

From: [Bradley Tefft](#)
To: [Statements](#)
Subject: Statement of Position Submitted by Bradley Tefft
Date: Wednesday, June 10, 2020 12:22:35 PM

Statement of Position Submitted

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Docket

E-7, Sub 1214

Message

I oppose the rate hike requested from The Duke Carolinas (Duke). Duke wants people to think this is a 6.7% residential rate hike, but Duke is actually seeking an average 10.3% increase for residential accounts. The lower 6.7% figure is the net increase after Duke pays customers back for overcharges related to tax savings that it failed to pass on to us in previous years. (Ref: page 18 of Duke's filing with the Utilities Commission.) Unnecessary Grid "Improvement" and Inefficient, Stealthy Gas Expansion: Testimony prepared by engineer Bill Powers, argues that the Utilities Commission should reject billions in grid "improvements" and unapproved gas expansions that maximize costs and climate pollution. I agree! Duke is trying to pad investors' pockets through pre-approval of grid projects that are either unneeded or could be better handled with solar-plus-storage investments. In addition, expert witness Bill Powers shows that Duke has been quietly building new gas-burning capacity at existing coal-fired power plants in a way that maximizes both greenhouse gas emissions and the cost of the electricity. Both the grid scheme and gas additions should require open scrutiny by the Utilities Commission and other interested parties prior to construction. The proposed grid "improvement" plan – which Duke hopes to scale up to at least \$13 billion over time – has repeatedly failed to gain regulatory, legislative or public support since 2016. It should be rejected again. Duke has also been building the large "dual-fuel" gas projects at its Cliffside and Belews Creek coal-fired power plants under the radar, and plans to do more at Belews, a facility in Stokes County. Duke is spending hundreds of millions to allow the option of having gas heat the steam boiler now fueled by coal. As Powers explains, such generation is even less efficient than burning coal, causing: much higher gas usage to generate the same power as in modern gas-fired plants, higher greenhouse gas emissions than burning gas in modern plants, and the highest priced electricity on Duke's system except for short-term generation from peaking power plants. If Duke were building an entirely new gas plant, it would have to prove it's the least cost option, which it clearly is not. But since the projects are adding gas-burning capacity to existing plants, Duke argues that this is not "new generation" and therefore does not require a Certificate of Public Convenience and Necessity (CPCN). A

completely new plant would require a CPCN, which would involve hearings before the Utilities Commission. Thus, Duke is able to pursue its massive gas expansion with virtually no public or regulatory oversight. In this rate case, Duke Energy once again claims it wants to prepare the power grid for a future of distributed renewable energy (at homes, buildings, parking areas, etc.). However, national evidence shows that most of the grid work Duke proposes wouldn't help get us to a distributed energy future anyway. Instead, Duke wants high-dollar projects that raise rates but aren't needed. Duke Energy appears to be seeking pre-approval of future grid investments, a major change in state law that I and many others in NC vigorously oppose! Coal Ash Negligence: Duke is again seeking to make customers pay for coal ash cleanup!!! This was granted by the Commission in the last rate case, but is being challenged in the state Supreme Court by Attorney General Josh Stein. Insurers refuse to cover coal ash liabilities because, for years, Duke failed to take reasonable measures to avoid or mitigate damages from coal ash disposal. Coal ash costs could total \$10 billion over time, and over a half-billion in this rate case alone. In addition to seeking reimbursement of actual expenses, Duke wants ratepayers to provide a 10 percent mark-up ("profit") for its corporate negligence. Influence Spending: In every rate case, Duke Energy seeks reimbursement for millions spent to buy influence, stifle criticism and mislead the public about its corporate practices. In response to a legal petition filed by NC WARN and Friends of the Earth, the Commission is proposing firm rules to limit Duke's ability to force ratepayers to fund such spending. Please do the right thing for the citizens of North Carolina and REJECT the proposed rate hikes