#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida Power & Light Company.

DOCKET NO. 20250011-EI

FILED: July 31, 2025

#### SECOND MOTION AND NOTICE OF INTENT TO SEEK OFFICIAL RECOGNITION

Pursuant to Section 120.569(2)(i), Fla. Stat., Sections 90.201 and 90.202, Fla. Stat., as provided for in Rule 28-106.213(6), Florida Administrative Code ("F.A.C."), and Paragraph VI(h) of Order No. PSC-2025-0075-PCO-EI, the Citizens of the State of Florida, by and through the Office of Public Counsel ("OPC"), respectfully request the Florida Public Service Commission ("Commission") take official recognition of the following:

#### Pursuant to Section 90.202(5)-(6), Florida Statutes:

- Exhibit O Florida Department of Environmental Protection 2016 Consent Order (OGC File No. 16-0241)
- Exhibit P Georgia Public Service Commission News Release dated January 23, 2025
- Exhibit Q Georgia Public Service Commission Order dated January 28, 2025 (Docket No. 44280)
- Exhibit R Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Responses to the North Carolina Utilities Commission's Questions Regarding Large Load Customers (Order Initiating Proceeding and Requesting Comments, Docket No. E-100, Sub 208)

#### **Legal Authority**

- 1) Pursuant to Section 120.57(1)(j), Florida Statutes, "[f]indings of fact....shall be based exclusively on the evidence of record and on matters officially recognized."
- 2) Pursuant to Section 120.569(2)(i), Florida Statutes, and Rule 28-106.213(6), F.A.C., a party may seek official recognition of matters set forth in Sections 90.201-203, Florida

- Statutes. Rule 28-106.213(6), F.A.C., also states that "[r]equests for official recognition shall be by motion."
- 3) Section 90.202(5), Florida Statutes, provides that the court may take judicial notice of "[o]fficial actions of the legislative, executive, and judicial departments of the United States and of any state, territory, or jurisdiction of the United States."
- 4) Section 90.202(6), Florida Statutes, provides that a court may take judicial notice of "[r]ecords of any court of this state or of any court of record of the United States or of any state, territory, or jurisdiction of the United States."

#### Argument

- 5) In the event that this exhibit is not otherwise officially recognized pursuant to the Order Establishing Procedure, the Florida Department of Environmental Protection 2016 Consent Order in Docket OGC File 16-0241 (Exhibit O) represents official action of the executive department of the State of Florida. Section 90.202(5), Florida Statutes, allows the Commission to take judicial notice of such actions.
- 6) The Georgia Public Service Commission News Release dated January 23, 2025, (Exhibit P) consists of records of the Georgia Public Service Commission, a regulatory tribunal. Section 90.202(6), Florida Statutes, allows the Commission to take judicial notice of the records of any state or United States court.
- 7) The Georgia Public Service Commission Order dated January 28, 2025, in Docket No. 44280 (Exhibit Q) consists of records of the Georgia Public Service Commission, a regulatory tribunal. Section 90.202(6), Florida Statutes, allows the Commission to take judicial notice of the records of any state or United States court.

- 8) The Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Responses to the North Carolina Utilities Commission's Questions Regarding Large Load Customers *Order Initiating Proceeding and Requesting Comments* in Docket No. E-100, Sub 208 (Exhibit R) consist of records of the North Carolina Utilities Commission, a regulatory tribunal. Section 90.202(6), Florida Statutes, allows the Commission to take judicial notice of the records of any state or United States court.
- 9) OPC respectfully requests that the Commission officially recognize each of these exhibits so that the information contained in these exhibits can be relied upon by the Commission when determining fair, just, and reasonable rates in this docket. If the Commission officially recognizes these documents, the Commission would then be able to give each exhibit the weight that it deserves. Without officially recognizing these items, the Commission cannot consider these documents unless they are otherwise admitted into evidence in the record. Officially recognizing these documents will also help to save hearing time that will otherwise be spent determining whether to admit each document.
- 10) This motion also serves as timely notice to the Commission and all parties of OPC's intent to request official recognition of the records contained in Exhibit O through Exhibit R, in accordance with Paragraph VI(h) of Order No. PSC-2025-0075-PCO-EI.
- 11) OPC consulted with counsel for all parties regarding their position on this motion. FPL has no objection to the official recognition of Exhibit Q, but FPL does object to Exhibits P and R. Additionally, FPL does not believe that OPC's request for official recognition of Exhibit O is necessary pursuant to the Order Establishing Procedure in this case. The League of United Latin American Citizens, Florida Rising, the Environmental Confederation of Southwest Florida, and Floridians Against Increased Rates support this

motion. Walmart, the Florida Industrial Power Users Group, and the Fuel Retailers have no objection to this motion. The Florida Retail Federation, the Federal Executive Agencies, Electrify America, EVgo, and Armstrong World Industries, Inc., take no position on this motion. The Southern Alliance for Clean Energy and the Florida Energy for Innovation Association have not provided a position as of the time of filing this motion.

WHEREFORE, OPC requests that the Commission grant this Second Motion for Official Recognition of Exhibits O - R.

Respectfully submitted this 31st day of July, 2025.

Walt Trierweiler Public Counsel

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Attorney for the Citizens of the State of Florida

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished

by electronic mail on this 31st day of July, 2025, to the following:

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### BEFORE THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION	)	IN THE OFFICE OF THE SOUTHEAST DISTRICT
v. FLORIDA POWER & LIGHT COMPANY,	) ) ) )	OGC FILE NO. 16-0241
	)	

#### CONSENT ORDER

This Consent Order ("Order") is entered into between the State of Florida

Department of Environmental Protection ("Department") and Florida Power & Light

Company ("Respondent" or "FPL") to reach settlement of certain matters at issue

between the Department and Respondent.

The Department finds:

- 1. The Department is the administrative agency of the State of Florida having the power and duty to protect Florida's air and water resources and to administer and enforce the provisions of Chapter 403, Florida Statutes ("F.S."), and the rules promulgated and authorized in Title 62, Florida Administrative Code ("F.A.C."). The Department has jurisdiction over the matters addressed in this Order.
  - 2. FPL is a "person" as defined under Section 403.031(5), F.S.

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- 3. FPL owns and operates a cooling canal system ("CCS"), an approximately 5,900-acre network of unlined canals at Turkey Point Power Plant. FPL began construction of the CCS in 1972. Turkey Point originally obtained cooling water for the facility by drawing surface water from an intake channel connected to Biscayne Bay, and discharging that water, after it had been heated, into Biscayne Bay and Card Sound through a series of discharge canals. In 1971, FPL entered into a Final Judgment with the U.S. Department of Justice that required the permitting, construction, operation, and maintenance of a closed-loop cooling canal configuration with limitations on makeup and blowdown water.
- 4. FPL is the permittee and operates the CCS under National Pollutant Discharge Elimination System/Industrial Wastewater Permit Number FL0001562 (the "Permit"). This Permit is issued pursuant to the federal NPDES program and Florida industrial wastewater permitting program. The Permit authorizes wastewater discharges from the generating units through two internal outfalls into the CCS. The Permit does not authorize direct discharges to surface waters of the state. The Permit authorizes discharges from the CCS into Class G-III groundwater which is part of the surficial aquifer system. Condition IV.1 of the Permit provides that discharges to groundwater shall not cause a violation of the minimum criteria for ground water specified in Rules 62-520.400, F.A.C. and 62-520.430, F.A.C. Rule 62-520.400, F.A.C., provides that discharges to ground water shall not impair the reasonable and beneficial use of adjacent waters, either ground or surface.

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5. Turkey Point Power Plant Units 3 through 5 are licensed under the Florida

Power Plant Siting Act, Chapter 403, Part II, F.S. Those units operate in accordance with

the conditions of certification in their license, PA 03-45. Condition of Certification X

requires FPL to execute a 5th Supplemental Agreement with the South Florida Water

Management District ("SFWMD") and to revise FPL's monitoring obligations, which

resulted in the Turkey Point Plant Groundwater, Surface Water and Ecological

Monitoring Plan, as amended, ("2009 Monitoring Plan") incorporated as Exhibit A to the

Fifth Supplemental Agreement between the South Florida Water Management District

and FPL entered on October 16, 2009.

6. Historical data show that, when the CCS was constructed in the 1970's,

saline water had already intruded inland along the coast due to many factors such as

freshwater withdrawals, drought, drainage and flood control structures, and other

human activities. To date, the relative contributions of the different factors toward

westward movement of the saltwater interface have not been fully identified.

7. FPL provided information on action they have already taken on several

fronts to address the broader regional risks and the many causes of saltwater intrusion.

In 2010, FPL installed a gated culvert approximately 3.8 miles inland of Biscayne Bay in

the Card Sound Road Canal to eliminate an unrestricted inland conveyance of saltwater

from the bay. Also, in 2014, FPL installed a broad, fix crested weir in the S-20 Discharge

Canal to prevent the historic migration of bay saltwater up to the S-20 Canal.

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9.

8. The phrase "hypersaline water/plume" as used in this Order means water

that exceeds 19,000 mg/L chlorides. The term "saltwater interface" ("SWI") as used in

this Order means the intersection of class G-II and G-III groundwaters.

The CCS includes an approximately 18 foot deep interceptor ditch along the

western edge of the CCS. As approved and constructed, the interceptor ditch system has

been effective at restricting the westward movement of the saline water from the CCS in

the upper portion of the aquifer but has not restricted the westward movement of saline

waters into the deeper portions of the aquifer. Saline water from the CCS has moved, at

depth, westward of the L-31E Canal in excess of those amounts that would have occurred

without the existence of the CCS.

10. The Department issued an Administrative Order (OGC No. 14-0741) to FPL

related to the CCS at Turkey Point on December 23, 2014 and made final by an Order of

the Department issued on April 21, 2016. The Administrative Order requires FPL to

reduce the salinity in the CCS. This Consent Order supersedes all of the requirements of

that Administrative Order.

11. FPL conducted or implemented dredging, vegetation control, water stage

management, and chemical additives to the CCS to maintain the thermal efficiency of the

system and to control salinity and temperature.

12. Elevated salinity levels in the CCS cause, or at a minimum contribute to, the

hypersaline discharges into the groundwater. Reducing the CCS surface water salinity

from an elevated base salinity condition will require certain measures such as a greater

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addition of relatively fresher water, removal of salt mass from the CCS, and management

of CCS inflows and outflows. Ambient weather factors, such as precipitation amounts,

temperatures, and regional water levels can also affect CCS salinity levels.

13. On October 7, 2015, FPL entered into a Consent Agreement with Miami-

Dade County to resolve a Notice of Violation from the County dated October 2, 2015.

Pursuant to paragraph 17 of the Consent Agreement, the objective is for FPL to

demonstrate a statistically valid reduction in the salt mass and volumetric extent of the

hypersaline water (as represented by chloride concentrations above 19,000 mg/L) in

groundwater west and north of FPL's property without creating adverse environmental

impacts. A further objective of the Consent Agreement is to reduce the rate of and, as an

ultimate goal, arrest migration of hypersaline groundwater.

14. On April 25, 2016, the Department issued a Notice of Violation (OGC File

No.: 16-0241) ("NOV") to FPL stating that the CCS is the major contributing cause to the

continuing westward movement of the saline water interface, and that the discharge of

hypersaline water contributes to saltwater intrusion. In the NOV, the Department found

that saltwater intrusion into the area west of the CCS is impairing the reasonable and

beneficial use of adjacent G-II groundwater in that area. FPL has operated the CCS under

regulatory approvals, and the Department has not previously issued FPL either a

Warning Letter or a Notice of Violation concerning FPL's operation of the CCS.

15. On April 25, 2016, the Department issued a Warning Letter, #WL 16-

000151W13SED, to FPL concerning sampling events that indicated that ground water

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originating from beneath the CCS is reaching tidal surface waters connected to Biscayne

Bay in artificial deep channels immediately adjacent to the CCS. The Warning Letter

requested that FPL provide facts to assist in determining whether any violations of

Florida law have occurred.

16. The NOV directed FPL to enter into consultations to develop a consent

order to, at a minimum, remediate the CCS contribution to the hypersaline plume, reduce

the size of the hypersaline plume, and prevent future harm to waters of the State. FPL

entered into consultations with the Department as required by the Orders for Corrective

action in the NOV. The consultations resulted in resolutions to address the violations

alleged in the NOV and issues raised in the Warning Letter, as memorialized in this

Order.

17. On May 16, 2016, FPL submitted to the Department the nutrient monitoring

results from certain surface water monitoring stations in deep channels adjacent to the

CCS for total nitrogen, total phosphorous, TKN, and chlorophyll a. The Department

reviewed the information by FPL and determined that no exceedances of surface water

quality standards were detected in Biscayne Bay monitoring. This Order is intended to

minimize the potential for future exceedances.

18. This Order and FPL's compliance with the requirements set forth in this

Order address issues identified in the Department's Warning Letter, Administrative

Order and NOV.

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Respondent and the Department mutually agree and it is

**ORDERED:** 

19. The first objective of this Order is for FPL to cease discharges from the CCS

that impair the reasonable and beneficial use of the adjacent G-II ground waters to the

west of the CCS in violation of Condition IV.1 of the Permit and Rule 62-520.400, F.A.C.

FPL shall accomplish this first objective by undertaking freshening activities as

authorized in the Turkey Point site certification, by eliminating the CCS contribution to

the hypersaline plume, by maintaining the average annual salinity of the CCS at or below

34 Practical Salinity Units ("PSU"), by halting the westward migration of hypersaline

water from the CCS, and by reducing the westward extent of the hypersaline plume to

the L-31E within 10 years, thereby removing its influence on the saltwater interface,

without creating adverse environmental impacts. The second objective of this Order is

for FPL to prevent releases of groundwater from the CCS to surface waters connected to

Biscayne Bay that result in exceedances of surface water quality standards in Biscayne

Bay. FPL shall accomplish this second objective primarily by undertaking restoration

projects in the Turtle Point Canal and Barge Basin area. The third objective of this Order

is for FPL to provide mitigation for impacts related to the historic operation of the CCS,

including but not limited to the hypersaline plume and its influence on the saltwater

interface.

20. To achieve the first objective of this Order, FPL shall:

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a. Achieve a CCS average annual salinity of at or below 34 PSU

("threshold") at the completion of the fourth year of freshening activities, which are

authorized by the Turkey Point site certification modification. If FPL fails to reach an

annual average salinity of at or below 34 PSU by the end of the fourth year of freshening

activities, within 30 days of failing to reach the required threshold, FPL shall submit a

plan to the Department detailing additional measures, and a timeframe, that FPL will

implement to achieve the threshold. Subsequent to attaining the threshold in the manner

set forth above, if FPL fails more than once in a 3 year period to maintain an average

annual salinity of at or below 34 PSU, FPL shall submit, within 60 days of reporting the

average annual salinity, a plan containing additional measures that FPL shall implement

to achieve the threshold salinity level.

b. Submit a thermal efficiency plan within 180 days of the effective date

of the Order that shall include a detailed description for the CCS to achieve a minimum

of 70 percent thermal efficiency. This efficiency plan shall address water stage

management, vegetation control, dredging, chemical additives to the CCS for facility

operation, and upset recovery. FPL shall implement the efficiency plan within 90 days

of being instructed to do so by the Department.

c. Implement a remediation project that shall include a recovery well

system that will halt the westward migration of hypersaline water from the CCS within

3 years and reduce the westward extent of the hypersaline plume to the L-31E canal

within 10 years without adverse environmental impacts.

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i. Within 30 days of the effective date of this Order, provide the

Department with available detailed plans for this remediation project, including

supporting data, that are designed to halt the westward migration of the hypersaline

plume within 3 years of commencement of the remediation project and retract the

hypersaline plume to the L-31E canal within 10 years of the commencement of the

remediation project. Location, volume and movement of the hypersaline plume shall be

determined by Continuous Surface Electromagnetic Mapping ("CSEM") technology as

detailed below.

ii. Apply for appropriate regulatory approvals within 90 days of

the effective date of this Order and begin construction of this remediation project within

30 days after receipt of all necessary regulatory approvals. FPL shall advise the

Department of any modifications to the submitted plans that result from regulatory

reviews. FPL shall commence the operation of this remediation project upon completion

of construction. FPL shall provide the Department with written notice of the date FPL

commenced operation of this remediation project.

iii. For determining compliance, the westward migration of the

hypersaline plume shall be deemed halted if the third CSEM survey shows no net

increase in hypersaline water volume and no net westward movement in the leading

edge of the hypersaline plume.

iv. To ensure overall remediation objectives are attained in a

timely manner, if the second CSEM survey indicates that the net westward migration of

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the hypersaline plume is not being halted, then, within 180 days of the second CSEM

survey, FPL shall develop and submit for approval to the Department a plan with specific

actions to achieve the objectives of the remediation project. If the third CSEM survey still

indicates the net westward migration of the hypersaline plume has not halted, FPL shall

implement the approved additional measures within 30 days after submittal of the third

CSEM report to the Department.

v. At the conclusion of the fifth year of operation of the

remediation project, FPL shall evaluate and report to the Department, within 60 days, the

effectiveness of the system in retracting the hypersaline plume to the L-31E canal within

10 years. If this report shows the remediation project will not retract the hypersaline

plume to the L-31E canal within 10 years due to adverse environmental impacts of

remedial measures or other technical issues, FPL shall provide an alternate plan for

Department review and approval. FPL shall begin implementing the alternate plan

within 30 days of receipt of notice that the alternate plan has been approved.

21. To achieve the second objective of this Order, FPL shall:

a. Complete Barge Basin and Turtle Point Canal restoration projects

within 2 years of receiving the final regulatory approval. Within 60 days of the effective

date of this Order, FPL shall provide the Department with a detailed plan and design of

the restoration projects to prevent releases of groundwater from the CCS to surface

waters connected to Biscayne Bay that result in exceedances of surface water quality

standards in Biscayne Bay. Not more than 90 days after the effective date of this Order,

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FPL shall prepare and submit permit applications to relevant regulatory agencies

(including the Department, the United States Army Corp of Engineers, and Miami-Dade

County, as necessary) to address the restoration of the Turtle Point Canal and Barge

Basin. Project success shall be based on full project completion and monitoring results of

surface water sampling sites TPBBSW-4, TPBBSW-10, and TPBBSW-7T.

b. Within 90 days of the effective date of this Order, submit a detailed

report outlining the potential sources of the nutrients found in the CCS, including

chemical products used for plant operations. The report shall include a plan for

minimizing nutrient levels in the CCS, which shall be implemented within 90 days after

being instructed to do so by the Department.

c. Within 120 days of the effective date of this Order, conduct a

thorough inspection of the CCS periphery including all dams, dikes, berms, and

appurtenant structures using sound engineering judgment and best practices. FPL shall

submit a detailed report to the Department of the inspection results, including underlying

data. The inspection must be conducted by an independent qualified Florida licensed

professional engineer. The term qualified means having successfully completed the Mine

Safety and Health Administration Qualification for Impoundment Inspection course in

addition to the Annual Retraining for Impoundment Qualification, or equivalent

qualifications. The engineer shall also review available documentation and include in the

report any actions necessary to ensure the integrity of the CCS. If the inspection identifies

a material breach or structural defect in a peripheral levee of the CCS, FPL shall, within

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60 days, submit a detailed description of the plan to address any material breaches or

structural defects. FPL shall implement the plans to address any material breaches or

structural defects within 60 days of the report mandated under this paragraph.

22. If FPL seeks renewal of the Combined License for either Unit 3 or 4 from

the Nuclear Regulatory Commission, FPL shall provide the Department any information

provided to the NRC detailing the future operating viability, including environmental

and natural resource impacts, of the CCS and any potential alternative cooling

technologies during the second renewal period.

23. To achieve the third objective of this Order, FPL shall undertake the

following:

a. Complete an analysis, within 2 years from the effective date of this

Order, with input from the Department and other agencies as selected by the

Department, using the variable density three dimensional groundwater model

developed under the Miami-Dade County Consent Agreement, that seeks to allocate

relative contributions of other entities or factors to the movement of the SWI.

b. Enter into an agreement within 1 year with SFWMD, if SFWMD

requests, to convey to SFWMD, FPL property interests in essential properties within the

Biscayne Bay Coastal Wetlands Phase I project to facilitate the Comprehensive

Everglades Restoration Plan in exchange for payment based on a jointly approved

appraisal process or other mutually agreeable considerations. (See Attachment A).

c. Deposit \$1.5 million into a Florida Department of Financial Services

escrow account in accordance with an escrow agreement signed by FPL, the Department

and the Florida Department of Financial Services. The escrow account shall be used to

finance projects in the Turkey Point region that support mitigation of saltwater intrusion.

d. Conduct grab sampling within 90 days of the effective date of this

Order, to improve trend analysis in Biscayne Bay and Card Sound surface waters, every

two months, taking both top and bottom samples, for two years from the effective date

of this Order at six sites as shown in Attachment B. The parameters sampled shall be:

temperature, conductivity, pH, dissolved oxygen, turbidity, salinity, tritium, ammonia,

nitrate + nitrite, total Kjedahl nitrogen, orthophosphate, total phosphorus, chlorophyll-a,

total depth, and Secchi disk depth.

MONITORING REQUIREMENTS

24. Quality assurance and quality control for all monitoring requirements

under this Order shall be achieved by compliance with the Quality Assurance Project

Plan under the 2009 Monitoring Plan.

25. FPL shall timely apply for all regulatory approvals necessary for

compliance with the monitoring requirements in this Order.

26. FPL shall continue to implement the monitoring program for the CCS, the

2009 Monitoring Plan, until such time as a monitoring plan is enacted pursuant to Section

403.087, F.S.

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27. In addition to the monitoring requirements contained in the 2009

Monitoring Plan, FPL shall, within 90 days of the effective date of this Order, request or

apply for regulatory approval to:

a. Obtain monitoring data from the USGS for the following wells for

inclusion in the monitoring database: G-3946-S, G-3946-D, G-3900, G-3976, G-3966, and

G-3699.

b. Install and monitor, consistent with the parameters and frequency

set forth in the 2009 Monitoring Plan, a new 3 well cluster at G-3164. Construction shall

commence within 180 days of FPL's receipt of all necessary regulatory approvals for the

installation of the wells.

c. Replace and monitor, consistent with the parameters and frequency

set forth in the 2009 Monitoring Plan well TPGW-8S. Construction shall commence

within 180 days of FPL's receipt of all regulatory approvals necessary for compliance with

this requirement.

d. Install and monitor, consistent with the parameters and frequency

set forth in the 2009 Monitoring Plan a new deep well (to be designated as TPGW-20)

located at the City of Homestead baseball complex, east of Kingman Road (SW 152nd

Ave.) near the western parking area. Construction shall commence within 180 days of

FPL's receipt of all regulatory approvals necessary for compliance with this requirement.

The deep well will have a screened interval open to the deep high flow interval identified

in the same manner as those described in the 2009 Monitoring Plan.

28. FPL shall expand the 2009 Monitoring Plan database to include all

additional water monitoring data related to this Order required by all other

governmental agencies and entities, including but not limited to the SFWMD, Nuclear

Regulatory Commission, Miami-Dade County and the Florida Department of Health, as

well as all monitoring data that is required in this Order.

29. In addition to the other monitoring requirements in this Order and for

purposes of monitoring progress toward achievement of the hypersaline plume

retraction, including determining whether the westward migration of the hypersaline

plume has been halted and determining the rate of decline of saline levels in the CCS

surface waters over time, the following monitoring requirements shall be met:

a. FPL shall conduct and report to the Department a baseline CSEM

survey of the hypersaline plume after freshening activities are in operation but before the

complete recovery well system begins operation. This will be the "Baseline Survey."

b. FPL shall conduct a CSEM survey within 30 days after the first year

of recovery well operations and report the results to the Department.

c. FPL shall conduct a CSEM survey within 30 days after the second

year of recovery well operations and report the results to the Department. This survey

shall be the second CSEM survey.

d. FPL shall conduct a CSEM survey within 30 days after the third year

of recovery well operations and report the results to the Department. This survey shall

be the third CSEM survey.

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e. FPL shall conduct and report to the Department subsequent CSEM

surveys of the hypersaline plume 2 years after the third CSEM survey and every 2 years

thereafter.

f. FPL shall monitor average weekly mass removal of salt as

represented by total dissolved solids ("TDS"), by monitoring flow rate and weekly

average TDS of the full extraction system, beginning at the time of commencement of the

hypersaline plume remediation project operation.

g. FPL shall monitor average weekly chloride concentration of

extracted water for the full extraction system, beginning at the time of commencement of

the hypersaline plume remediation project operation.

h. FPL shall monitor average daily volume of hypersaline water

extraction for the full extraction system, from beginning at the time of commencement of

the Plume Extraction operation.

i. FPL shall maintain records of the operation of each extraction well

(pump operation parameters such as: pump status, RPM, flow rate; water quality

parameters such as salinity and TDS) and make such records available for review by the

Department upon request, with reasonable notice.

j. FPL shall, when monitoring the salinity levels in the CCS, utilize all

available monitoring resources in the CCS to obtain the average annual salinity rate.

Specific monitoring points may not be excluded from the calculation unless such

exclusion is allowed by the Department based upon a scientific reason. For the purposes

of determining average annual salinities for the CCS, FPL shall use qualified hourly data

(pursuant to the approved 2009 Monitoring Plan QAPP) from each of the CCS monitoring

sites TPSWCCS-1, 2, 3, 4, 5, 6, and 7 collected beginning at 00:00 through 23:59 each day.

The qualified hourly data for the day will be summed and divided by the number of

qualified hourly values for the station that day. Stations with fewer than 12 qualified

hourly data values in a given day shall not be used in the calculation of the CCS daily

average. The daily averages for all qualified stations (up to seven per day) for a given

day will be summed and divided by the number of qualified stations for that day to

produce a qualified CCS daily average salinity value. The average annual salinity is

calculated by summing the qualified CCS daily average salinity values from June 1st

through May 31st and dividing the value by the number of days in the year.

k. FPL shall monitor TPBBSW7T consistent with the parameters and

frequency in the 2009 Monitoring Plan.

30. FPL will take reasonable actions to select appropriate laboratories with

sufficient capacity to avoid delay in receiving results due to backlogs. If such delay

occurs, FPL will make reasonable efforts to resolve those delays.

REPORTING REQUIREMENTS

31. The Annual Monitoring Report required by the 2009 Monitoring Plan shall

be expanded to include:

a. All additional water monitoring data required under this Order.

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b. All additional water monitoring data related to this Order required by all other governmental agencies or entities, including but not limited to the SFWMD, Nuclear Regulatory Commission, Miami-Dade County, and the Florida Department of Health, as well as all monitoring data that is required in this Order.

- c. A reporting of the average annual salinity of the CCS waters.
- 32. FPL shall provide a report to the Department at the conclusion of the year-long control elevation project described in paragraph 17 of the Miami-Dade Consent Agreement detailing the results of the year-long raise in control elevations in the Everglades Mitigation Bank.
- 33. FPL shall provide the Department a copy of all reports/summaries/reviews required under any other agreements with any other agency, such as the reports/ summaries/ reviews required by the Miami-Dade Consent Agreement.

#### **NOTICES**

- 34. FPL shall allow all authorized representatives of the Department access to the Facility at reasonable times for the purpose of determining compliance with the terms of this Order and the rules and statutes administered by the Department.
- 35. This Order supersedes all the requirements of the Administrative Order related to the CCS at Turkey Point. Upon execution of this Order, the DEP Administrative Order (OGC No. 14-0741) is hereby rescinded.

36. If any event, including administrative or judicial challenges by third parties unaffiliated with FPL, occurs which causes delay or the reasonable likelihood of delay in complying with the requirements of this Order, FPL shall have the burden of proving the delay was or will be caused by circumstances beyond the reasonable control of FPL and could not have been or cannot be overcome by FPL's due diligence. Neither economic circumstances nor the failure of a contractor, subcontractor, materialman, or other agent (collectively referred to as "contractor") to whom responsibility for performance is delegated to meet contractually imposed deadlines shall be considered circumstances beyond the control of FPL (unless the cause of the contractor's late performance was also beyond the contractor's control). Failure of regulatory agencies to issue required permits consistent with this Order shall be considered a circumstance beyond the control of FPL if FPL acted with due diligence in the permit application process. Upon occurrence of an event causing delay, or upon becoming aware of a potential for delay, FPL shall notify the Department within 2 working days and shall, within seven calendar days notify the Department in writing of (a) the anticipated length and cause of the delay, (b) the measures taken or to be taken to prevent or minimize the delay, and (c) the timetable by which FPL intends to implement these measures. If the parties can agree that the delay or anticipated delay has been or will be caused by circumstances beyond the reasonable control of FPL, the time for performance hereunder shall be extended. The agreement to extend compliance must identify the provision or provisions extended, the new compliance date or dates, and the additional measures FPL must take to avoid or

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minimize the delay, if any. Failure of FPL to comply with the notice requirements of this

paragraph in a timely manner constitutes a waiver of FPL's right to request an extension

of time for compliance for those circumstances.

37. The Department, for and in consideration of the complete and timely

performance by FPL of all the obligations agreed to in this Order, hereby conditionally

waives its right to seek judicial imposition of damages, civil penalties, or injunctive relief

for the violations described in the Notice of Violation and above up to the date of the

filing of this Order. This waiver is conditioned upon FPL's complete compliance with all

of the terms of this Order.

38. This Order is a settlement of the Department's civil and administrative

authority arising under Florida law to resolve the matters addressed herein. This Order

is not a settlement of any criminal liabilities which may arise under Florida law, nor is it

a settlement of any violation which may be prosecuted criminally or civilly under federal

law. Entry of this Order does not relieve FPL of the need to comply with applicable

federal, state, or local laws, rules, or ordinances.

39. The Department hereby expressly reserves the right to initiate appropriate

legal action to address any violations of statutes or rules administered by the Department

that are not specifically resolved by this Order.

40. FPL is fully aware that a violation of the terms of this Order may subject

FPL to judicial imposition of damages, civil penalties up to \$10,000.00 per day per

violation, and criminal penalties.

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41. FPL acknowledges and waives its right to an administrative hearing

pursuant to sections 120.569 and 120.57, F.S., on the terms of this Order. FPL also

acknowledges and waives its right to appeal the terms of this Order pursuant to section

120.68, F.S.

42. Electronic signatures or other versions of the parties' signatures, such as

.pdf or facsimile, shall be valid and have the same force and effect as originals. No

modifications of the terms of this Order will be effective until reduced to writing,

executed by both FPL and the Department, and filed with the clerk of the Department.

43. The terms and conditions set forth in this Order may be enforced in a court

of competent jurisdiction pursuant to sections 120.69 and 403.121, F.S. Failure to comply

with the terms of this Order constitutes a violation of section 403.161(l)(b), F.S.

44. This Order is a final order of the Department pursuant to section 120.52(7),

F.S., and it is final and effective on the date filed with the Clerk of the Department unless

a Petition for Administrative Hearing is filed in accordance with Chapter 120, F.S.

45. When FPL demonstrates to the Department that it has fulfilled the

requirements of this Order, the Department shall notify FPL in writing that all

requirements of this Order are terminated except for the requirement to maintain the

average annual salinity of the CCS at or below 34 PSU until an average annual salinity of

the CCS is designated in a Department permit issued subsequent to the effective date of

this Order.

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46. Upon the timely filing of a petition, this Order will not be effective until

further order of the Department.

47. FPL shall publish the following notice in a newspaper of daily circulation

in Miami-Dade County, Florida. The notice shall be published one time only within 30

days of the effective date of the Order. FPL shall provide a certified copy of the published

notice to the Department within 10 days of publication.

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

NOTICE OF CONSENT ORDER

The Department of Environmental Protection ("Department") gives notice of

agency action of entering into a Consent Order with FPL pursuant to section 120.57(4),

F.S. The Consent Order addresses the westward migration of hypersaline water from the

Turkey Point Facility and potential releases to deep channels on the eastern and southern

side of the Facility. The Consent Order is available for public inspection during normal

business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at

the Department of Environmental Protection Office of General Counsel, 3900

Commonwealth Boulevard, Tallahassee, Florida 32399-3000.

Persons who are not parties to this Consent Order, but whose substantial interests

are affected by it, have a right to petition for an administrative hearing under sections

120.569 and 120.57, F.S. Because the administrative hearing process is designed to

formulate final agency action, the filing of a petition concerning this Consent Order

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means that the Department's final action may be different from the position it has taken

in the Consent Order.

The petition for administrative hearing must contain all of the following

information:

a) The OGC Number assigned to this Consent Order;

b) The name, address, and telephone number of each petitioner; the name,

address, and telephone number of the petitioner's representative, if any,

which shall be the address for service purposes during the course of the

proceeding;

c) An explanation of how the petitioner's substantial interests will be affected

by the Consent Order;

d) A statement of when and how the petitioner received notice of the Consent

Order;

e) Either a statement of all material facts disputed by the petitioner or a

statement that the petitioner does not dispute any material facts;

f) A statement of the specific facts the petitioner contends warrant reversal or

modification of the Consent Order;

g) A statement of the rules or statutes the petitioner contends require reversal

or modification of the Consent Order; and

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h) A statement of the relief sought by the petitioner, stating precisely the

action petitioner wishes the Department to take with respect to the Consent

Order.

The petition must be filed (received) at the Department's Office of General

Counsel, 3900 Commonwealth Boulevard, MS# 35, Tallahassee, Florida 32399-3000

within 21 days of receipt of this notice. A copy of the petition must also be mailed at the

time of filing Division of Water Resource Management, Industrial Wastewater Program

at 2600 Blair Stone Road, Mail Station 3545, Tallahassee, Florida 32399-2400. Failure to

file a petition within the 21-day period constitutes a person's waiver of the right to request

an administrative hearing and to participate as a party to this proceeding under sections

120.569 and 120.57, F.S. Before the deadline for filing a petition, a person whose

substantial interests are affected by this Consent Order may choose to pursue mediation

as an alternative remedy under section 120.573, F.S. Choosing mediation will not

adversely affect such person's right to request an administrative hearing if mediation

does not result in a settlement. Additional information about mediation is provided in

section 120.573, F.S. and Rule 62-110.106(12), Florida Administrative Code.

FOR THE RESPONDENT:

Randall R. LaBauve

Vice-President, Environmental Services

Florida Power & Light Company

700 Universe Boulevard

Juno Beach, FL 33408

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DONE AND ORDERED this 20th day of June, 2016, in Tallahassee, Florda.

## STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

John A. Coates, P.E.

John A. Conte

Date

Director, Division of Water Resource Management

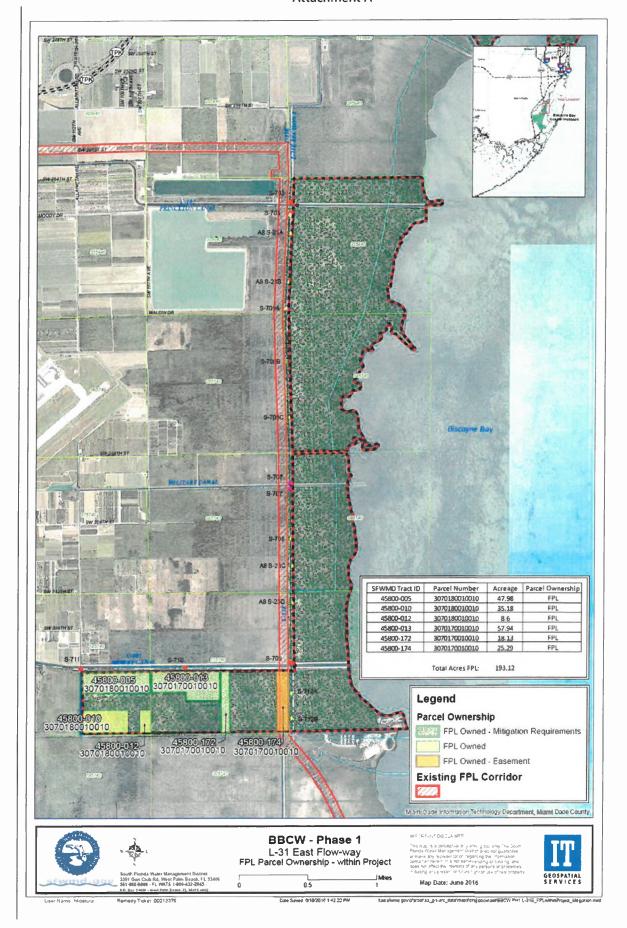
Filed, on this date, pursuant to section 120.52, F.S., with the designated Department Clerk, receipt of which is hereby acknowledged.

Copies furnished to:

Clerk

Lea Crandall, Agency Clerk Mail Station 35

#### Attachment A







Contact: Tom Krause Phone: 404-656-2316 www.psc.state.ga.us

## Georgia Public Service Commission

244 Washington St S.W. Atlanta, Georgia 30334 Phone: 404-656-4501 Toll free: 1-800-282-5813 Fax: 404-656-2341

#### For Immediate Release

#### **NEWS RELEASE**

# PSC Approves Rule to Allow New Power Usage Terms for Data Centers

January 23, 2025 – (ATLANTA) The Georgia Public Service Commission voted unanimously on Thursday to approve a new rule that allows Georgia Power to charge new data centers in a manner that will protect ratepayers from cost shifting.

The new rule approved Thursday derives from the Public Service Commission's decision on the interim Integrated Resource Plan, unanimously approved by Commissioners in April 2024. That docket (55378) added extra capacity to Georgia's power grid.

The new Georgia Power rule states that any new customers using more than 100 megawatts of energy can be billed using terms and conditions beyond those used for standard customers to address risks associated with these large-load users. In addition to site specific costs, the data centers would pay for costs incurred by upstream generation, transmission and distribution to these large-load power users as construction of the data centers progresses. This protects Georgia Power's residential and other commercial/industrial customers.

The new rule also allows for longer contract lengths (from 5-year contracts to 15-year contracts) and minimum billing requirements for high-load customers. This helps ensure any new high-usage customers do not shut down and leave the state before paying for new infrastructure built specifically to handle the needs of their businesses.

The rule also states that any new Georgia Power contract with a company that fits the 100 MW usage category must be submitted to the PSC for review.

"The amount of energy these new industries consume is staggering," said PSC Chairman Jason Shaw. "By approving this new rule, the PSC is helping ensure that existing Georgia Power customers will be spared additional costs associated with adding these large-load customers to the grid."

OPC Exhibit P Page 1 of 2

Georgia law requires the Public Service Commissioners to approve all of Georgia Power's new or amended rules.

"Our Commission's action today protects residential and small business customers from data center load financial impacts," said PSC Vice Chairman Tim Echols. "We want to keep Georgia the best place to do business, but data centers will need to bear the cost of their electricity acquisition."

"This rule is one of several actions the PSC is planning to protect ratepayers on this subject matter," said Commissioner Lauren "Bubba" McDonald. "Data center power usage will be addressed further in the upcoming 2025 Integrated Resource Plan."

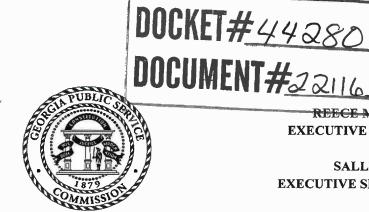
The Georgia Public Service Commission is a five-member constitutional agency that exercises its authority and influence to ensure that consumers receive safe, reliable, and reasonably-priced telecommunications, electric and natural gas service from financially viable and technically competent companies. For more information on the Commission, see the Commission website at <a href="https://psc.ga.gov">https://psc.ga.gov</a>

JAN 28 2025

**COMMISSIONERS:** 

**EXECUTIVE SECRETARY GPSC** 

JASON SHAW, Chairman TIM G. ECHOLS, Vice-Chairman **FITZ JOHNSON** LAUREN "BUBBA" McDONALD TRICIA PRIDEMORE



REECE ModLISTER EXECUTIVE DIRECTOR

SALLIE TANNER **EXECUTIVE SECRETARY** 

### Georgia Public Service Commission

(404) 656-4501 (800) 282-5813 244 WASHINGTON STREET, SW ATLANTA, GEORGIA 30334-5701

FAX: (404) 656-2341 psc.ga.gov

#### Docket No. 44280

#### ORDER APPROVING REVISIONS TO GEORGIA POWER COMPANY'S RULES AND REGULATIONS

On December 11, 2024, Georgia Power Company ("Company" or "Georgia Power") filed a request for approval of revisions to the Company's Rules and Regulations pursuant to O.C.G.A. § 46-2-25(a) in Docket Number 44280. The Company cited its unprecedented anticipated load growth and the need to protect customers in the event large projects do not materialize as the rationale behind this request. The rule changes apply to new customers with 100 megawatt ("MW") or more of load connecting to Georgia Power's system, requiring additional terms and conditions for those customers in order to allow the Company to appropriately assign costs to the customer. The proposed revisions allow for minimum billing requirements and longer contract term lengths for the new customers over 100 MW of load. The proposed revisions are in Section A (General Rules) and Section D (Transmission or Wholesale Distribution Line Extension and Service Connection Regulation) of the Company's Rules and Regulations.

The Georgia Public Service Commission ("Commission") Staff ("Staff") recommended approval with the below modifications:

- The Company shall exercise the discretion under the Rules and Regulations changes in a manner designed to protect existing customers from bearing any of the costs of adding these large customers.
- The Company shall provide Staff with the terms and conditions intended to implement the revisions to the Company's rules and regulations, and the criteria for applying such terms and conditions, prior to utilizing them for contracting.
- The Company shall file the complete contract and associated exhibits, attachments, terms and conditions on all new contracts within 30 days of execution.
- The Company shall make a compliance filing of the relevant tariffs for applicable customers to reflect the changes to the rules and regulations.

• The Commission shall continue to review the issue and may modify the rules and regulations or take other actions necessary to protect the Company's customers. Staff reserves the right to recommend further amendments to the Company's rules and regulations.

At its January 23, 2025 Administrative Session, the Commission voted unanimously to approve Staff's recommendation.

\*\*\*\*

WHEREFORE IT IS ORDERED, that the Commission hereby approves the revisions to the Company's rules and regulations as requested by Georgia Power Company in its December 11, 2024 filing, as modified by Staff pursuant to O.C.G.A. § 46-2-25(a).

**ORDERED FURTHER**, the Company shall exercise the discretion under the Rules and Regulations changes in a manner designed to protect existing customers from bearing any of the costs of adding these large customers.

**ORDERED FURTHER**, the Company shall provide Staff with the terms and conditions intended to implement the revisions to the Company's rules and regulations, and the criteria for applying such terms and conditions, prior to utilizing them for contracting.

**ORDERED FURTHER**, the Company shall file the complete contract and associated exhibits, attachments, terms and conditions on all new contracts within 30 days of execution.

**ORDERED FURTHER**, the Company shall make a compliance filing of the relevant tariffs for applicable customers to reflect the changes to the rules and regulations.

**ORDERED FURTHER,** the Commission shall continue to review the issue and may modify the rules and regulations or take other actions necessary to protect the Company's customers.

ORDERED FURTHER, that all findings, conclusions, statements, and directives made by the Commission and contained in the foregoing sections of this Order are hereby adopted as findings of fact, conclusions of law, statements of regulatory policy, and orders of this Commission.

ORDERED FURTHER, that a motion for reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

**ORDERED FURTHER**, that jurisdiction over these matters is expressly retained for the purpose of entering such further order or orders as this Commission may deem just and proper.

The above by action of the Commission at its Administrative Session on the 23<sup>rd</sup> day of January 2025.

Sallie Tanner
Executive Secretary

Jason Shaw
Chairman

 $\frac{1-28-25}{\text{Date}}$ 



Jack Jirak Deputy General Counsel

Mailing Address: NCRH 20/P. O. Box 1551 Raleigh, North Carolina 27602

> o: 919.546.3257 f: 919.546.2694

Jack.Jirak@duke-energy.com

July 24, 2025

#### **VIA ELECTRONIC FILING**

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

Re: Duke Energy Carolinas, LLC and Duke Energy Progress, LLC's Responses to Commission's Questions Regarding Large Load Customers Order Initiating Proceeding and Requesting Comments

Docket No. E-100, Sub 208

Dear Ms. Dunston:

Enclosed for filing in the above-captioned proceeding are Duke Energy Carolinas, LLC, and Duke Energy Progress, LLC's Responses to Commission's Questions pursuant to the North Carolina Utilities Commission's *Order Initiating Proceeding and Requesting Comments* issued in Docket No. E-100, Sub 208 on June 6, 2025.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Jack Jirak

Enclosure

c: Parties of Record

# Duke Energy Carolinas, LLC and Duke Energy Progress, LLC Responses to Commission's Questions on Large Loads Order Initiating Proceeding and Requesting Comments Docket No. E-100, Sub 208

#### **Introduction**

The Carolinas continue to grow at a rapid pace. New customers of all classes—residential, commercial, and industrial—continue to locate in the Carolinas and grow their families and businesses. Due to favorable, pro-business policies implemented by state and local leadership and constructive energy regulation by the North Carolina Utilities Commission ("Commission") and the Public Service Commission of South Carolina ("PSCSC"), North Carolina (along with South Carolina) continues to experience significant economic development success, and the pipeline of incremental prospective economic development projects, including large load customers, remains strong. CNBC recently ranked North Carolina as America's Top State for Business in 2025, marking the third time in four years North Carolina has earned that recognition. North Carolina and South Carolina were ranked #1 and #2, respectively, in rankings of best states for manufacturing in 2024.

The economic development pipeline of Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP" and, together with DEC, "Duke Energy" or the "Companies") includes a diverse mix of food and beverage, life sciences, general manufacturing, energy, chemicals, automotive, aerospace, steel/metals, logistics, headquarters, data center and semiconductor projects. The Companies have provided updates to the Commission on the large-load pipeline through the required ongoing reporting being filed in Docket No. E-100, Sub 207, and will also provide the most updated load forecast as part of the upcoming CPIRP filing.

The Companies continue to engage prospective customers in a disciplined and structured manner, most often in collaboration with state, regional and local economic development partners. Within the current Carolinas pipeline, there are approximately 101 prospective customer projects with a base demand of 50 MW or greater. Notably, in the past few months, there have been a number of significant economic development announcements in North Carolina, all of which will result in significant benefits to the state and local communities. On June 4, 2025, Amazon Web Services announced their selection of Richmond County, NC for a \$10 billion high-tech cloud computing and artificial intelligence innovation campus, creating at least 500 jobs. On June 12, 2025, JetZero, Inc. announced their selection of Guilford County, NC for a \$4.7 billion commercial airplane manufacturing facility, creating more than 14,560 jobs – the largest economic development project in North Carolina history based on job commitment. The Companies are proud to have been a partner with state, regional, and local economic development organizations in these and many other successful outcomes for the state.

Under the constructive oversight of the Commission (along with the PSCSC), the Companies' north star remains unchanged—namely, to continue to provide affordable, reliable, and increasingly clean energy for current and future customers. The state's constructive energy policy and regulatory oversight of the Commission has been one of the major factors that has made the state so attractive for economic development. As has always been the case, we remain confident

that the Commission and the Companies can navigate these new opportunities and challenges in a way that benefits the state as a whole, balancing the interests of current and future customers through reasonable policies and constructive regulation.

The Commission has already approved targeted changes to the Companies' Service Regulations in North Carolina that have allowed the Companies to require appropriate performance and credit provisions for large load customers (100 MW or greater). Beyond those modifications, the Companies do not believe any fundamental changes to the core regulatory structures and tools are needed at this time. However, the Companies will continue to assess these evolving dynamics for any recommended or necessary changes and continue to implement appropriate protections for existing customers while also ensuring the state continues to reap the benefits of economic development, including through investments, jobs, and other benefits.

#### **Response to Commission Questions**

### 1. Provide an update on the status of negotiations with data centers and other large load projects seeking to develop sites in North Carolina.

The Companies remain in continual engagement with prospective economic development customers (including data centers and other large load projects) that are considering locating in North Carolina. That engagement generally follows an iterative process from initial engagement and transmission study, followed by potential negotiation of a Letter Agreement and then an Electrical Supply Agreement ("ESA").

The Letter Agreement is a binding preliminary agreement between a prospective customer and the applicable operating utility to enable the Companies to initiate work to design, procure materials and equipment and construct the necessary service delivery infrastructure in order to serve the prospective customer site to meet the desired contract demand in advance of the execution of an ESA. In exchange for the Companies' initiation of work under the Letter Agreement, the prospective customer (i) commits to take electric service from the applicable operating utility at a specified contract demand based on a load ramp schedule, subject to the ultimate execution of an ESA with the applicable operating utility (the material terms of which are included in the Letter Agreement), and (ii) provides accountability to the Companies for the costs being incurred to serve the customer site via contractual covenants and advance capital payments, if applicable. The Letter Agreement is ultimately superseded by the ESA, which is the retail service agreement between applicable operating utility and the customer. The ESA includes all applicable terms and conditions relating to the service delivery and incorporates all applicable rate schedules and service regulations.

As noted above, the Companies are currently providing a formal update on the overall pipeline of large load customers through its semi-annual report filed in Docket No. E-100, Sub 207. The first report was filed on May 15, 2025, and future semi-annual reports will be filed in the same docket. As stated in the first report, the pipeline of new large load customers seeking to develop sites in North Carolina remains robust and dynamic. Each project in the development pipeline presents unique characteristics, load requirements, and operational considerations that require individualized assessment and planning.

In general, Duke Energy has developed several internal processes to evaluate and track opportunities to serve data centers and other large load customers, while incorporating insights from industry trends and best practices observed in other jurisdictions (which is discussed further below). The Companies maintain active engagement with prospective customers throughout the development process to ensure that both customer needs and system reliability requirements are appropriately addressed. This approach allows Duke Energy to anticipate system impacts and plan necessary infrastructure investments in advance of customer energization.

The Companies note that large load customers generally require more substantial and complex interconnection facilities and often trigger upgrades on the transmission system (*i.e.*, network upgrades). The timeline for this work can be longer, particularly given the other substantial upgrade work already occurring in other parts of the Companies' transmission system. It is also worth noting that there are a handful of geographic locations in North Carolina—locations that are generally close to urban areas and/or have already accommodated substantial new large load projects—that are at or near existing transmission capacity limits. What this means is that further large load customers seeking to interconnect in such locations will likely face longer timelines to interconnection due to the magnitude of the transmission upgrades required to accommodate incremental load. The Companies will assess these situations on a case-by-case basis and, where possible, seek to identify innovative or alternative solutions to facilitate more timely interconnection. In addition, where possible, the Companies inform prospective large load projects of known constraints that might limit their ability to achieve a specific year-over-year load ramp at a specific location, in advance of initiating detailed study efforts.

Finally, the Companies continue to assess how best to balance a range of considerations in navigating this new environment. As we have progressed through the current pipeline of large load customers, the Companies have employed various tools to improve the efficiency of the process while achieving a reasonable balance of benefit and risk for both prospective and existing customers. One such tool is the use of "tranches" to aggregate and process similarly situated large load customers. The tranche approach has allowed for a more efficient processing of prospective customers by grouping final transmission infrastructure planning studies. In addition, the tranche approach has included making certain performance requirements of large load customers that both ensure the viability of the projects and provides benefits to existing customers. These performance requirements include: (1) mandated interruptible requirements for a specified period of time, (2) advance refundable capital payment for customer delivery and non-system transmission upgrades, and (3) accelerated deadline for progressing to execution of an ESA. Together, these components provide benefits to existing and prospective customers. The Companies will continue to evaluate appropriate performance requirements for prospective large load customers.

#### a. Provide an overview of backup generation contemplated for these projects.

Once again, every large load customer is unique and, where desired, customers may develop their own behind-the-meter, emergency backup generation plan based on their own needs and requirements. While Duke Energy does not maintain a formalized tracking process for customer emergency backup generation plans, the Companies' customer engagement approach ensures that any backup generation considerations are identified and appropriately addressed. Prior to energizing any customer, Duke Energy facilitates dialogue between its engineering and operations teams and the customer to understand the technical configuration and operational requirements of all facilities the Companies plan to serve. Through this collaborative technical

review process, Duke Energy would learn of customer plans for backup generation, as it would be necessary to understand a prospective customer's overall operational profile and system requirements.

## b. Please state whether any of these projects are anticipated to be co-located load with generating facilities. If so, please describe the measures that will need to be implemented to ensure grid reliability and fair cost to customers.

As stated above, each large load customer is unique in terms of their plans for behind-themeter emergency back-up generation. With respect to generating facilities intended to provide non-emergency service, to date, the Companies have not yet engaged with any large load customers that have definitive plans for self-generation (with the exception of emergency backup generation resources). However, Duke Energy will continue to engage with large load customers on a case-by-case basis, and should any such customer present definitive plans for non-emergency, self-supply through customer-owned, co-located generation arrangements, Duke Energy would implement appropriate measures to ensure both grid reliability and equitable cost allocation. From a reliability perspective, the Companies would configure system protections, ensure compliance with applicable reliability standards, and maintain system stability under all operating conditions. Duke Energy's experience with generation interconnections provides the foundation for addressing the technical requirements associated with co-located facilities.

From a cost allocation perspective, Duke Energy would apply established ratemaking principles based on cost causation to ensure that all customers pay their appropriate share of system costs. The Companies would appropriately charge customers pursuing alternative supply arrangements consistent with North Carolina law for their use of the Companies' system, thereby protecting other customers from inappropriate cost shifts while maintaining fair and reasonable pricing for all customer classes.

## 2. Describe potential cost allocation issues or other issues attributable to large load additions/data centers of which the Commission should be aware, including co-located loads. Provide examples from other jurisdictions.

Duke Energy recognizes that the unprecedented scale and concentration of large load additions present potential risks and challenges, along with cost allocation considerations. There are two primary areas to consider: (1) addressing risks when committed large loads fail to materialize as anticipated and (2) managing incremental investments required to serve large loads that do materialize at projected levels. The Companies provide comments on both scenarios below.

#### Mitigating Risks That Committed Loads Fail to Materialize

Duke Energy has implemented a number of mechanisms to protect customers in the event that a large load that has committed to receive service (though execution of either a Letter Agreement or ESA) does not materialize.

First, Duke Energy's Letter Agreements include reimbursement obligations to ensure that those customers commit to executing long-term contracts with the utility or reimburse interconnection costs. This approach is particularly important given the substantial infrastructure investments often required for large loads. Second, Duke Energy's ESA includes minimum billing provisions. These minimum billing requirements are tied to a customer's agreed upon contract demands and provide a balance between the Companies' need to ensure sufficient revenue and the

risk of a customer failing to reach its contract demand peak load through the life of a service agreement. This approach ensures that annualized pricing appropriately recovers costs even if actual usage varies from a customer's projections. Third, Duke Energy has incorporated scheduled-based termination charges into its ESAs with large load customers to recover depreciation and carrying costs for infrastructure fixed costs if a customer terminates an ESA early or requests a reduction in its agreed upon contract demand. Fourth, the Companies have also added robust credit security requirements to their ESAs to provide an additional protection from costs incurred to serve a large load customer. These security requirements generally consist of a combination of refundable cash advances, letters of credit, and parent company guarantees.

These provisions not only protect other customers from inequitable cost shifts but also encourage large load customers to provide more accurate load forecasts, thereby improving the Companies' load forecasting and resource planning efforts and ensuring that they can efficiently deploy capital for the infrastructure needed to serve all customers.

#### **Cost Allocation Issues When Loads Materialize**

When large loads do materialize as projected, the primary consideration is ensuring that the overall system costs are allocated in such a way as to ensure that all customers pay their appropriate share of system costs based on well-established cost causation principles. While the Companies acknowledge that the current incremental costs of new resources could exceed embedded costs, the Companies nevertheless continue to believe that the traditional cost-of-service ratemaking tools are adequate to ensure fair cost allocation. Future CPIRP proceedings will provide an appropriate forum to consider the resources needed to serve present and future customers in a least-cost manner, while rate cases will provide an appropriate forum in which to ensure that all customers pay an appropriate share of overall system costs. Imposing alternative cost allocation principles specifically targeted at future large load customers as a customer class could raise unnecessary technical and regulatory challenges and could run counter to other important policy considerations.

As stated above, based on the Companies' current experience with large load customers in North Carolina, customers have generally requested full requirements electric service rather than proposing self-generation through co-located, non-emergency generation arrangements. Should a scenario arise where a customer requests a co-located, non-emergency self-supply arrangement, Duke Energy does not anticipate unique cost allocation challenges, as any generation resources would be evaluated based on their system benefits and costs allocated through standard cost-of-service methodologies. In general, the Companies continue to evaluate these considerations and, if necessary, would propose modifications to their processes and tariff structures to appropriately address the unique characteristics of large load customers while protecting the interests of all customer classes.

#### **Summaries of Other Jurisdictions**

There are a range of emerging practices around the country that directly or indirectly seek to protect existing customers from stranded cost risks. While there are distinctions among the way each jurisdiction approaches the issues, nearly all jurisdictions that have addressed this issue include a few key elements that are consistent with Duke Energy's approach described above: (1) Minimum Total Contract Terms with Load Ramps, (2) Minimum Billing Demand, and

(3) Termination Payments. The following tables summarize a range of practices, demonstrating that Duke Energy's practices are reasonable.

#### Minimum Total Contract Terms

The following is a non-exhaustive summary of approaches in other jurisdictions to Minimum Total Contract Terms. Duke Energy's approach uses Minimum Total Contract Terms that are within the range of industry practices.

Utility	Minimum Total Contract Term	Load Ramp Period & Provision
AEP Ohio	Load ramp period + 8 years	Up to 4 years
Dominion Energy Virginia	Load ramp period + 10 years	Option of 4 year ramp at +20 %/yr or immediate 100 % at energization
Indiana Michigan Power	At least 12 years total	Ramp period not to exceed 5 years
Evergy (KS & MO)	15 years total	Not specified. Customer provides a forecasted load ramp schedule.
Consumers Energy (MI)	Load ramp period + 15 years	Ramp up to 5 years (negotiated)
FPL	20 years total	Negotiated
	At least 10 years and for the depreciable life of bespoke generation assets.	No stated ramp period, customer provides 10 year peak demand forecast
Santee Cooper (SC)	15 years total	3 years at the company's discretion
Kentucky Power	At least 20 years.	No stated ramp period
Ameren (MO)	12 year + ramp period, minimum 15 years total	Up to 5 years

#### Minimum Bill Requirements

The following is a non-exhaustive summary of approaches in other jurisdictions to Minimum Bill requirements. Duke Energy's approach uses a Minimum Billing demand that is within the range of industry practices.

Utility	Minimum Bill Requirements	
AEP Ohio	Formula based on size: 60% of contract demand for 25MW up to 85% for demand over 115MW.	
Dominion Energy Virginia	60% of contract demand for generation charges and 85% for distribution and transmission charges	
Indiana Michigan Power	90% of contract demand or maximum demand over previous 11 months	
Evergy (KS & MO)	80% of contract demand and 12-month ratch for grid-access charge	
Consumers Energy (MI)	80% of contract demand	
FPL	90% of contract demand or maximum demand over previous 11 months	
Wisconsin Electric Power	Direct assignment of dedicated distribution and transmission facilities and bespoke generation resources	
Santee Cooper (SC)	Months 1-60 100%, months 61-120 95%, months 121-180 90% of contract demand	
Kentucky Power	90% of contract demand or maximum demand over previous 11 months	
Ameren (MO)	70% of contact demand	

#### **Termination Fees**

The following is a non-exhaustive summary of approaches in other jurisdictions to Termination Fees. Duke Energy's approach uses a Termination Fee that is within the range of industry practices.

Utility	Termination Fee	
HARP UNIO	After Year 5, customer may terminate by paying an exit fee equal to 36 months of minimum charges	
	Early termination fee or reduced capacity fee equal to remaining minimum-bill obligations for term of contract	

Utility	Termination Fee	
Indiana Michigan Power	Capacity reductions >20% or full termination (after year 5) allowed with 42-month notice. Exit fee equal to value of remaining minimum charges up to 5 years	
Evergy (KS & MO)	36-month notice required. Exit fee equal to sum of remaining minimum-bill obligations or 36 months of LLPS charges, whichever is greater	
Consumers Energy (MI)	Minimum billing for the remainder of the contract	
FPL	Two year notice requirement. Exit fee equals the NPV of remaining Incremental Generation Charges for the remainer of contact term	
Wisconsin Electric Power	Undepreciated book value of dedicated assets and pass through charges for the remainder of contract term	
Santee Cooper (SC)	Remaining minimum monthly charges through the end of contract.	
Kentucky Power	If permanently closing after Year 5, customer must pay five years of minimum billing charges	
Ameren (MO)	24-month notice requirement. Early termination fee equal to the less of five years or remaining term of contract, plus remaining ramp period if applicable.	

3. Describe any potential modifications to the North Carolina Interconnection Procedures (NCIP) that would be necessary to interconnect generation resources for large electric load customer/data centers and describe whether the current study process timeframe under the NCIP is sufficient for generation to serve large electric load customer/data centers. Provide examples of interconnection procedure revisions from other jurisdictions.

To be clear, Duke Energy continues to plan its system under the oversight of the NCUC (and PSCSC) to serve all projected load, including projected load of both current and future customers. Therefore, at this time, there are no generation resources that are being constructed to serve specific large load customers.

More generally as it relates to generator interconnection, thanks to the proactive actions of the NCUC to implement a transition from a serial study process to an annual cluster study approach, North Carolina's interconnection process has substantially improved study process timeframes and has eliminated the backlog of projects. Therefore, the existing NCIP provides procedural foundation and study processes necessary to ensure reliable and timely interconnection of needed generation resources. The Companies further note that the NCIP is fully synced with the FERC-jurisdictional interconnection study process, and that all of the utility-owned generation resources are processed through the FERC interconnection cluster study process. The Companies

intend to continually assess the interconnection process to consider opportunities for further enhancement and efficiencies.

## 4. Explain potential stranded cost issues associated with large electric load customer/data center additions, including examples from other jurisdictions, and provide recommendations for mitigating this risk.

This issue was addressed extensively in the most recent CPIRP proceedings, and the Companies continue to believe that stranded cost risks are minimal and, more importantly, that the existing regulatory construct is well situated to continually monitor and adjust resource plans to minimize such risks. Furthermore, the Commission and the Companies will have tools at their disposal in the event that the system has excess capacity over a given period of time.

More specifically, planning a system to meet currently projected load growth (which includes some amount of large load/data centers) is beneficial for the state as a whole and is consistent with the long-standing policy of the state. Conversely, failing to develop a system adequate to serve projected load growth would represent a significant departure from such long-standing policy and could not only compromise reliability but also result in missed economic development opportunities.

As was also explained by the Companies in the CPIRP, there are multiple levers available to mitigate potential risks if load growth materializes more slowly than projected. Importantly, the biennial check and adjust nature of the CPIRP planning cycle provides continuous assessment to allow the Commission to adjust system development as new information is gathered. Under this two-year cycle, it is unlikely that the system will ever become over-developed to an unmanageable extent. Finally, the contractual mechanisms described in Question 2 serve to both minimize the risk of under-utilized assets (by incenting accurate load projections from new customers) and to protect customers by ensuring appropriate minimum revenues in the event the load does not materialize as projected. As also shown above, the Companies practices remain with the range of practice across many jurisdictions.

In summary, the Companies continue to recommend a proactive approach to system planning that enables load growth to support North Carolina's economic development efforts while ensuring that Duke Energy has sufficient electric infrastructure to meet the needs of existing and future customers. This approach involves maximizing the benefits of existing resources through uprates and reliability projects while also pursuing the development of new resources and continuously monitoring load projections and economic development activities to ensure appropriate alignment between resource additions and customer needs.

5. Describe whether new tariffs should be developed for some or all large load customers/data centers to provide protections for other customer classes and ensure that large load customers pay their cost of service. If new tariffs are appropriate for some but not all large load customers, explain why new tariffs are not appropriate for all large load customers.

As discussed above, the Companies have implemented mechanisms to protect existing customers from particular risks related to large load customers. The Companies do not see an immediate need for new tariffs to provide further protections for other customer classes from large load customers and data centers. Duke Energy's existing cost-based tariff structure appropriately ensures that large load customers pay their cost of service while providing fair and reasonable

pricing signals. In particular, Duke Energy has developed Schedule HLF, which provides unit cost-based pricing reflecting the benefits of efficient use of system resources for high-load factor customers. It is the Companies' view that supplementing Schedule HLF, or alternative schedules such as OPT-V in DEC or LGS-TOU in DEP, with the recent performance and credit provision updates to Duke Energy's respective Service Regulations provides appropriate, cost-based, and non-discriminatory price signals to both new and existing customers while affording protections for existing customers from adverse outcomes based on new loads. In general, these supplemental provisions sufficiently augment the existing tariffs to provide the protections the Companies deem appropriate.

Accordingly, the Companies believe their existing tariff structure, as enhanced by the January 2024 revisions to their Service Regulations, ensures that large load customers contribute appropriately to system costs while receiving pricing that reflects their efficient use of the electric system. This approach maintains fundamental cost-of-service principles that underpin fair and reasonable ratemaking, while appropriately balancing the interests of large load customers with the protection of other customers.

## 6. Describe the appropriate demand threshold for a large load customer/data center tariff(s) and explain when the new tariffs will be prepared and the recommended approval process for the new tariffs. Provide examples from other jurisdictions.

As described in the response to Question 5, Duke Energy does not believe new tariffs are necessary at this time for large load customers, but we remain committed to continued evaluation of that potential through future regulatory proceedings should the Commission deem that necessary. As noted, in North Carolina, Duke Energy currently applies incremental performance and credit requirements for loads at or above 100 MW or loads reasonably expected to exceed 100 MW.

The Companies have observed that certain other utilities across the country are applying special provisions or unique tariffs to loads ranging from 20 to 100 MW. The table below summarizes the MW thresholds used in other jurisdictions.

Utility	Minimum Load Size	Minimum Load-Factor
AEP Ohio	> 25 MW >1MW for mobile data centers (crypto)	l Nonel
Dominion Energy Virginia	≥ 25 MW on contiguous sites	≥ 75 % LF over 3 month period.
Indiana Michigan Power	≥ 70 MW single site ≥ 150 MW aggregated	None
Evergy (KS & MO)	> 100 MW peak	85% for Special High Load Factor Market Rate
Consumers Energy (MI)	≥ 100 MW at one site or aggregated	None

Utility	Minimum Load Size	Minimum Load-Factor
FPL	≥ 25 MW	≥ 85 % LF
Wisconsin Electric Power	≥ 500 MW	None
Santee Cooper (SC)	≥ 50 MW	None
Kentucky Power	≥ 150 MW	None
Ameren (MO)	≥ 100 MW	None

Duke Energy recognizes that transmission integration costs can be significant even for projects below its current 100 MW NC threshold. Therefore, the Companies recognize that, in some cases, it may be appropriate to require performance and credit provisions for projects between 50 MW and 100 MW, particularly where transmission investments are substantial. Duke Energy recently filed proposed tariff language with the PSCSC that expands the performance and credit requirements to include projects "for an initial contract demand of 50 MW or greater . . . or where such electric service requires significant transmission and/or distribution investments by the Company for the provision of service." The Companies believe it may be necessary to have additional flexibility in situations where relatively smaller loads may require substantial infrastructure investments.

### 7. Describe appropriate terms and conditions for a large load customer/data center tariff(s). Provide examples from other jurisdictions.

As noted above, Duke Energy is not currently recommending specific large load customer tariffs or other new tariffs targeting a particular industry. Duke Energy's approach focuses on utilizing existing tariff options such as Schedule HLF, OPT-V in DEC, or LGS-TOU in DEP, combined with the performance and credit provisions established through the January 2024 supplement to the Companies' Service Regulations. This framework provides appropriate, cost-based, and non-discriminatory pricing while ensuring that large load customers contribute fairly to system costs.

Schedule HLF offers unit cost-based pricing that reflects the benefits of efficient use of system resources for customers with high load factors. The Companies designed Schedule HLF through a collaborative process that included customer feedback prior to the Companies' most recent respective rate cases. Through this engagement, the Companies were able to develop a tariff structure that appropriately reflects both customer needs and related system costs.

Duke Energy believes its current approach – which includes demand-based pricing, appropriate contract terms, and specific credit requirements – provides greater flexibility and efficiency than developing entirely new tariff structures. However, the Companies will continue to evaluate whether modifications to existing tariffs or additional provisions are warranted based on experience and regulatory guidance.

Finally, as described in the MOUs entered into last year, the Companies will continue to assess whether there is any potential for new programs for customers with more ambitious carbon-reduction goals through which such customers provide incremental funding for resources not already in the resource plan (or accelerate resources relative to the current plan). If the Companies identify any such additional programs, they will be presented to the Commission for approval.

### 8. Describe any value of, and best practices for, tariffs allowing large-load customers to self-supply. Provide examples from other jurisdictions.

Currently, large load customers can pursue self-supply in a manner consistent with North Carolina law using two basic approaches available under Duke Energy's existing tariffs: net metering and standby service. As approved by the Commission, net metering allows customers to install renewable generation behind their meter up to the lesser of five MW (for customer-owned and 1 MW for leased) or the customer's contract demand. This approach provides customers with the ability to offset their energy consumption with customer-owned generation while maintaining their connection to the Duke Energy system for reliability and backup service. The net metering framework provides value to customers by allowing them to receive credit for excess generation while ensuring continued access to utility service when their generation is insufficient to meet their load requirements.

Standby service tariffs permit customers to operate power generating facilities in parallel with the Companies up to a maximum operating capacity of 50 MW. Duke Energy offers standby service through an hourly pricing rate structure (Schedule HP) or through standby service riders for firm service (Rider SS) or non-firm service (Rider NFS). Under these tariffs as approved by the Commission, customers can utilize their own generation to serve their load requirements, though there is no compensation for exported energy. These tariffs provide customers with operational flexibility to optimize their energy costs while maintaining grid connection for periods when their generation is unavailable or insufficient.

As noted, Duke Energy has not engaged with any large load customers that have definitive plans to pursue non-emergency, self-supply arrangements in North Carolina. However, the Companies believe their existing tariff options are sufficient at this time for customers that are interested in self-supply opportunities. The existing tariffs provide customer choice and operational flexibility while preserving system reliability and protecting other customers from inappropriate cost shifts. In general, the Companies' focus remains on ensuring that any self-supply arrangements comply with North Carolina's regulatory framework, meet the applicable requirements under North Carolina law, and maintain appropriate protections for all customers.

9. Describe whether a large load customer/data center tariff should address (a) voltage ridethrough behavior; (b) sensitivity to transient disturbances; (c) load transfer and reconnection protocols; or (d) ramp rate limitations for large-scale load reconnection? If not, explain how these issues can be addressed and mitigated in other ways. Provide examples from other jurisdictions.

As described in previous responses, Duke Energy is not currently proposing a large load customer or data center specific tariff. While the Companies recognize that the technical considerations identified in this question are important for ensuring the reliable integration of large loads into the electric system, Duke Energy believes that these technical requirements are more appropriately addressed through transmission interconnection requirements rather than through

tariff provisions. As a result, the Companies are currently evaluating their existing Transmission Interconnection Requirements to ensure that large loads with unique operating characteristics can be effectively integrated into the system while maintaining reliability for all customers. This evaluation will ensure that the Companies can tailor technical requirements to the specific characteristics of individual projects and their system impacts.

The Companies recognize that incorporating additional technical requirements into transmission interconnection processes may impose additional costs on large load customers, but such requirements may be necessary to ensure that these loads do not adversely impact system reliability or other customers. Duke Energy's evaluation process will consider the appropriate balance between technical requirements necessary for system protection and the cost impacts on customers.

Duke Energy's approach is informed by ongoing industry developments, including the work of the North American Electric Reliability Corporation ("NERC") Large Load Task Force ("LLTF"). The LLTF is focused on better understanding the reliability impacts of emerging large loads such as data centers, including cryptocurrency and artificial intelligence operations, hydrogen fuel plants, and similar facilities, and their impact on the bulk power system. The LLTF will identify unique characteristics and risks associated with emerging large loads, validate and prioritize these risks, and identify gaps and mitigation strategies to support bulk power system reliability, including enhancements to existing planning and operations processes.

#### CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC, and Duke Energy Progress, LLC's Responses to Commission's Questions Regarding Large Load Customers, in Docket No. E-100, Sub 208, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1<sup>st</sup> Class Postage Prepaid, properly addressed to parties of record.

This, the 24<sup>th</sup> day of July 2025.

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