



## **STAFF REPORT**

*This report was produced by staff from the Town Manager's Office*

*June 9, 2022*

This staff report includes the following elements:

- Recommendation
- Joint Letter
- Additional Details

### **Recommendation**

The Staff's recommendation is:

That the Council support a joint letter with other North Carolina local governments to submit public comments to the North Carolina Utilities Commission concerning Duke Energy's Carolinas Carbon Plan.

This recommendation is consistent with previous Council action and directly supports the following elements of the Climate Action and Response Plan:

- Advocate for and support a fast, affordable, and just transition to clean, renewable energy sources as Duke Energy and Dominion Energy pursue their commitments to achieving net-zero carbon emissions by 2050.
- Achieve all-electric energy for new construction by 2030.
- Retrofit 15% of commercial and 30% of residential buildings to 50% net-zero by 2050.
- Achieve 100% net zero emissions in new municipal buildings and 50% in existing buildings by 2030.
- Electrify all Town fleet passenger vehicles, light, and medium duty trucks by 2040, and all heavy-duty vehicles by 2050.
- Replace diesel buses and support vehicles with all-electric options over the next 20 years, replacing the oldest, least fuel-efficient buses first.
- Create a Town-wide network of workplace and residential EV charging stations that helps to convert 50% of all community internal combustion engine vehicles to EVs by 2030 and 100% by 2050.

### **Joint Letter**

Staff from the Town and other North Carolina local governments are currently working to develop a draft letter for chief elected officials to consider signing. While a draft is not yet available for review, we anticipate that the letter will be jointly submitted in July and could include the elements below.

To what degree the Carolinas Carbon Plan:

- supports our local climate action goals for greenhouse gas emissions reduction and clean,

renewable energy

- addresses energy burden and affordability
- addresses health impacts from power generation and climate change
- addresses upstream emissions (e.g., methane leaks from natural gas production and distribution)
- accelerates coal power plan retirements
- supports all-source procurement, ensuring that customers receive the best energy solutions the market can offer by increasing competition among suppliers
- creates customer programs that support low-income residents, improve affordability, incentivize impactful energy efficiency measures, and enable electric vehicle adoption
- expands the offerings for utility-scale and distributed (small-scale) solar installations and investments
- accelerates and streamlines the renewable energy grid interconnection process
- accurately projects and accounts for the market penetration of electric vehicles over time

## Additional Details

Duke Energy's Carolinas Carbon Plan was developed in response to [Session Law 2021-165](#)<sup>1</sup> (HB 951), which created new carbon dioxide (CO<sub>2</sub>) emissions reduction targets for Duke Energy's power plants and other electricity generating facilities located within North Carolina. Duke Energy describes the plan as a road map for reducing the company's CO<sub>2</sub> emissions from electricity generation 70% by 2030 and reaching carbon neutrality by 2050. The Town's [Climate Action and Response Plan](#)<sup>2</sup> identifies "greening the electricity grid" as the most impactful action that can be taken to reduce Chapel Hill's community-level carbon emissions, with a projected 30-31% reduction by 2050. This is separate from and would be in addition to the benefits of reducing the energy consumed in our existing buildings and transitioning to electric vehicles. Because the Town has limited ability to affect utility operations, our plan also identifies advocacy as an important strategy for climate action.

Carolinas Carbon Plan Resources:

- [Plan Webpage](#)<sup>3</sup>
- [2 Page Overview Summary](#)<sup>4</sup>
- [Executive Summary](#)<sup>5</sup>
- [Chapter 1 – Introduction and Background](#)<sup>6</sup>
- [Chapter 2 – Methodology and Key Assumptions](#)<sup>7</sup>
- [Chapter 3 – Portfolios](#)<sup>8</sup>
- [Chapter 4 – Execution Plan](#)<sup>9</sup>

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<sup>1</sup> <https://www.ncleg.gov/BillLookUp/2021/HB951>

<sup>2</sup> <https://online.flippingbook.com/view/857144275/56/>

<sup>3</sup> <https://www.duke-energy.com/our-company/about-us/carolinas-carbon-plan>

<sup>4</sup> [https://desitecoreprod-cd.azureedge.net/\\_media/pdfs/our-company/carolinas-carbon-plan/overview-summary.pdf?la=en&rev=7ab0066f5b534ae59e2b39bf2e5a6917](https://desitecoreprod-cd.azureedge.net/_media/pdfs/our-company/carolinas-carbon-plan/overview-summary.pdf?la=en&rev=7ab0066f5b534ae59e2b39bf2e5a6917)

<sup>5</sup> [https://desitecoreprod-cd.azureedge.net/\\_media/pdfs/our-company/carolinas-carbon-plan/executive-summary.pdf?la=en&rev=489fd2ab6211481484eb4beb9b62a25a](https://desitecoreprod-cd.azureedge.net/_media/pdfs/our-company/carolinas-carbon-plan/executive-summary.pdf?la=en&rev=489fd2ab6211481484eb4beb9b62a25a)

<sup>6</sup> [https://desitecoreprod-cd.azureedge.net/\\_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-01.pdf?la=en&rev=574b0955ec1e47c0b6e3f554af7c99b4](https://desitecoreprod-cd.azureedge.net/_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-01.pdf?la=en&rev=574b0955ec1e47c0b6e3f554af7c99b4)

<sup>7</sup> [https://desitecoreprod-cd.azureedge.net/\\_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-02.pdf?la=en&rev=c2af2b32d2994b80a2fc8409f3ee4612](https://desitecoreprod-cd.azureedge.net/_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-02.pdf?la=en&rev=c2af2b32d2994b80a2fc8409f3ee4612)

<sup>8</sup> [https://desitecoreprod-cd.azureedge.net/\\_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-03.pdf?la=en&rev=6c1feb8247f410fa0a930065899bf3e](https://desitecoreprod-cd.azureedge.net/_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-03.pdf?la=en&rev=6c1feb8247f410fa0a930065899bf3e)

<sup>9</sup> [https://desitecoreprod-cd.azureedge.net/\\_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-04.pdf?la=en&rev=90fc3261d3094691ab04bc40b7e1953e](https://desitecoreprod-cd.azureedge.net/_media/pdfs/our-company/carolinas-carbon-plan/supplemental/chapter-04.pdf?la=en&rev=90fc3261d3094691ab04bc40b7e1953e)