



Jack Jirak  
Deputy General Counsel  
Mailing Address:  
NCRH 20 / P.O. Box 1551  
Raleigh, NC 27602

o: 919.546.3257  
f: 919.546.2694

jack.jirak@duke-energy.com

June 1, 2021

**VIA ELECTRONIC FILING**

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

**RE: Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's  
Notice of Initiation of Carolinas Transmission and Distribution  
Climate Risk and Resiliency Working Group  
Docket Nos. E-7, Sub 1214 and E-2, Sub 1219**

Dear Ms. Campbell:

Pursuant to the North Carolina Utilities Commission's ("Commission") March 31, 2021 *Order Accepting Stipulations, Granting Partial Rate Increase, and Requiring Customer Notice* in Docket No. E-7, Sub 1214 and its April 16, 2021 *Order Accepting Stipulations, Granting Partial Rate Increase, and Requiring Customer Notice* in Docket No. E-2, Sub 1219 (collectively, the "Orders") Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP" and collectively with DEC, the "Companies") hereby provide notice of the initiation of the Companies' Transmission and Distribution Climate Risk and Resilience Working Group process and provide the following scoping plan and proposed scheduling information consistent with the terms of the Agreement and Stipulation of Settlement entered into between Vote Solar and DEP and DEC, respectively (collectively, the "Stipulation").

**Scoping Plan**

Consistent with the Stipulation, within six months from the effective date of the Commission's order, the Companies will convene a Climate Risk & Resilience Working Group ("Working Group"). Also consistent with the terms of the Stipulation, the Companies will retain a third-party consultant with experience developing models or analyses for quantifying climate-related impacts on the Transmission and Distribution System. The Companies are currently evaluating third-party consultant proposals to perform this analysis of the Companies' transmission and distribution systems across North Carolina and South Carolina. The third-party work-scope is expected to produce a climate science assessment to understand projected future climate conditions for the service territory and support an evaluation of potential impacts of climate change on key

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Transmission and Distribution (“T&D”) assets and operations by synthesizing the best available climate and extreme weather projections into clear metrics regarding the potential impacts of climate change from present day through 2100. This study is expected to help the Companies develop an ongoing flexible framework with options to address key weather risks as climate-science projections evolve over time.

The study approach will be aligned with NC Department of Environmental Quality (“NC DEQ”) workstreams associated with the State Climate Risk Assessment and Resilience Plan as appropriate based on consultation with the NC DEQ.

The Companies believe it would be beneficial to develop priorities and sequence review efforts collaboratively with participating parties and the support of the third-party facilitator. A kickoff meeting has not yet been scheduled, but is expected to follow the July 27<sup>th</sup> Integrated System & Operation Planning (“ISOP”) Stakeholder meeting where the Companies will give an overview of the study and provide a forum to discuss the planned process. At this time, the Companies anticipate that most if not all meetings will be virtual to allow for broad participation and accessibility. Finally, some items may be addressed by smaller subsets of stakeholders, as each participant expresses interest, to improve efficiency and breadth of topics covered.

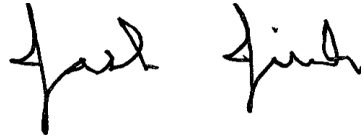
### **Working Group Schedule**

The third-party consultant will organize and facilitate the Working Group sessions, proposed to be held virtually and separately from the broader ISOP stakeholder process, with periodic updates to the broader ISOP stakeholder group. The third-party consultant will hold the first of these sessions by October 1, 2021, at the latest. The purpose of these sessions will be to: (1) facilitate information-sharing; (2) create a forum for open and constructive discussion of key issues affecting climate resilience in the Carolinas generally and of the Companies’ planning for climate resilience specifically; and (3) seek to allow all parties to reach a common understanding of critical issues, and, where possible, consensus on how to best address.

As noted above, the Companies are currently reviewing proposals by prospective third-party consultants to support this work. Based on a preliminary review of proposals, the process is expected to take two to three years to complete. The initial project launch is expected to include third-party facilitator interviews with a representative sample of stakeholders. Over the course of the Working Group process, the Companies anticipate providing several periodic updates to the broader ISOP Stakeholder group to keep them informed of progress on this work. The Working Group is anticipated to meet approximately quarterly, depending on the stage of the study. Materials from the sessions will be subsequently posted at <https://www.duke-energy.com/ISOP> for easy access by interested parties.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Jirak". The signature is written in a cursive style with a large initial "J" and "J".

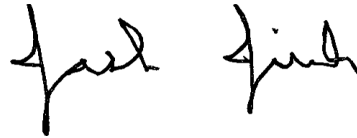
Jack Jirak

cc: Parties of Record

**CERTIFICATE OF SERVICE**

I certify that a copy of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Notice of Initiation of Carolinas Transmission & Distribution Climate Risk & Resiliency Working Group, in Docket Nos. E-7, Sub 1214 and E-2, Sub 1219, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to parties of record:

This the 1<sup>st</sup> day of June, 2021.



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Jack E. Jirak  
Deputy General Counsel  
Duke Energy Corporation  
P.O. Box 1551/NCRH 20  
Raleigh, North Carolina 27602  
(919) 546-3257  
[Jack.jirak@duke-energy.com](mailto:Jack.jirak@duke-energy.com)