third peaking unit in 2023 time frame for the
19 peak loads, this is premature and it belies its
20 offer to work with us, the customers and the
21 interested groups, in order for us to reduce the
22 peak power demand. So this is not the time for
23 such application. This is not the time for you
24 guys to approve.

1 We are all hoping with the Paris
2 climate talks, with the nation's Clean Power Plan
3 to mitigate the effects of climate change. This
4 requires, of course, energy efficiency, renewable
5 energy, innovative breakthroughs in storage. We
6 can do this. We can mitigate climate change but
7 we have to work together. We would like to see
8 Duke Energy create comprehensive plans to work
9 with us, the community, for energy efficiency.
10 Thirty percent of our energy is just leaked out
11 through our buildings. We would be like to see
12 significant investments in renewable energy far
13 and above this 15 megawatts of solar power
14 offered. So, right now, we'd like to see this
15 current Application for a future third gas plant
16 for peaking roads to be denied respectfully.
17 Thank you.

18 CHAIRMAN FINLEY: Thank you, Ms. Mattox.

19 (The witness is excused.)

20 MR. GILLAM: Cathy Scott and next will be
21 William Vine.

22 CATHY SCOTT; was duly affirmed and
23 testified as follows:
24

EXAMINATION

BY MR. GILLAM:

Q Would you state your name and address for the record, please?

A My name is Cathy Scott. My address is 53 Mount Olive Church Road, Asheville.

Q Are you a customer of Duke Energy Progress?

A Yes, I am.

Q Are you a member of or affiliated with a party in this case?

A No, I am not.

Q Please proceed with your statement.

A Thank you. Welcome to the Commissioners. Thank you for coming here braving the possible bad weather. I wonder if you are aware of the unique nature of this hearing. By that I mean the contortions that the Legislature went through to ensure that this hearing is rushed, inadequate to the task of ensuring a full accounting of the Application, and biased in favor of the Applicant.

I would like to use my time here to let you and other members of the audience know what I believe are the shenanigans that went on

1 in the Legislature.

2 The Assembly, the North Carolina
3 General Assembly, passed a Statute in June of
4 last year, 2015, about a year and a half ago that
5 dictated how this very hearing would be
6 advertised to the public and how quickly you, the
7 Members of the Utility Commission, would make a
8 ruling on the Application before you.

9 So let me start at the beginning.
10 Before that 2015 Statute was passed, this is how
11 things were handled. Whenever an application
12 such as this one is filed, the Commission shall
13 require the Applicant in this case, Duke Energy
14 Progress, to publish a notice once a week for
15 four weeks to let we the people know about this
16 event and plan for it and plan to be heard; and
17 now we have one week, one notice, and this was
18 scheduled two weeks after our being aware of what
19 the filing had.

20 Also, before that Statute was
21 passed, the Commission was allowed up to three
22 months to call this hearing after the Application
23 was filed. Again, that would give we the people
24 plenty of time and also time for expert testimony

1 and cross examination so that you, the
2 Commissioners, would have a full understanding.
3 Now, this hearing is being called two weeks after
4 the filing and all citizen and expert witness
5 testimony is being gathered in this one evening
6 and you are to make a ruling within a month from
7 now.

8 I'm going to skip ahead and say
9 that basically this amounts to fast tracking.
10 And there are many things that, if you weren't
11 being asked to fast track, you would be
12 considering that you are not considering.

13 So what exactly does the fast
14 tract Statute direct you, as Commissioners, to
15 do? Well, it says that you must okay the process
16 unless certain conditions exist and those
17 conditions are three very important things.

18 The first one is that you are to
19 approve the Application if the new generation
20 unit being considered has no more than twice the
21 generating capacity than the one being replaced.
22 Well, that seems fair enough. The law is saying
23 that you can go ahead and okay the Application if
24 this proposed facility isn't totally, totally

1 oversized.

2 The second thing that you must
3 consider is if the utility is committed to
4 stopping burning coal at the site of the new
5 proposed units. Well, fair enough, you know, if
6 they say they won't burn coal and you believe
7 them, then sure go ahead and okay the unit.

8 But the third thing is, I find
9 very curious, and that is that you should rush
10 your consideration of this Application through
11 for a new generating facility if and only if it
12 is being built in Asheville, Buncombe County,
13 North Carolina.

14 So what we have here is a Statute,
15 a state law that was written and passed
16 exclusively for the benefit of one project. That
17 twists these proceedings so that the outcome is
18 most likely to achieve the will of Duke Energy
19 Progress. To me, that is a customized state law.
20 It applies to only one facility in this one city
21 and somehow delivers exactly what one
22 corporation, Duke Energy Progress, wants for
23 itself.

24 Is it too much to call this

1 pandering? Is it too much to call it customizing
2 legislation to benefit one party over all others?
3 I believe that unless you are willing to be
4 called a tool of Duke Energy Progress, you, the
5 members of the North Carolina Public Utility
6 Commission, must reject this fast tracking, this
7 rush to ruling this bogus proceeding.

8 (Applause and comments from the audience.)

9 CHAIRMAN FINLEY: We're going to be here all
10 night. Please be nice. Thank you, ma'am.

11 (The witness is excused.)

12 MR. GILLAM: William Vine and next will be
13 Kendall Hale.

14 WILLIAM VINE; was duly sworn and
15 testified as follows:

16 EXAMINATION

17 BY MR. GILLAM:

18 Q Would you state your name and address for the
19 record?

20 A William Vine, 28 Buttons Drive, Hendersonville.

21 Q Are you a customer of Duke Energy Progress?

22 A Yes.

23 Q Are you a member of or affiliated with a party in
24 this case?

1 A No.

2 Q Please proceed with your statement.

3 A Okay. Thanks to NCUC for this hearing and, more
4 importantly, for ensuring the reliability of the
5 power grid in North Carolina. Thus, the NCUC
6 must be concerned with the effects on reliability
7 of Duke's recently submitted Western Carolina
8 Modernization Project. In nature of future
9 reliability is the operational redundancy of
10 power sources. Duke provides an estimate of
11 redundancy for DEP Western Region and its
12 Statement of Need in Confidential Exhibit 1B.
13 Fortunately, or unfortunately, depending on how
14 you read the benefits of transparency, only
15 portions of this document are available to the
16 public. In contrast to a previous speaker, I
17 would like to emphasize that portions of this
18 document are public even though it's entitled
19 "Confidential". Duke would benefit from greater
20 transparency especially given its recent history
21 in North Carolina. My presentation will utilize
22 the limited amount of public data, provide an
23 alternative analysis of redundancy in our area of
24 Western North Carolina, and raise concerns.

1 Duke summarizes its estimate of
2 redundancy in Table 1 on page 7 of Exhibit 1B of
3 Duke's submission. An alternative analysis notes
4 the improvement of redundancy in terms of power
5 produced at Lake Julian but raises serious
6 concerns about redundancy for the single greatest
7 source of power to the region, which is the
8 imported power through the Pisgah transmission
9 system. Thus, the largest single source of power
10 at the Lake Julian plant is the 680-megawatt of
11 power transmitted by the Pisgah transmission
12 system. This source must be accounted for in any
13 redundancy calculations for the reliability
14 margin. Currently, the actual power available
15 for this source is 600 megawatts as a result of
16 transformer limitations at Lake Julian.

17 For the year 2020, if the power
18 import via the Pisgah line is lost, then the
19 usable transmission decreases from 470 megawatts
20 to 150 megawatts, and NERC compliance reserves
21 decreases from 90 megawatts to minus
22 230 megawatts. Thus, additional, independent
23 power sources and/or demand reduction are needed
24 in 2020 to meet NERC compliance reserves.

1 Again, this analysis is limited by
2 the lack of access to all necessary data and the
3 consequent assumptions about the configuration,
4 the power generation and transmission lines in
5 the region. Fortunately, NCUC has the resources
6 for unfettered analysis following the process
7 suggested herein. Thank you for your time. I
8 have documentation of the numbers if I may submit
9 that. Thank you.

10 CHAIRMAN FINLEY: Thank you. We will submit
11 that exhibit of Mr. Vine as Vine Exhibit Number 1.

12 Vine Exhibit 1

13 (Identified)

14 MR. SOMERS: I have a question please.

15 CHAIRMAN FINLEY: Mr. Vine, you have a
16 question.

17 THE WITNESS: I'm sorry. Yes.

18 CROSS EXAMINATION

19 BY MR. SOMERS:

20 Q Mr. Vine, during the break you approached me and
21 talked about this confidential exhibit that you
22 just referred to; is that correct?

23 A Yes, sir.

24 Q And that's the -- the confidential portion is

1 Attachment A of Exhibit 1B which is about three
2 and a half pages long. Have you seen the
3 confidential attachment?

4 A No, I have not seen the confidential portion of
5 the Exhibit 1B which is claimed to be fully
6 confidential but in reality it's not.

7 Q So you claim it's not confidential?

8 A It's available in the documentation Duke provided
9 in terms of public access.

10 Q I'm not going to argue with you. I just want to
11 ask two questions. So do you understand that
12 Duke is prohibited by Federal Regulation from
13 producing publicly critical energy infrastructure
14 information?

15 A I would -- not understanding what Duke defines as
16 critical infrastructure information, I do not
17 know what should and should not be publicly
18 available.

19 Q Fair enough. Are you aware that the Utilities
20 Commission, the Public Staff, Sierra Club,
21 MountainTrue, and all the other parties who
22 signed a Confidentiality Agreement and agreed to
23 keep that information confidential have access
24 and have had that confidential exhibit?

1 A I am not aware since it's confidential
2 information who has access to it and who does
3 not.

4 MR. SOMERS: Thank you.

5 (The witness is excused.)

6 MR. GILLAM: Kendall Hale and next will be
7 Karen Richardson Dunn.

8 KENDALL HALE; was duly sworn and
9 testified as follows:

10 EXAMINATION

11 BY MR. GILLAM:

12 Q Would you state your name and address for the
13 record, please?

14 A Kendall Hale, 372 Sharon Road, Fairview, North
15 Carolina.

16 Q I'm sorry state the town again, please?

17 A Fairview.

18 Q Are you a customer of Duke Energy Progress?

19 A Sadly yes.

20 (Laughter from audience.)

21 Q (MR. GILLAM) Are you a member of or affiliated
22 with a party of this case?

23 A I'm a proud member of the Sierra Club and NC
24 WARN, but I'm speaking for myself.

1 Q Please proceed with your statement.

2 A I was planning to sing but apparently it's not
3 legal to sing so I will read what I had planned
4 to sing.

5 CHAIRMAN FINLEY: Thank you, ma'am.

6 THE WITNESS: You're welcome.

7 A Wherever I go people want to know who we are and
8 so I tell them we're a energy democracy, the
9 peoples' utility, wind and solar efficiency,
10 sensible electricity. We are the people of North
11 Carolina. We demand that you do your job. We
12 demand rejection of gas-fired power. We demand
13 wind, solar and energy efficiency. We demand
14 that you restore energy democracy to this state.
15 There is no democracy in this state. There is no
16 energy competition.

17 The Utilities Commission's Mission
18 Statement says *the Utilities* and I quote, *the*
19 *Utilities Commission must provide fair regulation*
20 *in the interest of the public.* Instead, the
21 Utilities Commission now sees its mission to
22 serve the interest of Duke and Duke alone. You
23 have been captured by industry. You are Duke
24 Energy's candy store in my opinion and in many

1 others opinion. Instead of regulating industry,
2 you attempt to regulate the public. You attempt
3 to give us the illusion of democracy, but not
4 real power and not any control.

5 We, the people of North Carolina,
6 challenge you to do the right thing. Listen to
7 the people, not to Duke and its big money.
8 Please restore democracy. North Carolina is a
9 shame! It's a shame to the rest of the country!
10 Reject Duke's modern ener- -- modern -- Energy's
11 Modernization Plan because it's actually
12 retrograde. Embrace true modernization. We need
13 wind, solar and energy efficiency. Please don't
14 be Duke's stooges. We're tired of it! Instead,
15 you can be heroes and you can do your job.

16 CHAIRMAN FINLEY: Who's next?

17 A Thank you.

18 (The witness is excused.)

19 MR. GILLAM: Karen Richardson Dunn and next
20 be will be Sheila Maphet.

21 KAREN RICAHRDSON DUNN; was duly sworn and
22 testified as follows:
23
24

EXAMINATION

BY MR. GILLAM:

Q Would you state your name and address for the record, please?

A My name is Karen Richardson Dunn, and I live at 72 Gracelyn Road, Asheville 28804.

Q Are you a customer of Duke Energy Progress?

A Yes.

Q Are you a member of or affiliated with a party in this case?

A No.

Q Please proceed with your statement.

A Thank you. I am a Minister with the United Church of Christ and so I'm here speaking before you as a person of faith. But I'm also here to speak on behalf of my children and all of our children who are not able to speak on behalf of themselves.

The author of the Book of Ecclesiastes has said that *there is nothing new under the sun*. So yes I'm going to preach at y'all now. But in 2010, the proceedings of the National Academy of Sciences noted that a remarkable 97 percent of all world climate

1 scientists agreed that there is something new
2 under the sun, and that is global climate change
3 which is largely created by carbon dioxide
4 emissions which is largely created by the
5 activities of human beings and which, left
6 unchecked, will lead to never before imagined
7 consequences for all of creation.

8 There are so many issues that
9 surround Duke Energy's proposal for a Western
10 North Carolina Modernization Project. And excuse
11 me for being repetitious because I know many of
12 these issues have already been addressed. Is
13 this new gas-fired plant too large? Is a third
14 peaking unit really necessary? Is this plan
15 necessary at all? Will consumers have to foot an
16 unnecessary large bill for this facility? And is
17 Duke Energy truly committed to incorporating a
18 strong clean energy component into this plan?
19 And, finally, is this plan really modern at all
20 or is this simply an ironic misnomer? These are
21 all relevant questions and they deserve to be
22 answered. I think that there is one larger
23 question here that overshadows all of these. How
24 would not only Duke Energy but also all of us

1 respond to the warning by 97 percent of the
2 world's climate scientists that we are possibly
3 standing on the brink of an unprecedented eco
4 crisis. Certainly, we all know the change and
5 especially change of the magnitude required to
6 reverse global warming is difficult. The easiest
7 path is to simply deny the problem or to take a
8 cautious approach and make incremental changes in
9 the hopes that somehow that will mitigate this
10 crisis.

11 This is the response that I see
12 Duke Energy taking in its proposed modernization
13 plan, that their stance replace an old paradigm
14 that we can no longer afford. Duke's proposal
15 also represents a tipping point for all of us in
16 Western North Carolina. We can respond to the
17 climate crisis by clinging to the old ways and
18 business-as-usual and face the inevitable
19 consequences of doing so or we can choose to see
20 this as an opportunity to act with courage and
21 imagination and faith together and community to
22 address this crisis head on and to begin to do
23 the work to try to reverse it. In other words,
24 we have the choice right now in front of us

1 tonight right here to choose cynicism or -- I
2 believe the word I heard was pandering -- and
3 what I see as radical irresponsibility or we can
4 choose hope and radical integrity.

5 The Bible also tells us that what
6 we do unto others and do unto this earth we do
7 unto ourselves and to our children. So I please
8 ask you, the Commission, and I ask Duke Energy,
9 and I ask everyone here to please make the right
10 choice because we are running out of
11 opportunities to make the right choice. Thank
12 you.

13 CHAIRMAN FINLEY: Thank you.

14 (The witness is excused.)

15 MR. GILLAM: Sheila Maphet and next will be
16 Lisa Shoemaker. Sheila Maphet. (No response.) We'll
17 call Lisa Shoemaker and next will be Cathy Holt.

18 UNKNOWN SPEAKER: Lisa left, sir, so Kathy
19 Holt is next.

20 MR. GILLAM: Okay.

21 CHAIRMAN FINLEY: She's coming. Cathy Holt
22 is coming.

23 CATHY HOLT; was duly sworn and
24 testified as follows:

EXAMINATION

1
2 BY MR. GILLAM:

3 Q Would you state your name and address for the
4 record, please?

5 A Kathy Holt, 386 Kennelworth Road, Asheville
6 28805. And, yes, I am a customer of Duke
7 Progress because, by definition, I live in
8 Asheville and Duke Progress is a monopoly.

9 Q Are you affiliated --

10 A (Interposing) I am not.

11 Q -- with or a member of a party in this case?
12 You're not?

13 A Well, a member but not -- I am speaking for
14 myself.

15 Q But you are -- which party are you a member of?

16 A Sierra Club and MountainTrue.

17 Q Okay. Please proceed.

18 A Thank you, Commissioners, for hearing this
19 testimony. And I understand that your mission
20 includes fairness to the public, protection of
21 the public interest, promotion of reliable energy
22 at the least possible cost and energy
23 conservation. Unfortunately, Duke's current plan
24 to build three natural gas plants does not meet

1 any of these criteria. It is a business-as-usual
2 plan rather than a progressive plan.

3 Duke is the biggest energy
4 monopoly in the United States, if not the world.

5 Now, in that position, Duke could either be one
6 of the world's greatest villains or it could be
7 one of the world's greatest heroes if it were to
8 change its policy to become truly progressive.

9 For example, if energy efficiency and
10 conservation were truly instituted there would be
11 no need to expand the number of megawatts.

12 Second, the world is in a climate crisis already.

13 It is incumbent upon all utilities to cut back on
14 fossil fuel use through conservation and vigorous
15 promotion of renewable energy even to meet the
16 agreed limits established in Paris. Even sharper
17 reductions are needed to take true, compassionate
18 leadership in a world where the Marshall

19 Islanders and others will be climate refugees in
20 the near future. Building more natural gas
21 plants, as Duke proposes, with all the pipeline
22 infrastructure that's entailed, locks us into a
23 future that guarantees climate disaster for our
24 children and grandchildren, and untold suffering

1 for humanity. Radical change is called for, not
2 business as usual. It is a moral imperative.

3 So natural gas may burn cleaner
4 than coal but we know that, as a global warming
5 greenhouse gas, it is far more potent than CO2.
6 And with all -- even just the routine fugitive
7 emissions, this is not even including the
8 disastrous leak that's currently spewing out vast
9 quantities of methane near Porter Ranch,
10 California amounting to over two million cars in
11 its impact.

12 Reliable energy at the least
13 possible cost can best be achieved through a mix
14 of renewable sources and energy efficiency.
15 These also have the co-benefits of creating more
16 jobs and a cleaner and safer environment. Costs
17 need to include the health and environmental
18 costs, sometimes known as the external costs,
19 incurred by allowing corporations to pollute.

20 As has been previously noted by
21 other speakers, a carbon tax is a high
22 probability in the future since major banks,
23 energy companies, and insurance companies, tire
24 companies, the International Monetary Fund, the

1 United Nations and even Exxon have now endorsed
2 it. And since carbon is likely to be taxed in
3 the future we, as energy consumers, need to make
4 sure our energy providers make the right choices
5 to move us away from fossil fuels as much as
6 possible instead of locking us into ever
7 increasing prices.

8 So, in closing, if you would like
9 to encourage harmony between Duke Power and its
10 customers, please require that Duke invest in
11 energy efficiency, solar and wind as its primary
12 sources of energy. Thank you.

13 (The witness is excused.)

14 MR. GILLAM: Susan Presson and next will be
15 Ashleigh Hillen.

16 I think the witness may have wanted to
17 introduce an exhibit.

18 CHAIRMAN FINLEY: Ms. Holt. Ms. Holt, is
19 that a verbatim copy of what you said on the stand
20 there or is it something extra there? What you gave
21 the Court Reporter, is it something extra there or is
22 it a --

23 MS. HOLT: No, it's exactly what I just
24 said.

1 CHAIRMAN FINLEY: Thank you.

2 SUSAN PRESSON; was duly sworn and
3 testified as follows:

4 EXAMINATION

5 BY MR. GILLAM:

6 Q Would you state your name and address for the
7 record, please?

8 A I'm Susan Presson. I live in Montford. 78
9 Rosewood, Asheville 28801.

10 Q Are you a customer of Duke Energy Progress?

11 A Yes.

12 Q Are you a member of or affiliated with a party in
13 this case?

14 A Well, I'm in Creation Care Alliance in Asheville,
15 I'm caring for creation at my church, I'm part of
16 Sierra Club and also MountainTrue.

17 Q Okay. Please proceed with your statement.

18 A I'm a nurse practitioner and I've worked in
19 Buncombe, Madison and Henderson Counties with
20 people who are underserved and have few financial
21 resources. I hear many stories of how people
22 struggle to heat their homes. One family I
23 remember turned on the oven and opened it to heat
24 their house. Another man is always struggling to

1 get back a few bucks to buy kerosene to heat his
2 room. His house is like a sieve, leaking heat.
3 I wonder what Duke Power is doing to help these
4 low income people weatherize their homes. Many
5 do not have the know how nor the financial means
6 to do this themselves.

7 I understand Duke Power does have
8 a program for helping people to weatherize their
9 homes but how are they advertising this program,
10 particularly to people who don't read newspapers
11 regularly. Wouldn't it be so beneficial if all
12 of these families as well -- if all of these
13 families and also beneficial to Duke Power if
14 they would have a publicity blast on TV and
15 popular radio that Duke will come to peoples'
16 houses and weatherize them. It would save
17 families money, provide jobs, be great for Duke's
18 public image and help to save our earth. This
19 would be a smarter, more conservative move than
20 to build gas-powered power stations that are not
21 yet needed. Let's give conservation a chance.

22 Secondly, Duke is planning for the
23 future needs of North Carolina in thinking ahead
24 with specific plans to build nuclear and

1 gas-powered plants. Duke talks about building
2 renewable sources of energy - solar, wind, et
3 cetera - but I wonder whether Duke has put the
4 same amount of resources into actual plans to
5 build alternative sources of energy as it has
6 devoted to creating fossil fuel power plants.

7 As a nurse practitioner, as a
8 mother, and as a christian, I believe that
9 investing in these alternative sources of
10 electricity, as well as helping people weatherize
11 their homes and businesses, will be helpful to
12 peoples' health and to the health and beauty of
13 God's creation. I ask that you reject Duke's
14 petition. Thank you.

15 (The witness is excused.)

16 MR. GILLAM: Ashleigh Hillen and next will
17 be Scott Hardin-Niery.

18 ASHLEIGH HILLEN; was duly sworn and
19 testified as follows:

20 EXAMINATION

21 BY MR. GILLAM:

22 Q Would you state your name and address for the
23 record, please?

24 A My name is Ashleigh Hillen. I live at 55

1 Conestee Street and that's 28801 Asheville.

2 Q Are you a customer of Duke Energy Progress?

3 A Yes.

4 Q Are you a member of or affiliated with a party in
5 this case?

6 A No.

7 Q Please go ahead with your statement.

8 A I'll keep it short because a lot of things I have
9 to say a lot of people have already said. As
10 someone who's a customer of Duke Energy and as
11 someone who will face a lot of the predictions
12 that people have made about the irreversible
13 climate change at any number of degrees, whether
14 it be 1.5 or 4 degrees, I urge Duke Energy to
15 spend their money on investments and true,
16 long-term sustainable energy instead of
17 short-term false solutions that continue to
18 support the extrapolative economy that only
19 exploits the land and the people who live upon
20 it. So thank you.

21 CHAIRMAN FINLEY: Thank you, ma'am.

22 (The witness is excused.)

23 MR. GILLAM: Scott Hardin-Niery and next
24 will be Carolina Arias.

1 SCOTT HARDIN-NIERY; was duly sworn and
2 testified as follows:

3 EXAMINATION

4 BY MR. GILLAM:

5 Q Would you state your name and address for the
6 record, please?

7 A Scott Hardin-Niery, 32 Lamar Avenue, Asheville
8 28803.

9 Q Are you a customer of Duke Energy Progress?

10 A Yes, sir.

11 Q Are you a member of or affiliated with a party in
12 this case?

13 A Yes. Creation Carolinas of Western North
14 Carolina is a program of MountainTrue. I'm
15 speaking on my own behalf.

16 Q Okay. Please proceed.

17 A Thank you. Thank you all for being here and for
18 listening, it's important and I appreciate that,
19 and for promoting harmony among utility companies
20 and their customers.

21 Several weeks ago I walked with
22 people from many backgrounds in faith. We walked
23 along the French Broad River because of our love
24 for the river, for the mountains. We walked in

1 solidarity with those business leaders,
2 politicians and indigenous folks, community
3 leaders, delegates and people of faith were
4 negotiating our future in Paris at the climate
5 talks. Here in Asheville people named why they
6 walked in solidarity. Some walked for their
7 grandchildren, some for their birds, some for
8 clean rivers or air, some walked for the
9 abandonment of asthma inhalers or for the
10 restoration of polluted land. People walked for
11 family and for their love of God.

12 We stopped along the French Broad
13 River listening to stories of faith and love for
14 our creation around us. We used our bodies to
15 pray. Walking our prayers in support of a
16 collaborative effort in Paris to slow the impacts
17 of climate change.

18 We celebrated together the
19 decision from Duke Power to retire the coal
20 burning plant and we still do. We celebrated the
21 people and faith communities in power to seek
22 ways to save energy, to plant gardens, to walk
23 more, to change their diets. We walked for peace
24 and justice and collaboration to prevail in

1 Paris.

2 In the end, the Paris Agreement
3 was historical. As you know, over 190 countries
4 agreed that we are facing a man of challenge and
5 agreed to act on our behalf, on behalf of the
6 entire planet. And so my walk along the French
7 Broad River continues into this room tonight.
8 Not because I am an expert on policy or
9 population growth, power distribution, or methane
10 versus carbon dioxide, but because for me this is
11 a faith issue. It's a heart issue and my prayers
12 involve walking into this room and listening a
13 lot.

14 In my role with the Creation
15 Carolinas, I get to listen to faith communities
16 doing great things, from Mars Hill to
17 Hendersonville, from Sylva to Black Mountain and
18 to so many right here in Asheville who are
19 leading their communities by reaching out with
20 healthy food grown in their yards, or by offering
21 classes about caring for creation, or
22 retrofitting their houses of worship to being
23 more energy efficient, and then those like you
24 heard about Saint Eugene's and others who are

1 placing solar panels on their roofs for all to
2 bear witness. Some faith communities are
3 becoming more energy efficient to lighten the
4 load on Duke's power grid to free up resources to
5 serve their communities - the sick, the homeless,
6 the hungry - to reduce their participation in our
7 warming planet by reducing their carbon
8 footprint.

9 In Black Mountain, it started with
10 a church picnic where people began to name the
11 flowers and trees around them. They asked
12 questions like 'how do we take care of this land'
13 and then 'how do we take care of this community'
14 and then 'how do we take care of this planet' and
15 it ended up with solar panels to where they have
16 113 percent of their energy over the summer was
17 provided by solar panels. Faith communities like
18 First Christian and Black Mountain have chosen to
19 be creative and collaborative in their efforts.
20 And there are so many more of us out there trying
21 to support the common good.

22 Today I'm asking the Utilities
23 Commission to continue to partner with
24 communities of faith and consumers in Western

1 North Carolina to ask Duke to be more creative in
2 their leadership in the southeast. I'm asking
3 you to invite Duke to trust their ability to
4 invest and produce more energy from clean power
5 like solar, hydro and wind; to trust in their
6 collaborative efforts that they have been working
7 with cities and counties and faith communities.
8 I believe together we can build a future that
9 depends more on renewable energy and energy
10 efficiency than this plan currently offers. We
11 are seeking a future where the economy, society
12 and ecology are not threats to one another and we
13 believe that reality is close. Thank you.

14 MR. RUNKLE: Question.

15 CHAIRMAN FINLEY: Go ahead.

16 CROSS EXAMINATION

17 BY MR. RUNKLE:

18 Q Pastor, what church are you affiliated with?

19 A With a Christian Church (Disciples of Christ).

20 Q Where is it located?

21 A My particular church is -- I'm a pastor of the
22 Christian Church (Disciples of Christ), and my
23 church is Land of the Sky United Church of
24 Christ.

1 MR. RUNKLE: Thank you.

2 (The witness is excused.)

3 MR. GILLAM: Carolina Arias and next will be
4 Marston Blow.

5 CAROLINA ARIAS; was duly sworn and
6 testified as follows:

7 EXAMINATION

8 BY MR. GILLAM:

9 Q Would you state your name and address for the
10 record, please?

11 A Yes. My name is Carolina Arias. I live at 84
12 Green Oak Road in Woodfin.

13 Q And are you a customer of Duke Energy Progress?

14 A I am.

15 Q Are you affiliated with or a member of a party in
16 this case?

17 A I'm not.

18 Q Please proceed.

19 A Okay. I have decided to speak against Duke
20 Energy's short-sightedness in proposing two
21 natural gas-fired plants to the Utilities
22 Commission. Duke Energy has used the closure of
23 a coal plant as yet another opportunity to brand
24 itself as a progressive leader of energy. Yet

1 this only happened after years of tireless
2 organizing of activist and community members
3 pouring so many hours and resources until Duke
4 Energy could not say no.

5 Regardless of whom to contribute
6 this victory to, this opens up an amazing
7 opportunity to actually live up to Duke's
8 commitment to ensure a stable and responsible
9 energy future for North Carolina.

10 We will not find stability in the
11 natural gas industry. As yet this is -- as this
12 is yet another -- simply another non-renewable
13 industry -- excuse me, my notes are frozen -- as
14 this is simply another non-renewable source with
15 a better marketing team.

16 Let us remember that the natural
17 gas industry is a poisonous one. It uses massive
18 quantities of water, leaks methane - which is a
19 notoriously, powerful greenhouse gas exacerbating
20 climate chaos. The natural gas industry destroys
21 communities through toxic fracking practices. It
22 sends the message that you, as North Carolina's
23 energy monopoly, are looking for the easy way out
24 instead of building infrastructure that will

1 actually benefit the state in the long run.

2 Although a natural gas plant may
3 be a better alternative to a coal plant, it
4 perpetuates Western North Carolina's dependence
5 on a fuel source that is poisonous to our
6 environment, our communities and our future. We
7 want real energy solutions. Thank you.

8 CHAIRMAN FINLEY: Thank you, ma'am.

9 (The witness is excused.)

10 MR. GILLAM: Marston Blow and next will be
11 Rich Wasch.

12 MARSTON BLOW; was duly sworn and
13 testified as follows:

14 EXAMINATION

15 BY MR. GILLAM:

16 Q Would you state your name and address for the
17 record, please?

18 A Marston Blow, 69 Grandview Drive, Asheville,
19 North Carolina 28806.

20 Q Are you a customer of Duke Energy Progress?

21 A Yea, I have to be.

22 Q Are you a member of or affiliated with a party in
23 this case?

24 A No, I'm not.

1 Q Please proceed.

2 A My name is Marston Blow. I'm a member of the
3 East West Asheville Association. I'm a long time
4 member of Asheville and a founder of the River
5 Arts District and I'm -- I love this planet. The
6 air, the water, and the earth are mostly clean
7 right now. The weather, you know, it's getting
8 warmer but it's kind of pleasant and that's now.
9 And I ask everyone in here just to take a deep
10 breath and realize that global climate change is
11 happening now. It's happening now. It's going
12 on now in our life time. And what we do now
13 affects the future of life on the planet. You
14 know, coming up soon there's going to be super
15 storms and flooding, drought, massive
16 extinctions, life system going down, seas rising,
17 and when the methane that's trapped in the Arctic
18 and the oceans is released, we're cooked. Humans
19 cannot adapt if we go above four degrees or five.
20 We've got to start planning now, change our
21 motives now. Like we have profit driven entities
22 deciding our whole future and the way we do
23 things and they don't take into consequence, they
24 don't take in the common good for all of us. But

1 if you read Duke's mission it sounds great like
2 this is what we want. I'm going to read from
3 their mission statement that's online. At Duke
4 Energy, we make people's lives better by
5 providing gas and electric services in a
6 sustainable way - affordable, reliable and clean.
7 This requires us to constantly look for ways to
8 improve, to grow and to reduce our impact on the
9 environment. And that's what we're asking Duke
10 to do is to hold to this mission statement that
11 they say. And let's make them accountable for
12 this and please deny this proposal.

13 And my friend, Lisa Shoemaker,
14 left and she gave me her statement and I'd like
15 to read that because I believe it.

16 No to the first plant. No, no to
17 the second. And no, no, no to the third. We
18 don't want your dirty coal. We don't want your
19 noxious gas. We are all completely fed up with
20 fossil fuels for energy. We have endless
21 resources of clean, renewable energy and we want
22 them delivered now. We have brilliant working
23 models of homes and businesses. They use mere
24 fractions of the energy consumption of the

1 standard American home. We want help making
2 these conversions for all buildings now. We
3 don't want more spin about clean energy from
4 fossil fuels. We want the future simply to be
5 alive because we made real, clean energy choices
6 right here right now. Thank you.

7 CHAIRMAN FINLEY: Thank you.

8 (The witness is excused.)

9 MR. GILLAM: Rich Wasch and next will be
10 Philip Besesi.

11 CHAIRMAN FINLEY: Do you want to affirm?

12 MR. WASCH: I will affirm, yes.

13 RICH WASCH; was duly affirmed and
14 testified as follows:

15 EXAMINATION

16 BY MR. GILLAM:

17 Q Would you state your name and address for the
18 record, please?

19 A Yes. My name is Rich Wasch. I live at 637 Upper
20 Herron Cove Road in Asheville, North Carolina
21 28804. I'm a customer of Duke Energy Progress.
22 I'm a volunteer and a member of the Sierra Club,
23 but I'm speaking on my on behalf.

24 Q Please go ahead.

1 A Thank you. My comments are simple and straight
2 forward. I have four points. The first, before
3 the Commission approves more gas generation
4 capacity than required, Duke Energy should be
5 required to disclose its models on the Western
6 North Carolina future energy needs. Otherwise,
7 how can an informed decision be made on capacity
8 requirements. Number two, it is premature to
9 include a third natural gas unit in the
10 Application since this unit is not needed until
11 2023 and may not be needed at all if energy
12 efficiency programs that Duke has promised are
13 successful. Number three, Duke's proposed 15
14 megawatts of solar and 5 megawatts of utility
15 scale battery storage is welcome but the solar
16 capacity needs to be much larger. Even more
17 troubling is that Duke's current Application does
18 not request permission to install a solar.
19 Number four, we need to focus on reducing per
20 person energy demand and Duke should include
21 concrete energy efficiency programs in its
22 filing. Therefore, I urge the Commission to
23 scale back the natural gas generation Application
24 and require Duke to simultaneously apply for and

1 build more solar capacity and commit to the --
2 implement an energy efficiency program. Thank
3 you very much.

4 (The witness is excused.)

5 MR. GILLAM: Philip Bisesi and next will be
6 Mark Threlkeld.

7 PHILIP BISESI; was duly sworn and
8 testified as follows:

9 MR. BISESI: My testimony is being given out
10 of my head. I left my notes home --

11 MR. GILLAM: Excuse me.

12 MR. BISESI: -- so I hope I speak the truth
13 but it's based upon a lot of impressions I've gotten
14 in 50 years of engineering.

15 EXAMINATION

16 BY MR. GILLAM:

17 Q Mr. Besesi, would you state your name and address
18 for the record, please?

19 A Yes. Philip Besesi --

20 UNKNOWN SPEAKER: Talk in the microphone.

21 A Philip Besesi, 15, one five, High View Drive,
22 Black Mountain, North Carolina.

23 Q Are you a customer of Duke Energy Progress?

24 A They eat up 10 percent of my social security

1 check.

2 (Laughter from audience.)

3 Q And are you a member of or affiliated with a
4 party in this case?

5 A I've been a member of many organizations through
6 the years. I'm a charter member of the
7 Association of Energy Engineers, et cetera. Yet
8 I have a strong sense of engineering ethics, that
9 is, public service comes first, and you don't
10 bias your opinions by being a member of this or
11 that or something. You run it through your head
12 and then you speak it the way you really
13 understand it. You don't read a handbook or
14 follow a building code or anything else, you just
15 do what you thought about and that you know is
16 right.

17 Q Go ahead.

18 A Okay. I'll start with a little history. I guess
19 I was traumatized by Commonwealth Edison with a
20 couple of stories. One, electric heat is clean
21 heat. Gas heat is dirty heat. Nuclear power is
22 cheap. On and on and on they put on the big
23 sales campaign at the dawn of the nuclear age.
24 I'm still a fan of gas. It makes no sense to

1 burn fuel, generate steam, drive a turbine, send
2 electricity out on the grid, put it through some
3 resistance element and heat again. The
4 efficiency is terrible. It's just an absolute
5 ridiculous process that we have. And why do we
6 have such a big, high demand? Because we've been
7 suckered into using electric heat at night in the
8 winter. If we were to be using natural gas in
9 furnaces at home instead of buying electric heat
10 from Duke, we wouldn't be peaking Duke in the
11 winter.

12 So my vision is this -- griping
13 about all of the misunderstandings -- look at
14 this, let's go to Lake Julian and what do we see
15 in this ecological park? We see, instead of
16 smokestacks, we see a wind turbine and we see on
17 that wind turbine something that Duke can be
18 really proud of - a big LED sign that announces
19 that this is Duke's ecological park and Lake
20 Julian should be 100 percent renewable energy.
21 Let them do their gas if they have to somewhere
22 else but Asheville is a progressive place. We
23 need to be on the cutting edge.

24 UNKNOWN SPEAKER: Yea!

1 A We don't need to build something that's going to
2 last 40 years and be obsolete by United Nation
3 standards in 20. So I'd like to see a park
4 there. I'd like to see the coal ash all gotten
5 out of there so it's not leaching into the lake.
6 I'd love to be able to fish in the lake. I
7 really think that we have a wonderful city park
8 down there on the south side of town that should
9 be a gem, not a garbage stone. So that's my hope
10 for the future that we see. Like I learned from
11 Doc Sulock in the course 'Renewable Energy Around
12 The World', in India and other nations, they
13 don't have an electric grid worth a damn but what
14 they do have is solar collectors on every house;
15 hot water solar collectors. It doesn't make any
16 sense to heat with fuel when the sun gives us --
17 I don't know the numbers exactly but it's orders
18 of magnitude, 10 times or 100 times, how much
19 energy we actually need to consume everyday comes
20 in with the sun. So let's stop fighting nature
21 and love creation and live with it.

22 So my hope with what I'm saying is
23 to possibly change attitudes so people will stop
24 their dualistic thinking. Bottom line, it has to

1 be a good ROI and start thinking about the common
2 good and it has to be good for humanity. That
3 mindset is going to make our world sustainable.
4 The dualistic thinking, being counted mindset,
5 legalistic and so on, is going to see our
6 grandchildren growing up in poverty and probably
7 dying an early life. Thank you, sir.

8 CHAIRMAN FINLEY: Thank you, sir.

9 (The witness is excused.)

10 MR. GILLAM: Mark Threlkeld and next --

11 CHAIRMAN FINLEY: We'll have Mr. Threlkeld
12 and then we'll have our little recess. Come on,
13 Mr. Threlkeld.

14 MARK THRELKELD; was duly sworn and
15 testified as follows:

16 EXAMINATION

17 BY MR. GILLAM:

18 Q Would you state your name and address for the
19 record, please?

20 A Mark Threlkeld. I live at 119 Domeno Drive,
21 Swannanoa.

22 Q And are you a customer of Duke Energy Progress?

23 A Yes.

24 Q And are you member of or affiliated with any

1 party to this case?

2 A Not directly. I'm a volunteer with the Sierra
3 Club.

4 Q Please proceed.

5 A Thank you for the opportunity to address this
6 group and thank you guys for listening to us all.
7 Listening is really hard work and you've been
8 doing a great job. It's really -- as time goes
9 on it's just really hard to keep listening so I
10 appreciate that and I know that the speakers yet
11 to come really appreciate your continued
12 diligence in doing that.

13 There's no question that closing
14 the coal plant is a great thing, right? I don't
15 think anybody in this room is going to disagree
16 with that. But replacing an old, carbon-based
17 coal plant with an oversized carbon-based gas
18 plant, simply isn't reasonable.

19 Duke's requested you to approve a
20 third generation unit beyond the tandem unit that
21 they say will be the backbone of their system is
22 premature. Buy some time. Tell them no. Ask
23 them to come back with a new application. Ask
24 them to come back with an application that

1 includes in one filing the provision of solar.
2 They're going to come back with a second filing
3 for solar the way it sounds to me. To me that
4 sounds like the poor stepchild who doesn't get
5 any attention. They're talking about 15
6 kilowatts -- or kilowatts, megawatts of power for
7 solar but how serious can they be if it's not
8 even a part of the main element that they're
9 putting in place here. This is going to be a gas
10 plant. If you give them approval now for this
11 provisional, maybe in the future, third plant, we
12 all know what's going to happen. They're going
13 to build it. It's that's power companies do.

14 If we want to be serious about
15 solving all of the problems that have been
16 enumerated here tonight and all through the media
17 in terms of warming and all the rest, if we want
18 to be serious about it we have to do something
19 and we have to do it now.

20 UNKNOWN SPEAKER: Yea!

21 A We can't wait. So let's go ahead with the plans
22 that they have to make sure that we have
23 sufficient energy in our current situation. But
24 we can't overbuild now and think we're going to

1 solve the problem later. It's not going to work
2 that way. It's going to be too late. Please
3 deny this Application and ask them to come back
4 and do better. Thank you.

5 CHAIRMAN FINLEY: Thank you, Mr. Threlkeld.

6 (The witness is excused.)

7 CHAIRMAN FINLEY: We're going to take a 15
8 minute break. We'll be back at 10:15.

9 (WHEREUPON, the proceedings were recessed at
10 10:00 p.m., to be reconvened at 10:15 p.m.)

11 CHAIRMAN FINLEY: All right, ladies and
12 gentlemen, we'll resume the hearing. We have been
13 listening. We have heard some recurring things. And
14 I'll repeat that if your statement reiterates
15 something that some of the other witnesses have said
16 before you, you can say that you agree with those
17 statements and truncate your testimony so that the
18 witnesses later down the list will have an opportunity
19 to testify before the night is through.

20 Call your next witness.

21 MS. DOWNEY: Lewis Patrie and then it will
22 be Rick Burt.

23 LEWIS PATRIE; was duly affirmed and
24 testified as follows:

EXAMINATION

BY MS. DOWNEY:

Q Would you please state your name and address for the record?

A I'm Dr. Lew Patrie, living at 26 Wesley Drive, Asheville 28803. My wife and I moved to Asheville in 1989 and we had our own home until October of this year. We were Duke customers all the time ever since the merger that Duke and Progress Energy became this large corporation. And we now live in Givens Estate and I fear that we use more electricity than we did in our larger home. So we are still consumers of Duke.

Q Duke Energy Progress?

A Duke Energy.

Q Duke Energy Progress, right?

A Duke Energy Progress, yes.

Q And are you affiliated with or a member of a party in this case?

A Am I a member of what?

Q Any of the parties in the case, Sierra Club, MountainTrue, NC WARN?

A I don't know what you mean by a member of a party.

1 CHAIRMAN FINLEY: Go ahead, Mr. Patrie, and
2 make your statement.

3 Q Go ahead.

4 A I'm deaf as a post.

5 CHAIRMAN FINLEY: Go ahead and make your
6 statement.

7 (Laughter from audience.)

8 CHAIRMAN FINLEY: My wife says I am, too, so
9 go ahead and make your statement.

10 (Laughter from audience.)

11 A All right. I'm Dr. Lew Patrie, a member of
12 Physicians for Social Responsibility. I'm a
13 retired physician, certified in public health and
14 preventative medicine and psychiatry. Physicians
15 for Social Responsibility's major goals are to
16 provide for a world that will sustain human
17 existence well beyond our lifetimes with these
18 goals. Consistent with today's announcement by
19 the Bulletin of the Atomic Scientists, humanity's
20 two most pressing existential threats stem from
21 nuclear weapons and climate change, both of which
22 are top priorities for Physicians for Social
23 Responsibility.

24 Climate change from increased

1 human created green home -- house gases is a
2 major factor. Duke Energy's plan to retire its
3 coal-fired power plant would be a major
4 improvement if it weren't for their plan to
5 create a methane gas -- create methane gas-fired
6 plants as a replacement.

7 As has been repeatedly pointed
8 out, methane is a 100 times more destructive as a
9 greenhouse gas than carbon dioxide and, thus, the
10 risks of climate would considerably increase from
11 gas extraction and transport. The proposed
12 plants which contribute to demand for domestic
13 earth-fractured gas, causing increased harm to
14 water, air, and land for the communities wherever
15 shale gas production is taking place.

16 Is it not valid that Western North
17 Carolina's energy needs could be met without new
18 natural gas units, through a combination of
19 solar, nearby hydro plants and other sites? Is
20 it not true that Duke plans to build these plants
21 with the associated impacts on our region, in
22 part, to provide power out of state?

23 There is also a question about
24 whether Duke is withholding information critical

1 to their contention that they claim provides
2 justification to these gas-fired power plants.
3 This allegation requires investigation as
4 suggested just recently by North Carolina WARN
5 and The Climate Times.

6 As a member of Physicians for
7 Social Responsibility, it appears to be uncertain
8 this plant would be consistent with the goal of
9 providing for a sustainable environment for the
10 future inhabitants of our planet when renewable
11 options are preferable. Thank you.

12 (The witness is excused.)

13 MS. DOWNEY: Rick Burt and then next will be
14 Gabrielle White.

15 RICK BURT; was duly sworn and
16 testified as follows:

17 MR. BURT: My name is Rick Burt. I live at
18 1070 Greenwood Road in Hendersonville. And I'm a
19 member of MountainTrue and a proud volunteer for
20 MountainTrue but I'm speaking on my own behalf.

21 EXAMINATION

22 BY MS. DOWNEY:

23 Q And are you a Duke Energy Progress customer?

24 A Yes, I am.

1 Q Go ahead.

2 A I first would like to thank Duke Energy for
3 changing its original plans for its Western
4 Carolina's Modernization Project by deleting the
5 proposed 45-mile, high-voltage transmission line
6 across Henderson County. I also praise Duke
7 Energy for proposing to replace the old
8 coal-fired power plant in south Asheville with
9 two natural gas-fired combined cycle electric
10 generating units and installing new solar power
11 generating units.

12 I encourage Duke Energy to fully
13 commit to continue to work with the community and
14 to commit to the highest priority towards
15 increasing energy efficiency and decreasing
16 future demand for electrical power so that a
17 third natural gas-fired unit will not be needed.
18 Duke Energy should take advantage of the abundant
19 sunshine available in the Asheville area to
20 maximize the years of solar-powered electric
21 generating units. Deleting the pollution from
22 the burning of fuel coal and minimizing the use
23 of natural gas fuel will greatly improve the air
24 and water quality of the Asheville area. These

1 positive upgrades will help preserve the
2 valuable, high quality of life this area enjoys
3 for residents and visitors. So please reject
4 their request for the third natural gas-fired
5 unit. Thank you.

6 CHAIRMAN FINLEY: Thank you, sir.

7 (The witness is excused.)

8 MS. DOWNEY: Gabrielle White and then it
9 will be Harvard Ayers.

10 GABRIELLE WHITE; was duly sworn and
11 testified as follows:

12 EXAMINATION

13 BY MS. DOWNEY:

14 Q Please state your name and address for the
15 record.

16 A Gabrielle White, 322 Riverview Drive, Asheville
17 28806.

18 Q Are you a customer of Duke Energy Progress?

19 A Yes.

20 Q Are you affiliated with or a member of a party in
21 this case?

22 A I'm a member of MountainTrue speaking on my own
23 behalf.

24 Q Please proceed.

1 A Thanks, Council, for coming and hearing us speak.
2 I really do appreciate it. I would like to state
3 that I deeply oppose the building of this natural
4 gas plant as I oppose the fracking and drilling
5 industry and the harm that it does to our
6 communities, our people, our environment and,
7 most of all, our atmosphere. I want to note that
8 as a member of and a customer of Duke that I
9 don't agree with the types of affiliation that
10 we're becoming a part of if we choose to be
11 building these natural gas plants instead of
12 renewable energies.

13 I'd like to note that fracking is
14 exempt from key federal government regulations.
15 The Federal Energy Policy Act of '05 contained a
16 provision that came to be known as the
17 Halliburton Loophole, an exemption for gas and
18 drilling and extraction from requiring us to
19 disclose chemicals that they inject into the
20 ground. This was a part of the safe -- they were
21 able to make loopholes through the Safe Drinking
22 Water Act, the Clean Air Act, the Clean Water Act
23 and, as I understand, 12 different otherwise
24 important clean mandates.

1 I'd like to express as a customer
2 that I need Duke's energy -- I need Duke Energy
3 to use as a corporate influence to support the
4 needs of the people and to adhere to efficiency
5 conservation through wind and solar.

6 I'd like to note that Senator
7 Terry Van Duyn wrote to me today that North
8 Carolina has eliminated their renewable energy
9 tax credit and is getting ready to roll back
10 standards that require Duke Energy to invest in
11 renewable sources of energy. I'd like to make a
12 statement to Duke that this is not the type of
13 thing that I would like to see. I would like to
14 see us investing in renewable energies.

15 There is a statement that
16 Republicans have passed a bill that hinders our
17 ability to comply, North Carolina, to comply with
18 the administration of CO2 standards and instead
19 instructs our Department of Environmental Quality
20 to sue the EPA. Again, this is a place where
21 Duke could intervene and use its political
22 corporate perilous to speak on behalf of
23 Asheville and its citizens.

24 It's been stated that we're at

1 about .8 or 1 degrees Celsius change in global
2 temperature right now. We have about .5 degree
3 Celsius right now to maneuver with. This is
4 really important that we act now and don't comply
5 with this plan and we don't have this plant
6 built.

7 I personally draw the line here
8 and now. I oppose the natural gas plant. What I
9 do support is that we create solar power, wind
10 power and that we rapidly adopt a strategic plan
11 for efficiency. And what we haven't yet talked
12 about is conservation of energy much like in
13 World World II where lights were shut off at
14 night. Everyone was in supportive of one goal --
15 was in support of one goal and I think we can
16 still do that and I encourage our Asheville
17 citizens to be looking strongly at doing that
18 ourselves.

19 I do oppose this natural gas plant
20 locking us into 50 years of pollution that we
21 don't have. I demand what big energy has been
22 asked by an environmental activist since before I
23 was born. Their echoes burning in my ears as my
24 mouth resonates the resounding request: We, the

1 people of this planet demand the rights to live
2 on it. We shall no longer tolerate the sacrifice
3 zones. We will not be your sacrifice people. We
4 demand renewables. We demand a revolution that
5 includes the safety of all people. We demand a
6 cap on carbon that will make climate chaos
7 impossible. We demand state and national
8 policies that include the scientific findings and
9 force the corporate polluters to be held
10 accountable.

11 I would like to end with Biologist
12 Sandra Steingraber of the New York -- the New
13 Yorkers Against Fracking. She puts the stark
14 choice like this: *We are standing in an energy*
15 *crossroad. One signpost points to a future*
16 *powered by digging fossil fuels from the ground*
17 *and lighting them on fire. The other points to*
18 *renewable energy. You cannot go in both*
19 *directions at once. Subsidizing the*
20 *infrastructure of one creates disincentives for*
21 *the other. I advise Duke -- I advise the Council*
22 *to turn down this proposal for the gas-fired*
23 *power plant. Thank you.*

24 (The witness is excused.)

1 MS. DOWNEY: Harvard Ayers and then next
2 will be Macon Verteskjall.

3 HARVARD AYERS; was duly sworn and
4 testified as follows:

5 EXAMINATION

6 BY MS. DOWNEY:

7 Q Would you please state your name and address for
8 the record?

9 A Okay. My name is Dr. Harvard Ayers, 346
10 Fieldspring Drive, Boone, North Carolina 28607.
11 I'm a customer of Duke Energy Progress and I
12 represent two of the parties, NC WARN and The
13 Climate Times.

14 Q Please proceed.

15 A Thank you. I am Scientist Dr. Harvard Ayers and
16 I represent The Climate Times and NC WARN, two of
17 the parties in this case. Thanks for your
18 attention. Our organizations are glad that Duke
19 is closing the 51-year old Asheville coal plant
20 especially as coal is becoming the fuel of the
21 past, as Arch Coal and Alpha Natural Resources,
22 two of Duke's suppliers, have declared
23 bankruptcy. Where is it coming from? I don't
24 know. But anyhow, The Climate Times is

1 concerned, also, that Duke is heading in a very
2 risky direction, planning to build massive, new,
3 climate damaging natural gas generating capacity
4 across the Carolinas with fuel imported from as
5 far away as Louisiana and Texas. Gas plants are
6 a 30 to 40-year investment in a gas market that
7 is likely to be highly volatile as the expected
8 depletion of especially the fracking gas resource
9 occurs. Let me say that again. The fracking gas
10 resource is becoming depleted.

11 The latest and best science tells
12 us that natural gas is like a Trojan horse. When
13 it burns it produces less CO2 than coal and
14 that's true. But when you count in the methane
15 leakage during this production and mining cycle
16 that is consistently worse than coal because
17 methane is 86 times as strong a greenhouse gas as
18 carbon dioxide in its first two decades of
19 existence. According to the most respected
20 scientific body in the world on climate concerns,
21 the Intergovernmental Panel on Climate Change - a
22 group of almost 1000 scientists from the world,
23 very respective scientists including the United
24 States of America - solar, wind and energy

1 efficiency are the answer over the four or five
2 years before the gas plant is set to come on
3 line, the cost of solar is expected to drop about
4 40 percent. Enough solar to replace the coal
5 plant and then some could easily be constructed
6 within a year or so. And the best thing of all
7 is that the fuel is free. Natural gas fuel will
8 cost as much or more over the 30 years that the
9 plant's projected life and more, more than the
10 \$1.1 billion construction costs and the customers
11 are going to pay for that gas. I think they'd
12 rather be paying nothing for solar, quite
13 frankly. But Duke Energy has a wonderful
14 forward-looking array of opportunities if it
15 would only look beyond its 19th and 20th Century
16 mindset, but old habits die hard. Thank you.

17 CHAIRMAN FINLEY: Thank you, sir.

18 (The witness is excused.)

19 MS. DOWNEY: Macon Verteskjall and then next
20 will be Kelly Martin.

21 **MACON VERTESKJALL;** was duly sworn and
22 testified as follows:
23
24

EXAMINATION

BY MS. DOWNEY:

Q Would you please state your name and spell it for the Court Reporter, please?

A Macon, M-A-C-O-N, Verteskjall, V-E-R-T-E-S-K-J-A-L-L.

Q And what's your address, please?

A 41 Lovin Cove Road, Weaverville, North Carolina 28787.

Q And you're a customer of North Carolina Duke Energy Progress, correct?

A I am and I'm not affiliated with any of the --

Q (Interposing) Any of the parties.

A -- parties.

Q Okay. Go ahead and proceed.

A Thank you so much. First of all, thank you for your attention over the course of this evening and for everyone here and for all our attention and care for this process and wanting to be a part of it because it's very important for our region.

I don't think we can have this conversation without the presence of some people that are unable to be here tonight so I want to

1 call them in, and those people are the children
2 of our children and their children and our
3 grandchildren and their grandchildren. Because
4 the decisions that come forth from this night are
5 going to deeply impact the world and that is
6 real.

7 I'm a North Carolina resident for
8 my entire life. I was borne in Siler City. I
9 spent the first 18 years of my life as a customer
10 of Duke. The next three and a half years as a
11 customer of Progress and now a customer of both.
12 There is some words that I'd like to say -
13 fracking, methane, greenhouse gases, global
14 warming, climate change, sea level rises - these
15 are all things that we can see and in reality is
16 looked at, but they are very real and they're
17 scary. It can be said and it has been said
18 tonight that we are poised on a precipice. Every
19 step that we take over the course of the next few
20 years will be deeply impacting those children.

21 I want to ask everyone here, if
22 they're willing to picture a child, be it your
23 own child or a child that you know. If you're
24 willing to close your eyes and call them here to

1 this space, they need to be here because this is
2 a decision that they need us to make.

3 Two 280-megawatt natural gas
4 plants is already too much. A third is simply
5 incomprehensible. And only 15 megawatts of
6 solar, I'm afraid, that this is shortsighted.
7 I'm asking for the heart of Duke Progress to take
8 a step back and ask if this is as creative as
9 you're willing to be. I think I can speak for
10 the residents of Western North Carolina in saying
11 that we ask you to be more creative.

12 The big picture, by 2100, the sea
13 level will be rising 20 feet, that is a peer
14 reviewed article recently published by University
15 of Florida Geochemist, Andrea Dutton. That
16 leaves the homes of 150 million people around the
17 world under water. That's a world where our
18 children are coming of age where Miami, New York
19 City, other islands in the South Pacific are no
20 longer above the sea.

21 Fracking, there's a peer review of
22 the EPA article stating that 72 percent of wells
23 have been documented to be contaminated. This is
24 not where we need our energy coming from. There

1 are hundreds of unpronounceable chemicals in each
2 of those wells going into the bodies of the
3 residents of those lands, and we don't know what
4 they are because they are proprietary blends. So
5 as the sea level rises to meet the water runoff
6 coming from these toxic fracking sites, I want to
7 ask you, well, I want to empower the Commission,
8 I want to empower all of us here, in our hearts,
9 to look at people over profit. I want to ask for
10 healthy water over cheap and shortsighted quick
11 energy solutions. This is not going to be easy.
12 And I want to ask for a future worth living for
13 our children. Thank you so much.

14 (The witness is excused.)

15 MS. DOWNEY: Kelly Martin and then next will
16 be Kit Cramer.

17 UNKNOWN SPEAKER: What number are we on?

18 MS. DOWNEY: Ms. Martin is number 42.

19 UNKNOWN SPEAKER: Thank you.

20 KELLY MARTIN; was duly sworn and
21 testified as follows:

22 EXAMINATION

23 BY MS. DOWNEY:

24 Q Would you please state your name and address for

1 the record?

2 A It's Kelly Martin. I leave at 86 Deaver Street
3 in Asheville 28806.

4 Q And are you a customer of Duke Energy Progress?

5 A I am.

6 Q It says here you're affiliated with or a member
7 of a party in this case. Which one would that
8 be?

9 A I am. I work with the Sierra Club and I'm
10 speaking on my own behalf.

11 Q Please proceed.

12 A So, Chairman, Members of the Commission, thanks
13 so much for coming out here, for staying so late
14 and for the opportunity to speak tonight. I'm
15 Kelly Martin and I have worked with the Sierra
16 Club's Beyond Coal Campaign. So I've been
17 advocating the past several years for the
18 retirement of the Asheville coal plant and for
19 increased investments in clean energy. So
20 undoubtedly, I'm thrilled that the coal plant
21 will be retired and that our community will be
22 relieved from the impacts of the pollution
23 associated with burning coal. Yet, I also
24 wholeheartedly agree with a lot of the concerns

1 that have been raised tonight, that the continued
2 reliance on fossil fuels and, specifically, a
3 large or an oversized natural gas plant is not
4 the vision that this community has for powering
5 our region.

6 So as y'all are, I imagine, very
7 aware that the electricity market is changing
8 really rapidly right now. The cost for solar and
9 the cost for winds are plummeting, energy
10 efficiency remains the least cost resource, and
11 the utilities and the grid operators are already
12 successfully integrating renewables and
13 efficiency into the grid. They're planning for
14 these as a resource. And so battery storage has
15 also arrived on the market. I recently saw that,
16 that NextEra CEO -- the utility giant NextEra
17 says that by 2020, he predicts, there won't be
18 another peaker plant built in this country
19 because of the widespread deployment of the
20 storage as a resource.

21 So I urge you to really carefully
22 consider this decision that you're making and to
23 be prudent. Because clean energy can really act
24 as a hedge against the volatile fuel cost of

1 natural gas. And if you allow this oversized
2 natural gas infrastructure to be built, you
3 potentially edge out the opportunity for clean
4 energy, and all of the jobs, and consumer, and
5 environmental benefits that go along with it so
6 this meeting here in Asheville is filled with
7 entrepreneurs and investors and in the clean
8 energy sector, developers in the clean energy
9 sector, and we have the political will to make
10 clean energy succeed. And so I, for one, am
11 really excited about the announcement from Duke
12 about storage and solar for the clean energy
13 partnership. I think together we can develop
14 really successful demand reduction programs and
15 power this community with clean energy. So I
16 fear that, if this Application is approved as it
17 is and without being scaled back, that there will
18 be little incentive for these clean energy
19 partnerships to work.

20 So, lastly, I'll just say that
21 like you all, I imagine, I follow the news about
22 the compounding risks of climate change and I
23 know that the stakes are really high. And so
24 sometimes when we sit in these public hearings or

1 make these decisions about one's need
2 determination. Maybe it doesn't seem like the
3 stakes are as high but they really are. Because
4 the decisions that you all are making, that are
5 being made in commissions all over the country,
6 are shaping our energy future and are deciding
7 whether or not we can avoid the worst impacts of
8 climate change.

9 So I'm a mom and I worry about the
10 future for my kids. I know that they live in a
11 world that has warmer temperatures and more
12 severe storms and higher coast lines and
13 potential disruption to a lot of the food and
14 transportation systems that we rely on but I
15 also -- I have hope. And I have hope for what
16 the world can look like and I especially have
17 hope that regulators, like you all, can make
18 sound decisions that protect our air and water,
19 that help stabilize our climate and that allow
20 clean energy to thrive so please act carefully.
21 And thank you very much for your attention.

22 CHAIRMAN FINLEY: I believe Mr. Somers has a
23 question for you, Ms. Martin.
24

CROSS EXAMINATION

BY MR. SOMERS:

Q First of all, thank you, Ms. Martin, for some of the supportive statements you made about Duke Energy's plan to retire the coal plant. In your testimony you stated that the gas plant was oversized.

A Uh-huh.

Q Have you read Duke Energy's CPCN Application that was filed with the Commission?

A I have read it and I'll definitely defer to our lawyers that represent the Sierra Club and the other parties on the more specific and technical aspects of the Application, and I more wanted to speak on my own behalf tonight, and my concerns more generally.

Q Thank you. I understand you're testifying in your individual capacity, but do you understand from reading Duke's Application that even, if all of the plants are built that are part of this Application, that the Asheville and Western North Carolina region will still be a net importer of power on peak days?

A I think the concern that I raise when I use the

1 word "oversized" is the premature need for the
2 peaker plant included in that Application. So
3 what I'm concerned about is all this momentum
4 that is being built in our community around the
5 clean energy partnership, around storage and
6 demand response and a lot of investment from our
7 community and our local elected leaders that are
8 excited about that. And that the intent, as
9 stated by Duke Energy, is to avoid the need for
10 that third peaker unit. And so my concern about
11 it being oversized is that potentially you're
12 betting against your own success. And that if
13 you're getting that approval now that potentially
14 is premature and hopefully we can work together
15 to avoid the need for that size a plant being
16 built.

17 Q Thank you. So you support the two 280-megawatt
18 combined cycle units?

19 A I would not say that. I think that the project
20 should be scaled back to more accurately reflect
21 the need of this community and I'll leave it to
22 the expert testimony to be able to identify
23 exactly what that size is.

24 MR. SOMERS: Thank you.

1 A Yep.

2 CHAIRMAN FINLEY: Thank you, Ms. Martin.

3 (The witness is excused.)

4 MS. DOWNEY: Kit Cramer and then after that
5 it will be Rachel Shopper.

6 CHAIRMAN FINLEY: Go on to the next one.

7 MS. DOWNEY: Rachel Shopper.

8 CHAIRMAN FINLEY: Ms. Shopper is on the way.

9 MS. DOWNEY: And then after Rachel Shopper
10 will be Sam Harben.

11 RACHEL SHOPPER; was duly sworn and
12 testified as follows:

13 EXAMINATION

14 BY MS. DOWNEY:

15 Q Would you please state your name and address for
16 the record?

17 A My name is Rachel Shopper. I live at 5 Green Oak
18 Road in Asheville, North Carolina.

19 Q And you're a customer of Duke Energy Progress?

20 A Unfortunately I am.

21 Q Are you affiliated with or a member of a party in
22 this case?

23 A No.

24 Q Please proceed.

1 A I'm here because I oppose the building of the
2 three natural gas power plants and I wish for the
3 committee to reject Duke Energy's proposal. And
4 while I am grateful that Duke Energy will be
5 phasing out the coal plant, I feel that to
6 propose three natural gas plants in its stead is
7 insidious inasmuch as it posits the excess
8 improvements.

9 I'm not going to go over all the
10 evidence that has already been shared about the
11 destruction that the fracking industry causes, or
12 about the threats to human survival, or the
13 continual burning of fossil fuels. I think what
14 I really want to say in my time up here is that
15 this shouldn't be about the money and I can't see
16 any other reason why these decisions keep being
17 made in this way. And it's about life, and that
18 I'm a shareholder in life, and that my children
19 are shareholders in life, and that our great
20 grandchildren are shareholders in life, and if we
21 propose to continue living on a liveable planet
22 half step measures are inadequate.

23 I wish that I could have all of
24 the people making these decisions in such a time

1 machine and I want to send them to the future and
2 I want them to look into the eyes of all the
3 great, great grandchildren. I want you to
4 picture those eyes and I want to ask do they
5 condemn you or do they condone your adherence to
6 a bottom line that in itself is a fallacy, that
7 so many already pointed out this evening.

8 As a Duke Energy customer, I
9 demand accountability for externalized costs of
10 power production. I demand measurable
11 commitments to energy efficiency and solar power.
12 Thank you for your time.

13 CHAIRMAN FINLEY: Yes, ma'am.

14 (The witness is excused.)

15 MS. DOWNEY: Sam Harben and then will be
16 Helen Hyatt.

17 CHAIRMAN FINLEY: Next.

18 MS. DOWNEY: Helen Hyatt.

19 CHAIRMAN FINLEY: Next.

20 MS. DOWNEY: Maureen, starts with an L.

21 UNKNOWN SPEAKER: She's not here.

22 MS. DOWNEY: She's not here.

23 UNKNOWN SPEAKER: Can I speak in her place?

24 MS. DOWNEY: Steven Norris. And after

1 Steven Norris will be Mason McMonegal.

2 STEVEN NORRIS; was duly sworn and
3 testified as follows:

4 EXAMINATION

5 BY MS. DOWNEY:

6 Q Would you please state your name and address for
7 the record?

8 A My name is Dr. Steven Norris. I live at 372
9 Sharon Road in Fairview. I am a Duke customer
10 and I have no formal affiliation with any of the
11 parties to this quester.

12 Q Please proceed.

13 A Since I've been sworn to tell the truth I would
14 like to focus on the truth here. The truth here
15 is that we are talking about life and death
16 matters. We are talking about, as the woman who
17 just preceded me, the lives and deaths of our
18 grandchildren, our great grandchildren.

19 I happen to have three great
20 grandchildren. I happen to lie awake at night
21 worrying about their futures because the science
22 says that if we proceed on the course that we are
23 on presently, with the extraction and burning of
24 fossil fuels, that my great grandchildren will

1 not have a future anywhere near as pleasant as
2 the life that I have been able to live and that
3 the people in the room have been able to live and
4 you, the Commissioners, have been able to live on
5 this planet. The planet will become
6 progressively less habitable. That is the truth.
7 There is no denying that truth. The scientists
8 around the world, 97 - 98 percent of the
9 scientists, say that. So the truth is, the truth
10 is that we must change the course we are on. The
11 truth is that by giving up the coal-fired power
12 plant at Lake Julian, Duke Energy has made a
13 significant step in that direction. The truth,
14 however, is that this energy modernization plan,
15 which they are proposing presently, is a step
16 backward. It is not a modernization plan. The
17 truth is that the wording of that modernization
18 plan is a lie. It is not a modernization plan.
19 It is a plan that is anachronistic and dangerous
20 to the world and to the people of the world, to
21 my children, my grandchildren and my great
22 grandchildren, and that is unacceptable.

23 Now, there are other truths in
24 this room which I cannot speak to because I don't

1 know and because the rules here do not allow me
2 to ask the questions that we're doing. But I
3 would like to at least put the question on the
4 table, even though I can't get an answer, is what
5 are the truths that you, the Commissioners, that
6 you, the Commissioners, use to make the decisions
7 you have to make? Do you really take into
8 consideration the ethical, moral and all the
9 technical questions that have been raised tonight
10 by people in this audience about this energy
11 modernization plan, quote, unquote?

12 Now, I read through the mission
13 statement of the Utility Commission. Another
14 truth is that you are bound by law -- I assume
15 this is the mission statement is part of the
16 law -- to reflect the public interest in your
17 decision making. I challenge you to do that. I
18 challenge you to consider my grandchildren, my
19 great grandchildren as part of the public whose
20 interest you must take into consideration.

21 And honestly, as someone who's
22 studied this very carefully, I do not understand
23 how possibly you could accept a fossil fuel
24 future, a commitment that Duke wants to make, to

1 another 40 years of burning fossil fuels at Lake
2 Julian, how you could possibly do that and be
3 giving the priority to the public interest of my
4 grandchildren and great grandchildren. So I
5 leave that challenge to you. I thank you for
6 your attention. I thank you for your
7 conscientiousness in looking at these things.
8 But you damn well better protect by grandchildren
9 and great grandchildren. Thank you.

10 (The witness is excused.)

11 MS. DOWNEY: Mason McMonegal and then Keith
12 Thomson. Mr. McMonegal.

13 KEITH THOMSON; was duly sworn and
14 testified as follows:

15 DIRECT STATEMENT

16 BY MR. THOMSON:

17 My name is Keith Thomson. I live at 61
18 North Merrimon Avenue, Number 309 in Woodfin. My PO
19 Box is on the list. And I am not affiliated with any
20 of the groups, strangely enough.

21 MS. DOWNEY: And you are a Duke Energy
22 Progress customer?

23 MR. THOMSON: I am a Duke Energy Progress
24 customer and was a CP&L customer many, many moons ago.

1 First, let me say thank you to the
2 Commissioners for your service to our state. I know
3 you sacrifice a lot to do the right thing and to be
4 able to come all the way out here and to be in our
5 community. And just so you know, we often feel
6 neglected and sometimes abused by Raleigh and so when
7 y'all come out here we like it when y'all listen to us
8 because we don't get too much listened to out here.

9 I moved to Buncombe County in 1980. I'm a
10 small business owner. For 21 years I've been in IT
11 serving small businesses and professional offices and
12 nonprofit groups. I make my living off of continuous
13 improvement. I work in an industry that did not exist
14 when I moved to Buncombe County. And I -- my father
15 and grandfather taught me to measure twice, cut once.
16 \$1.1 billion requires a least cost energy plan to
17 optimize avoided costs. The North Carolina Public
18 Utilities Commission is the pioneer in the United
19 States in avoided cost applications to energy
20 strategy. That's why we're \$0.03 a kilowatt hour
21 lower in our electric rates than South Carolina
22 Electric & Gas. Thank you very much for your service.

23 I am the father of two grown children. One
24 is a U.S. Coast Guardsman who served on a Cutter in

1 2014 on patrol above the Arctic Circle where, in this
2 last decade for the first time since Christopher
3 Columbus was trying to find a water route to China,
4 there is a northwest passage that has been opened for
5 up to five months a year. This is new. This is
6 different. This is real.

7 My daughter is a tech at Underwriters
8 Laboratory in RTP testing smart grid equipment in an
9 industry in North Carolina that did not exist very
10 recently. We are a leader in the United States.

11 Convergence and optimizing systems is how I
12 make a living. So I ask Duke Progress in Western
13 North Carolina to join us and our community in, what
14 Duke Energy calls, a coalition of the willing -- I
15 hope most of you know what that is because you're
16 probably more informed about it than I am -- to
17 promote battery energy storage systems such as those
18 that are emerging from the Alevo giga-factory in
19 Concord, North Carolina that beats Tesla to the punch
20 in output of grid scale batteries. These are very
21 important. They've already shipped some to China.
22 It's a lot closer to deliver them to Asheville.

23 (Laughter from audience.)

24 They will be glad to help to grow the

1 employment and the partnership with Duke Energy from
2 whom many of their corporate executives have come
3 over. So Alevo is a very good company to help us
4 provide the solution to this. We need to reduce the
5 peak and optimize. We need to promote investment in
6 LED lighting and displays, energy efficient
7 appliances, time of date and usage, and distributed
8 solar electricity with storage.

9 I heard one of the -- the Vice President for
10 Distributed Resources for Duke Energy say that their
11 goal is to become a grid of microgrids. We would like
12 to be part of that in your coalition of the willing.
13 If you cannot find a partner, a better -- you will not
14 find a better partner in any region in which Duke
15 Energy serves customers than this community. We will
16 embrace you. We will help you. You can help us. We
17 will be like this if you want to cooperate with us.
18 We will also fight you and you won't like it because
19 we are -- we know how to make your life miserable and
20 we will, but we don't want to. We want to be your
21 friend. We want to be on your team but we want you to
22 do the right thing.

23 So cooperation with -- for advanced energy
24 solutions in cooperation with small and large

1 businesses, homeowners and renters, to create jobs,
2 jobs, jobs, clean air and water, and homeland security
3 and resiliency in the face of extreme weather which we
4 are seeing. If anybody can deny that, then I don't
5 know what planet you've been living on but I don't --
6 I think y'all are smart enough to know what I'm
7 talking about.

8 So in nearing the conclusion --

9 CHAIRMAN FINLEY: Let's wrap it up,
10 Mr. Thomson, please.

11 MR. THOMSON: Yes. So go back to the
12 drawing board, deny this permit, measure it twice, cut
13 once. Don't waste this opportunity to do the right
14 thing. It's always the right time to do the right
15 thing. North Carolina is the clean energy capital of
16 the world right now. Let's keep it that way. Thank
17 you, sir.

18 CHAIRMAN FINLEY: Thank you.

19 (The witness is excused.)

20 MS. DOWNEY: Brady Preyss and Sabrey Franks
21 will be after that. Brady, no. Sabrey Franks.

22 **SABREY FRANKS;** was duly sworn and
23 testified as follows:
24

EXAMINATION

BY MS. DOWNEY:

Q Please state your name and address for the record?

A My name is Sabrey Franks. I live at 300 Long Shoals Road, Arden, North Carolina 28704.

Q Do you mind spelling your first name for the Court Reporter?

A S-A-B-, as in boy, R-E-Y.

Q And you're a customer of Duke Energy Progress?

A I am.

Q Are you affiliated with or a member of a party in this case?

A No but after tonight I feel like I should be.

Q Please proceed with your statement.

A Okay. So a lot of people have said the things that I wanted to cover tonight, so I'll skip down to the ones that I really want to hit on. One, the Mountain Energy Act of 2015, I think it didn't favor us in a way. It shortened the time that the public had to prepare and come out for this. It shortened the time that the Council members had to prepare and study up on it. I can't do anything about that now but I encourage

1 everybody to vote in local and state elections;
2 they're just as important.

3 I think it's sad. I think a lot
4 more people would be out here tonight but we did
5 have a great turn out. And I think a lot of
6 people are in opposition to the current energy
7 proposal as am I. I don't think we need to
8 prolong our dependency on fossil fuels. I think
9 a lot of other energy production places in the
10 U.S. have considered natural gas and I think a
11 lot of people are jumping on natural gas and I
12 think it's going to deplete it a lot faster than
13 we expect and then we're going to have to
14 outsource to other countries for natural gas
15 after that.

16 I'm 20 years old. I'll be 21 next
17 week. I don't have kids yet but I plan to. I
18 don't want to ever have to look them in the eye
19 and tell them that I knew that we were going to
20 have these problems and I didn't do more to stop
21 it. I am a UNCA Student. I'm in my third year.
22 I am an environmental science management and
23 policy major, economics minor, so I've done my
24 research. I know where it's profitable. I think

1 it is going to be very profitable for you to
2 invest in solar and wind technologies. I think
3 it's a good idea to try and put solar panels on
4 the buildings that already exist in and around
5 Asheville. I don't know that we'll meet our
6 energy demand, but I think it's worth a shot, and
7 I think that's a good starting place. And I
8 think if you came back in here with a proposal to
9 do that first you will have a lot less resistance
10 from the community. I think it's a very good
11 idea to start there and then if it doesn't meet
12 our energy demands then definitely bring natural
13 gas back on the table, but I think it's worth a
14 shot to try first. And especially because with
15 the increase in demand for renewable energy
16 sources it gets more efficient, the costs
17 decrease; you see that with everything that we've
18 done in the past and we've come a long way and
19 there's so much further to go.

20 I think when we, as mankind, get
21 put in a corner where there's a big problem, I
22 think we lean on technology to solve it for us
23 and I would like to see that done sooner than
24 later; sooner before we see so many disastrous

1 effects. I think we're already seeing a lot of
2 the global climate change happening and I think
3 it affects a lot of people already at the moment,
4 especially with weather patterns changing.
5 Agricultural lands are not productive as they
6 once were.

7 I'm from Wilmington, North
8 Carolina, born and raised in the Carolinas. I
9 came from the beach and I now live in the
10 mountains and I appreciate these geographical
11 features that are so pristine in ways. I
12 appreciate them so immensely that I would invest
13 my own money to save them. And I work 36 hours a
14 week as a General Manager at Cold Stone Creamery
15 and I take 17 credit hours and I sat here for
16 four hours just to speak so I wouldn't be up here
17 if I didn't care. I know you can hear it in my
18 voice that's cracking, I'm very emotional about
19 this.

20 Another thing that I wanted to hit
21 on that I don't think other people have mentioned
22 is the risk of having a very centralized power
23 structure. If a well-placed terrorist attack
24 were to ever fall on this particular location,

1 250,000 people would be without power for how
2 long? And I know that there are backups and
3 there are things in place but I think it's a huge
4 vulnerability. If we put wind and solar panels
5 out and every building has one, buildings like
6 this in the event of an emergency could have a
7 great portion of the community in it, if ever
8 such condition were to arise. Especially with
9 the storms, with the snow that we just had, with
10 the hurricanes we're expected to have, weather
11 patterns get much more intense and I think there
12 is a lot to be fearful of.

13 I'm 20 years old. I'm going to be
14 around to see all of this, and my kids will, and
15 I'm scared. It scares me to think of what that
16 will bring on me, my friends, my family. And I
17 know that a lot of people in here won't be here
18 to see it but I know that they care, and I
19 appreciate everybody coming out and voicing that
20 tonight. And I hope that when you guys make your
21 decision you weigh all of this heavily. Thank
22 you.

23 CHAIRMAN FINLEY: Happy Birthday,
24 Ms. Franks.

1 THE WITNESS: Thank you.

2 (The witness is excused.)

3 MS. DOWNEY: Garnet Fisher. Phillip Brown.

4 UNKNOWN SPEAKER: Garnet is not here.

5 MS. DOWNEY: Phillip Brown.

6 CHAIRMAN FINLEY: He's coming.

7 MS. DOWNEY: After that is Kelly Gloger.

8 PHILLIP ABERT BROWN; was duly sworn and
9 testified as follows:

10 EXAMINATION

11 BY MS. DOWNEY:

12 Q Please state your name and address for the
13 record.

14 A Phillip Abert Brown, and it's 26 Independence
15 Lane in Mills River, North Carolina.

16 Q And you're a customer of Duke Energy Progress?

17 A Every time my kids leave the lights on, I pay a
18 little bit more, so yes.

19 Q Are you affiliated with or a member of a party in
20 this case?

21 A No, ma'am.

22 Q Please proceed with your statement.

23 A Well, I do have to say that I'm really
24 appreciative of y'all staying out here as long as

1 y'all have tonight, doing this for us.

2 Ultimately, you all are public servants and that
3 takes an awful lot of work whether elected or
4 unelected and sometimes it makes you burn the
5 late hours. Thank y'all for doing that.

6 And I also have to thank you all
7 from Duke to a point; not to a point, that sounds
8 shortsighted so I apologize. But had it not been
9 for a letter that our family got in the mail back
10 in June, I probably would not be sitting here
11 today having this conversation with you all.

12 You know, I grew up -- and it's
13 still in my mind the CP&L plant, more or less in
14 the shadow. My granddad had a little place here
15 on Miami Circle. And Long Shoals has those
16 big -- used to have big, tall pine trees on one
17 side of it. We never really saw the power plant,
18 you knew it was there, and I remember my first
19 memory of knowing that that power plant was there
20 and what it did. My granddad and I -- my
21 granddad was Chief of the fire department; my
22 nana kind of made him retire, there was a kind of
23 there -- and so he would take me fishing. And
24 then one day all the small mouth were gone and

1 when you put your foot in the water it was warm,
2 and it wasn't wonderful. And then they tried to
3 put tilapia in it and then down on the
4 TC Roberson side of it all of the tilapia died
5 off because the water was too warm for them.
6 God awful stench. You couldn't go down there to
7 the water for months, a full summer. And that's
8 how I knew that there was kind of something going
9 on but for so many of us, especially those of us
10 who were born and raised here, it's not something
11 we thought about. We didn't think, well, you
12 know environmentalism is a thing. Let's be quite
13 honest, it wasn't what you did, it wasn't what
14 you thought about. But the older I got I kind of
15 came back to it.

16 My wife and I -- I went to
17 Appalachian, went to a grad school and came home.
18 It wasn't until I spent about a decade out of the
19 area living and working around D.C. that I really
20 got to appreciate what we have.

21 In Western North Carolina, we have
22 got something that is unique and is important and
23 obviously it's pretty desirable because we have
24 folks from all over the world, not just all over

1 the country, that move here, and they move here
2 for our mountains. And as I was sitting back in
3 the back for -- God, has it been four hours? --
4 and I was trying to think of what I was going to
5 say when I got up here, and I kept looking at my
6 boots, and with all the snow I've got a lot of
7 dirt on them. That dirt came from a place that I
8 spent 10 years to get back to. I spent 10 years
9 to get back home to that place where my family
10 has got over seven generations. And that little
11 farm of ours -- my youngest, my boy, was born
12 this July -- I wanted to keep.

13 And so this summer I wanted
14 nothing to do with politics. I got right in the
15 middle of it and I will let y'all know that we
16 did not want a power line coming through our
17 place, not mine, not my cousins, and not anybody
18 else's, and y'all listened and we appreciate
19 that. But in the greater sense, that was a small
20 part of what we all have to do.

21 When I came home I realized that
22 lots of things in this area have changed
23 irrevocably -- our mountains have changed,
24 hilltops were different -- change is going to

1 come and progress is going to come but it is not
2 something that we must rush into. This republic
3 was founded on the idea that while we adapt to
4 change we do it slowly and we do it purposely and
5 we do it via the law. And that law is the holy
6 thing to all of us and that is why we are here
7 this evening. And so, within that, all of these
8 folks have made valid points. I see another
9 option that we all have and you all have at your
10 disposal, the Utilities Commission. Lots of
11 these folks in the audience have questions about
12 demand, about need, all of these things, and Duke
13 is trying to answer them but things are going to
14 be in partisan, and that's to be expected.

15 I would propose that you all, as
16 the Utilities Commission, consider a third party
17 to examine what Western North Carolina may need
18 for power; what are the needs; answer a
19 constituency, they have those questions. If you
20 all put your minds to that and let that third
21 party have an independent rank over what they
22 would study and present their findings to the
23 populace, that could better inform whatever
24 changes need to be made to the plant. Do that,

1 then approve only if it is a necessity. Do not
2 do things because there maybe ifs, ands, or buts,
3 but rather because they are needed, necessary and
4 proper. Thank you for your time.

5 CHAIRMAN FINLEY: Thank you, Mr. Brown.

6 (The witness is excused.)

7 MS. DOWNEY: Kelly Gloger and Ron Taylor.

8 And then after that, Mr. Chairman, that
9 would conclude all of the Duke Energy Progress
10 customers. I think we have eight other witnesses
11 then.

12 MR. GLOGER: Okay. My name is Kelly --

13 CHAIRMAN FINLEY: I'll need to swear you in.

14 KELLY GLOGER; was duly sworn and
15 testified as follows:

16 DIRECT STATEMENT

17 BY MR. GLOGER:

18 My name is Kelly Gloger. I'm a Duke Energy
19 Progress customer at 106 West Street here in Asheville
20 and I'm not affiliated with any of the parties in this
21 matter.

22 I am in the solar business and have been for
23 10 years. I have solar on my home. And certainly a
24 proponent of some of the things that really should be

1 driving the decisions of Duke and the community and
2 the Commission here are the economics of what's been
3 talked about here. I brought a few figures for the
4 public to listen to tonight which are sort of industry
5 standards about the different types of energy
6 production systems and what they cost.

7 Now there's a type of -- there's an
8 engineering analysis called levelized cost of energy.
9 It's a way to compare apples-to-apples even though the
10 apples are different types of energy systems. And
11 just to put a few things in perspective for you, solar
12 today ranges, depending on where you are in the
13 country, and this is stated in dollars per
14 megawatt-hour. All of these numbers are similar that
15 way. Solar PV is \$86 to \$177 per megawatt-hour. Wind
16 is even cheaper yet at \$55 to \$81 per megawatt-hour.
17 A gas peaker plant is \$179 to \$230 per megawatt-hour.
18 Utility scale storage today is about \$265 to \$325 per
19 megawatt-hour, roughly equivalent to what a gas peaker
20 plant is costing here for installation.

21 So the question is, you know, Duke has come
22 forward with a plan, heavy on the gas peaker meter by
23 my estimation in terms of solar. Just to give you a
24 perspective on their solar commitment here, they're

1 talking about 15 megawatts and 5 megawatts of storage.
2 Well, 15 megawatts will drive about half a dozen
3 supermarkets and 8 megawatts of storage, which is
4 worth about \$800,000 to about \$1.2 million depending
5 on how much battery technology you're looking at, that
6 would drive a supermarket maybe through the night. So
7 the kindest thing I can say is that's a meager PR sort
8 of presentation for the community. We certainly could
9 see, I think, a much, much higher percentage of
10 renewable energy and storage in their proposal. So I
11 would certainly recommend that the Commission not
12 approve this plant, have them go back to the table and
13 come back.

14 Now, I would suggest to Duke, who is by the
15 way a monopoly, that they consider opening up the
16 books. Let's see your model for assessing what you
17 think the need is going to be. What's the secret
18 here? You're a monopoly, you don't have a competitor.
19 It's not like you're going to let some competitor know
20 what you're thinking. Why not let the community
21 really know what these folks over here know, all the
22 details, because truthfully they're trying to help you
23 from making a bad mistake which could affect your
24 shareholders and also it could certainly affect the

1 economies of all of the communities that you serve,
2 okay.

3 We're heading down a very serious road, as
4 you've heard tonight, in terms of the consequences of
5 the actions that we take here. So I'm going to
6 suggest that if you want to have the support of
7 community, and the support of the Commission, and the
8 support of these folks over here, you need to be a
9 little more open with everybody and you need to get on
10 the table, spread out all of the data, let's all have
11 a look at it -- I think the suggestion the fellow made
12 just before me to have a third-party expert look at
13 this -- so we get a complete overview of who's
14 telling -- whose information is accurate and whose
15 isn't. So I'm suggesting to you here, the Commission,
16 that you not approve this particular Application.

17 Now some of the things that I failed to say
18 here a minute when I was talking about utility scale
19 storage, which by the way you should know is moving
20 very rapidly in terms of the technology and the cost.
21 Right now, just to give you some numbers out there in
22 the marketplace, Tesla's battery at the utility scale
23 is about \$250 per kilowatt-hour of storage. Its
24 competitors are anywhere from that up to \$300 to \$400

1 per kilowatt storage. But there are competitors in
2 the market who are coming out this year with
3 containerized 40-foot containers of batteries with a
4 zinc battery -- this is the Eos battery company --
5 they are coming out at \$160 of kilowatt-hour storage.
6 That's ground breaking. And if your engineers aren't
7 aware of that they should be because the technology,
8 as far as the industry is concerned, is going to be
9 seeing the same kinds of reductions that I, in the
10 industry for the last 10 years, have seen in the solar
11 area. My cost from suppliers has been reducing by up
12 to 70 to 80 percent from eight or nine years ago.
13 That same cost curve is expected from industry experts
14 in the battery area. So, if you invest in this gas
15 peaker that you're proposing here, your commitment --
16 and these things don't pay off quickly because it's a
17 30-year investment -- if you back up on that and say
18 okay look, let's really invest heavily in storage
19 okay. Storage systems, these battery technologies,
20 most of them are good for 10 to 15 years right now,
21 but in that 10 to 15 year period of time the economics
22 will change drastically -- you can change or not, you
23 don't have to commit to Tesla's battery or somebody
24 else's battery for 30 years in terms of their

1 efficiency and their cost. In five to 10 years, you
2 could commit to something that would be half as
3 expensive, probably smaller compact and energy density
4 greater. So you really need to look at that and also
5 you need to --

6 CHAIRMAN FINLEY: Let's wrap it up.

7 MR. GLOGER: Yes, sir. One last thing. The
8 thing you need to value as well is batteries have,
9 beyond their cost per megawatt-hour storage, they have
10 other benefits which have value: Frequency
11 regulation, smoothing, voltage support, peak shaving,
12 peak shifting, reduction of line loss, distributed
13 generation allowed not in one centralized plant. I'll
14 leave it at that. Thank you very much.

15 CHAIRMAN FINLEY: Thank you, sir.

16 (The witness is excused.)

17 MS. DOWNEY: Ron Taylor.

18 CHAIRMAN FINLEY: Is he a Progress customer?

19 MS. DOWNEY: Yes.

20 CHAIRMAN FINLEY: He's the last Progress
21 customer?

22 MS. DOWNEY: He's the last one I have on my
23 list.

24 CHAIRMAN FINLEY: All right.

1 RONALD TAYLOR; was duly sworn and
2 testified as follows:

3 EXAMINATION

4 BY MS. DOWNEY:

5 Q Would you please state your name and address for
6 the record?

7 A My name is Ronald Taylor. I live in
8 Hendersonville at 638 Spartanburg Highway, Suite
9 70 is my address, mailing address.

10 Q And you're a Duke Energy Progress customer?

11 A I am.

12 Q Are you affiliated with or a member of a party in
13 this case?

14 A Not directly. I'm an enthusiastic supporter of
15 MountainTrue, however.

16 Q Please proceed with your statement.

17 A The last comments I thought were exceptional.
18 All of the comments tonight I think were very
19 exceptional and I hope they were well taken by
20 all of the members here. I will stick to my
21 written comments because otherwise it would
22 probably take even longer and I know you all want
23 to go home.

24 So I want to correct the record

1 though -- I'm a professional geologist -- oil and
2 gas are not fossil fuels contrary to public
3 opinion, okay. They are carbon-based fuels but
4 they are created by a chemical process at the
5 crust mantle boundary by a process that is named
6 after two chemists called Fischer-Tropsch
7 Process. We're not going to run out of oil. We
8 have no peak oil. We're going to run out of the
9 oxygen to burn it with before we run out of oil,
10 okay. That's my -- the best of my
11 understanding. But let me go into this a little
12 bit.

13 Thank you for the members of the
14 Public Utility Commission here to come and listen
15 to us tonight and also the folks from Duke
16 Energy.

17 My name again is Ronald Taylor.
18 I'm a retired geological consultant and utility
19 employee of 20 years plus. I have considerable
20 experience working in the nuclear power industry
21 in New York State with Niagara Mohawk Power
22 Corporation, now known as National Grid, as a
23 quality assurance specialist. That's pretty much
24 what I was doing a lot of the time in geology. I

1 was trained as a rational process consultant by
2 Kepner Kregoe in the Application of all rational
3 process to all phases and decision making in the
4 utility industry. The purpose of this was to
5 help ensure transparency and expose hidden
6 agendas in the decision making process. Indeed,
7 the training was required by the New York State
8 Public Service Commission. This was their method
9 to make sure that Niagara Mohawk Power
10 Corporation was spending the ratepayers, or the
11 customers, money prudently by properly assessing
12 all of their business decisions and making good
13 decisions and analyzing problems properly. Now,
14 people here have presented suggestions of the
15 third party, okay, well that's similar to it.

16 So before I go into some of my
17 other comments I think it should be made clear
18 why a Public Service Commission or the Public
19 Utility Commission is here at all. I believe
20 that the duty of the Public Service Commission is
21 to make sure that Duke Energy is, as a regulated
22 public monopoly, that they are making proper
23 decisions and spending the money of ratepayers
24 prudently, and not wasting it. It's my belief

1 that society and technology has actually advanced
2 to the point now that access to energy should no
3 longer be considered as a monopoly business or
4 allowed to be a monopoly such that it needs to be
5 regulated by a Commission. I will explain
6 further.

7 First of all, I've always been
8 what I refer to as a paradigm pioneer and I'm
9 looking forward instead of backwards as to how to
10 solve our problems. My first recommendation to
11 you tonight would be that Duke Energy implement
12 some form of rational process analysis in all of
13 their planning, their assessment, their decision
14 making, and their problem analysis throughout the
15 company so that they document those decisions in
16 the same manner in which Niagara Mohawk was
17 required to do so years ago by their New York
18 Public Service Commission. There are numerous
19 systems of rational prices available today. The
20 system that we used was provided by Kepner
21 Tregoe, a consulting firm out of Princeton, New
22 Jersey. They're still in business today and they
23 offer an exceptionally good program.

24 As a paradigm pioneer, I would

1 like to propose a concept that the proposal to
2 build a natural gas-fired plant is obsolete
3 technology, and that the money would be much
4 better spent to develop and build a 21st century
5 electric power system for the residents of North
6 Carolina. And by this -- by gas technology, I
7 refer to anything that would be what I call a
8 steam-driven turbine generator system. I mean,
9 my God, we've got Sam's Club selling 3D printers
10 today, okay. We've moved way beyond this
11 technology that is almost a century old now.

12 I would like to add that my belief
13 is that the electrical grid system is also
14 obsolete technology. My view, by looking over
15 the horizon and understanding what is really
16 already available to us, I believe that we should
17 be building power systems to provide power on
18 demand at the point of use. Having large power
19 producing plants and then distributing that power
20 with a very vulnerable grid is, in my opinion,
21 not a very good choice today. My reasoning
22 behind this belief is that, first, we are on the
23 verge of major earth changes which will include
24 earthquakes and other disasters and catastrophes

1 which will take down our power grid in and of
2 themselves. I take a much broader look at
3 climate change than many people who have
4 testified here today. Secondly, I recognize that
5 our power grid today is extremely vulnerable not
6 only to human terrorism and false flag events,
7 but also the ravages of an electromagnetic pulse,
8 or an EMP, from the sun. Anyone who knows the
9 history of our planet getting hit by coronal mass
10 ejections, also called CMEs, will have heard of
11 the 1859 Carrington event which basically put so
12 much power into the telegraph wires at that time
13 that it actually caught on fire the paper upon
14 which the Morse Code operators were writing down
15 the messages. We almost got hit by a CME of such
16 magnitude this last summer that it could have
17 taken down our electrical grid entirely. So I
18 believe that it's only a matter of time before
19 our electrical grid is severely damaged by an
20 electromagnetic pulse from the sun. Therefore, I
21 think we should be much safer as a society to
22 have the power produced at the point of use
23 through very small units which are owned by the
24 people individually or by local organizations or

1 neighborhoods, and not produced by a massive
2 generating system which requires distribution of
3 the power over a very fragile grid.

4 Next --

5 CHAIRMAN FINLEY: You've used up your time,
6 Mr. Taylor.

7 THE WITNESS: Well, I'm going to pursue
8 this. And now speaking to the question of whether
9 such power generation approach --

10 CHAIRMAN FINLEY: How much more do you have
11 there?

12 THE WITNESS: I've got another page.

13 CHAIRMAN FINLEY: Please submit that -- no,
14 I'm going to ask you to submit that to the Clerk and
15 we'll put it in the record.

16 THE WITNESS: I have. I've already
17 submitted it to Diane (sic). You're going to miss the
18 best part but if that's what you want, okay.

19 (Laughter from audience.)

20 CHAIRMAN FINLEY: We've got some other
21 people that want to testify.

22 THE WITNESS: Yes.

23 CHAIRMAN FINLEY: Thank you, sir.

24

1 Taylor Exhibit 1

2 (Identified)

3 (The witness is excused.)

4 CHAIRMAN FINLEY: Ms. Moore, I believe,
5 comes next.

6 MS. DOWNEY: Yes, sir. I'm sorry.

7 CHAIRMAN FINLEY: Ms. Moore, I believe,
8 comes next.

9 MS. DOWNEY: Ms. Moore?

10 CHAIRMAN FINLEY: Yes.

11 MS. MOORE: Shall I re-swear?

12 CHAIRMAN FINLEY: No, you've been sworn
13 already.

14 MS. MOORE: And my address, you have that?

15 CHAIRMAN FINLEY: Just go ahead.

16 PAT MOORE; having been previously sworn
17 returns to the stand and
18 testified as follows:

19 DIRECT STATEMENT

20 BY MS. MOORE:

21 I will be brief. Good evening. Remember
22 those titans of the American landscape, the railroads?
23 Remember Ma Bell with landlines and telephone books?
24 Duke is using its monopoly powers to drive itself down

1 that same road to irrelevance. Commissioners, do your
2 duty. We are counting on you to require Duke to move
3 toward renewable energy for all. Thank you.

4 CHAIRMAN FINLEY: Thank you, Ms. Moore.

5 (The witness is excused.)

6 CHAIRMAN FINLEY: Who's next?

7 MS. DOWNEY: Richard Fireman. After that
8 will be Beth Henry.

9 CHAIRMAN FINLEY: Note the name there, come
10 on up, Mr. Fireman.

11 (Laughter in the courtroom.)

12 MR. FIREMAN: My leg fell asleep.

13 RICHARD FIREMAN; was duly affirmed and
14 testified as follows:

15 EXAMINATION

16 BY MS. DOWNEY:

17 Q Please state your name and address for the
18 record?

19 A Richard Fireman, 374 Laughing River Road, Mars
20 Hill, North Carolina 28754.

21 Q Are you affiliated with or a member of a party in
22 this case?

23 A I'm a member of all parties but I'm speaking on
24 my own behalf.

1 Q Okay. Go ahead.

2 A And for the Alliance for Energy Democracy.

3 Q Okay.

4 A I wish I could see all of the Commissioners and
5 speak to them directly. We understand, as other
6 people have said tonight and quoted the North
7 Carolina Constitution and the General Statutes,
8 that your decisions are -- we suffer the
9 consequences of your decisions. And the
10 government was founded on the will of the people
11 so energy democracy is something that really
12 means power by the people and for the people.
13 And we hope that you pay attention to the North
14 Carolina Constitution that says that your actions
15 are instituted for the good of the whole.

16 In your General Statutes,
17 paragraph 6, you're to provide fair regulation of
18 the public utilities in the interest of the
19 public. In paragraph 13, to protect our public
20 health, public safety, and promotion of the
21 general welfare. What this means in the
22 practical sense is that you're responsible --
23 responsibility has both moral and practical
24 implications.

1 I'm a retired medical doctor. As
2 Chairman Finley knows, I've spoken many times
3 here. I practiced emergency medicine for about
4 30 years. And as a physician my first duty was
5 to the patient, the patient's family, that's it;
6 a tremendous responsibility. And that
7 responsibility is yours now for our welfare, the
8 welfare of our children and grandchildren as many
9 of the people have testified here in the public.

10 The Application of Duke Energy to
11 build a natural gas facility is, both on the face
12 of it and in substance, not in the interest of
13 the public, its general welfare or its health,
14 and the Application should be denied as written.

15 The climate scientists has told us
16 that it's very likely that we're going to see the
17 worst consequences of climate change if we don't
18 do something different. And burning fossil fuels
19 is like natural gas, it's not doing something
20 different.

21 So what does "very likely" mean?
22 "Very likely" is a scientific term that means a
23 probability of 95 percent or greater. So in
24 practical terms, if we build a natural gas-fired

1 power plant or if we submit to this Application
2 as written, it's 95 percent certain that we're
3 going to suffer the worst consequences of climate
4 change. As a practical matter in North Carolina,
5 it's predicted that the average summer
6 temperature will be 92 degrees. We know the
7 other consequences that people have spoken about.
8 What would that mean if you or your family were
9 to get in a car, or get on a train -- this is a
10 Dr. Seuss analogy -- a plane or a boat?
11 95 percent probability would mean that you would
12 not arrive safely. There's a 1 in 20 chance, 1
13 in 20 chance that this is going to happen, so you
14 have the responsibility for all of us. It's a
15 bad bet. It's risky business to accept this
16 Application as written.

17 There are other alternatives.
18 Many people have spoken of those alternatives.
19 I've known Robert Sipes for over eight years now
20 and I trust that he and his company and this
21 community have the expertise to do something
22 different. So by rejecting this Application as
23 written we're not saying we shouldn't do
24 something, we're saying there are many other

1 opportunities available.

2 Mark Jacobson is a Professor at
3 the Atmosphere Energy Program in the Department
4 of Civil and Electric Engineering at Stanford
5 University and he recently made a report about
6 transferring to 100 percent non-fossil fuel
7 energy in the electric sector by 2050. It's
8 possible. I'm going to submit this as evidence.

9 One of the things that we have in
10 North Carolina is hydropower and Duke Energy has
11 already been offered 380 megawatts of hydropower
12 from the western region in Eastern Tennessee. So
13 when we go back to the drawing table we should be
14 putting that in the mix. I see your stop sign
15 and I thank you. It's late. And please, please
16 do what's right for the people of North Carolina.

17 CHAIRMAN FINLEY: Mr. Fireman, we'll make
18 that an exhibit. It will be Fireman Exhibit Number 1.

19 Fireman Exhibit 1

20 (Identified)

21 (The witness is excused.)

22 MS. DOWNEY: Beth Henry then Maren Poitras.

23 BETH HENRY; was duly sworn and
24 testified as follows:

EXAMINATION

1
2 BY MS. DOWNEY:

3 Q Would you please state your name and address for
4 the record?

5 A Beth Henry, 3066 Stoneybrook Road, Charlotte,
6 North Carolina 28205.

7 Q Are you affiliated with or a member of a party in
8 this case?

9 A I'm a member of NC WARN but I'm speaking on my
10 own behalf.

11 Q Please proceed.

12 A I've read most of the docket but key information
13 is blacked out. I don't understand why a public
14 utility does not have to justify to the public
15 the need to spend over a billion dollars that the
16 public will end up having to pay. I guess
17 Mr. Rouse, who's left, figured out how to get
18 some of that blacked out information which he
19 then thought -- suggested that Duke had not
20 really substantiated the need for these plants.
21 But I really don't understand how a public
22 hearing can be meaningful when so much
23 information is kept secret from the public. I
24 guess we have to trust the Commission to review

1 the secret materials and act in the public
2 interest. But when so much is secret and you
3 have such a tight deadline with no evidentiary
4 hearing, how can you possibly act in the public
5 interest.

6 In years of observing the
7 Commission, I've sometimes disagreed with
8 decisions but I thought you really considered
9 different interests and tried to be fair.
10 Admittedly at times it seemed like Kabuki Theatre
11 with Duke asking for twice what it needed - two
12 power plants, a 50 percent rate increase - and
13 then after evidentiary hearings getting maybe
14 half of what they asked for or maybe what it
15 really expected in the first place. But at least
16 the process seemed like all sides were
17 considered.

18 In law school, we learned why the
19 adversarial process makes finding the truth
20 likelier. Hearing from all sides and cross
21 examining witnesses lead to better decision
22 making, but now you say the Legislature's 45-day
23 deadline rules out an adversarial evidentiary
24 hearing. Now there's not even the pretense of

1 Kabuki Theatre to distract from the real show
2 which is Duke, the number one thunder of the
3 North Carolina Legislature, goes straight to the
4 Legislature for what it wants eviscerating the
5 role of the Utilities Commission. If they get
6 away with that this time, why don't they just do
7 that every time.

8 Others have said why we shouldn't
9 build gas plants -- methane is worse than carbon
10 dioxide, leakage is worse than previously
11 thought; the cost of gas that Jim Rogers called
12 the crack cocaine of fossil fuels is volatile and
13 will surely rise -- and many say Duke doesn't
14 really need the plants and certainly there are
15 safer alternatives. Expert witnesses stand ready
16 to testify about these issues. Intervenors are
17 prepared to cross examine Duke about the alleged
18 demand projections and other options to meet the
19 needs, but these witnesses will not be heard and
20 Duke's witnesses will not be cross examined. Our
21 Legislature with Duke, its biggest financial
22 sponsor, has made a mockery of due process and of
23 the role of the Commission.

24 I reckon I'm one of the folks

1 mentioned in the order denying an evidentiary
2 hearing as having a special agenda. My agenda is
3 to do everything I can to stop the destruction of
4 our only world --

5 UNKNOWN SPEAKER: Right.

6 A -- by Duke and others bent on continuing a profit
7 from climate-wrecking fossil fuels. Duke's
8 agenda is making money and they would say
9 providing cheap electricity. But all who believe
10 in science understand that cheap fossil fuel
11 electricity is actually very expensive. It's
12 costing us a livable planet where we leave our
13 children a world full of droughts, floods,
14 tropical diseases, food shortages, climate
15 refugees, and the terribly expensive financial
16 burdens those problems will bring so we can have
17 cheap electricity.

18 This decision is far too important
19 for the Commission to approve Duke's plans with
20 no cross examination or live expert testimony.
21 Out of respect for the public, for yourselves,
22 for the role of this Commission, if you cannot
23 hold a meaningful evidentiary hearing please deny
24 Duke's Application and send them back to the

1 drawing board.

2 CHAIRMAN FINLEY: Thank you, Ms. Henry.

3 (Applause and comments from audience.)

4 CHAIRMAN FINLEY: Ms. Henry, there's a
5 question of you, please.

6 THE WITNESS: Sure.

7 CROSS EXAMINATION

8 BY MR. SOMERS:

9 Q Good evening, Ms. Henry.

10 A Hey.

11 Q You've certainly testified many times before this
12 Commission, haven't you?

13 A Yes.

14 Q And you understand from your involvement in many
15 of these past proceedings that, if the Commission
16 approves Duke building any of these plants, that
17 ultimately Duke's customers will pay those costs,
18 correct?

19 A I do.

20 Q And so you would agree that Duke should work as
21 hard as it can to make sure those costs that its
22 customers would pay are as low as possible,
23 wouldn't you?

24 A Yes, but not if it means keeping everything

1 secret and I don't believe that's really
2 necessary.

3 MR. SOMERS: Thank you.

4 CHAIRMAN FINLEY: Thank you, Ms. Henry.

5 (The witness is excused.)

6 MS. DOWNEY: Maren Poitras and Graydon
7 Nance.

8 MR. NANCE: I'm Graydon.

9 MS. DOWNEY: Oh, go ahead.

10 GRAYDON NANCE; was duly sworn and
11 testified as follows:

12 EXAMINATION

13 BY MS. DOWNEY:

14 Q Would you state your name and address for the
15 record?

16 A Graydon Nance, 187 Mountain Maple Drive,
17 Zirconia, North Carolina 28790.

18 Q Are you affiliated with or a member of a party in
19 this case?

20 A I am a member of Sierra Club and MountainTrue,
21 but I'm speaking on my own behalf.

22 Q Please proceed.

23 A Okay. I thank the Commission for giving me the
24 opportunity to speak. It's late and I'm glad

1 you're staying this late. I've worked as a
2 Manager of Detroit Edison's Strategic Planning
3 and Renewable Energy and Energy Efficiency
4 Departments where I learned much about the
5 Integrated Resource Planning, energy efficiency
6 programs, demand-side management programs,
7 customer load profiles, and solar and wind
8 energy. Detroit Edison is the 11th largest
9 electric utility in the United States.

10 The \$1.1 billion modernization
11 project has the potential to generate over
12 \$1 billion of Duke's pre-tax profits that will be
13 funded by customer payments. The size and
14 configuration of this investment is very
15 dependent on the demand forecast and the NERC
16 reliability assessments. As it is in the
17 financial interest of Duke for a high-capital,
18 high-profit investment solution, the public needs
19 full transparency from Duke on the development of
20 its forecast, reliability assessments and the
21 strategic planning process to determine if there
22 is a smarter way forward than Duke's proposed
23 high-profit and high-capital investment
24 alternative.

1 The Commission should require Duke
2 to release to the public its detailed analysis of
3 Duke Energy Progress' and -- it's also for Duke
4 Energy Progress West's peak and total demand
5 forecast including the historical hourly demand
6 data by customer segment -- that's very important
7 for looking at the demand profile and reducing
8 peak demands -- and also the data related to the
9 NERC reliability assessments including disclosure
10 of winter and summer capacities related to each
11 power import and export route to and from DEP
12 West. This full disclosure is necessary to fully
13 understand the current and future situation. For
14 example, how many hours are the peak demand? One
15 minute, 10 minutes, 20 minutes, 30 minutes. What
16 customer segments contributed the most to the
17 peak? I request that the Commission hire
18 independent experts to review these data and
19 report to the public with its independent view on
20 the future needs for additional power generation
21 in DEP West including recommendations for
22 specific goals for reducing peak and total demand
23 and actions that Duke or the Commission can take
24 to achieve these goals.

1 I appreciate that Duke has already
2 implemented certain programs but these programs
3 may not be adequate to impact the need for the
4 additional combustion turbine. With the results
5 of the independent review, the Commission should
6 require Duke to implement programs that will
7 significantly impact the need for the additional
8 combustion turbine. These programs should have
9 specific targets with rewards and penalties for
10 Duke to reduce demand and peak demand. The
11 Commission should disapprove the request for the
12 combustion turbine. Why approve a major capital
13 expenditure before it's necessary? Duke should
14 submit the Application for additional capacity
15 when approval is actually needed. Energy
16 efficiency, demand-side management, time of use
17 pricing programs, the result of the review of
18 Duke's demand forecast, and NERC's reliability
19 analysis or other factors may significantly
20 impact the need for the requested combustion
21 turbine. I thank you for the opportunity to
22 speak.

23 CHAIRMAN FINLEY: Thank you, sir.

24 (The witness is excused.)

1 MS. DOWNEY: Jim Senter. Avram Friedman.

2 UNKNOWN SPEAKER: Jim Senter is not here.

3 MS. DOWNEY: He's not here. After

4 Mr. Friedman will be Eliza Lowbach.

5 AVRAM FRIEDMAN; was duly sworn and

6 testified as follows:

7 EXAMINATION

8 BY MS. DOWNEY:

9 Q Would you please state your name and address for
10 the record?

11 A It's Avram Friedman. I live at 1346 Dillsboro
12 Road in Sylva, North Carolina, although I wrote
13 the Post Office Box on that page there.

14 Q Are you affiliated with or a member of a party in
15 this case?

16 A I'm not a member of a party. I represent the
17 Canary Coalition.

18 Q Please proceed.

19 A Good evening, Commissioners. The real question
20 confronting the Utilities Commission this evening
21 is what is the best way to ensure that future
22 energy demand is met in a manner that's most
23 economical and the way that best serves the
24 public interest in Western North Carolina.

1 Duke Energy's proposal to build
2 two or more centralized natural gas-fired units
3 in Western North Carolina is shortsighted. The
4 rational is that natural gas burns more cleanly
5 than coal and is currently far less expensive.
6 But this fails to take into account the entire
7 fuel cycle that's not favorable to natural gas
8 due to its impact on the environment. Natural
9 gas is relatively inexpensive right now because
10 the regulatory process nationwide hasn't caught
11 up to the environmental damage caused by fracking
12 and storage, such as thousands of small
13 earthquakes in Oklahoma and Ohio, severe water
14 contaminations, severe air pollution, including
15 the devastating increase in greenhouse gas
16 production from the leakage of raw methane gas in
17 the extraction process. As we speak, at the
18 Porter Ranch storage facility in California
19 there's an estimated 100,000 pounds of methane
20 pouring into the atmosphere every hour and I want
21 to just expound on that a little bit. That gas
22 leak at the Porter Ranch storage facility was
23 ignored by the regulatory agency in California
24 for weeks and the government didn't act on it for

1 months. And the only reason it came to light was
2 because of the number of hospital visits that
3 were taking place in a very highly populated
4 area, where children were coming in with nose
5 bleeds and nausea, and we have to all wonder how
6 many other gas leaks; there are thousands of
7 these facilities throughout the country that are
8 leaking and aren't being reported because they're
9 not in as highly populated areas and they're not
10 being detected.

11 Equally important as an issue with
12 Duke Energy's proposed new power plants is the
13 investment they represent at this point and time.
14 A new infrastructure meant to perpetuate a highly
15 centralized system of energy production that
16 ignores the climate crisis and the transition
17 that's needed toward energy efficiency and
18 renewable energy technologies. This needs to be
19 the moment when we recognize an opportunity for a
20 major transitional decision. We need to now
21 realize and understand that Duke Energy's
22 business models and North Carolina's public
23 utility system of regulated monopoly is
24 antiquated, obsolete, and obstacle to addressing

1 climate change on a scale necessary to preserve
2 the world for future generations. We need to
3 move quickly to adopt the policies that will ease
4 away from decentralizing the utility industry
5 while incentivizing investment and energy
6 efficiency and rooftop solar energy systems. We
7 need to end Duke Energy's monopoly on selling
8 energy in North Carolina, and open up the market
9 to third-party sales of solar-produced power, and
10 to implement the programs outlined in the
11 proposed Efficient and Affordable Energy Rates
12 Bill which is Senate Bill 483 and House Bill 377.
13 And that would be the decision of the Utilities
14 Commission if it were to fulfill its mandate of
15 providing for future energy demand in the most
16 cost-effective and beneficial way for the public
17 interest. Thank you.

18 CHAIRMAN FINLEY: Thank you, Mr. Friedman.

19 (The witness is excused.)

20 MS. DOWNEY: Eliza Lowbach.

21 CHAIRMAN FINLEY: Is Ms. Lowbach here?

22 MS. DOWNEY: That's the last name I have,
23 Mr. Chairman.

24 (Applause and comments from audience.)

NORTH CAROLINA UTILITIES COMMISSION

1 CHAIRMAN FINLEY: Thank you, ladies and
2 gentlemen for coming out tonight. I thank you all.

3 (Twinkle fingers.)

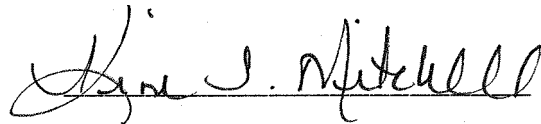
4 (Applause, laughter and comments from audience.)

5 CHAIRMAN FINLEY: We will be adjourned.

6 (WHEREUPON, the proceedings adjourned at 11:55 p.m.)

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
to the best of my ability.



Kim T. Mitchell
Court Reporter II