



April 26, 2021

The Honorable Richard Glick
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Chairman Glick and Commissioners:

I write with regard to the March 17, 2021 petition for rulemaking submitted by the Center for Biological Diversity, Docket No. RM21-15-000, concerning the accounting of fees associated with trade association dues paid by utilities. Our organization, Clean Air Carolina, has interest seeing the Commission take up this rulemaking. We are a state-based non-profit organization dedicated to decreasing air pollution in North Carolina.

We have been involved in extensive discussions with Duke Energy, the largest utility in our state, about their corporate commitment to reduce greenhouse gas pollution and their ability to meet goals set by Governor Roy Cooper under his October 29th, 2018 climate plan, Executive Order 80, "North Carolina's Commitment to Address Climate Change and Transition to a Clean Energy Economy."

These discussions and a subsequent review of public records has raised questions about their lobbying and political strategies. Our organization, along with seven others who are heavily involved in energy and climate issues in our state, have expressed these concerns to the company in a letter dated March 29, 2021. I have attached that letter and analysis we have compiled for your review.

We support FERC examining this important issue in more detail, encourage the Commission to pursue issues raised by the Center for Biological Diversity in their petition, and encourage the Commission to open a rulemaking. If you have questions or concerns that we can address, please do not hesitate to contact me at Joel@cleanaircarolina.org.

Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel Porter", with a stylized flourish at the end.

Joel Porter
Policy Manager
Clean Air Carolina

March 29, 2021

Ms. Lynn Good
Chair, President, and Chief Executive Officer
Duke Energy Holding Companies
526 South Church St. Charlotte NC, 28202

Mr. Stephen De May
President, North Carolina
Duke Energy
526 South Church St. Charlotte NC, 28202

Mail to: P.O. Box 1090
Charlotte, NC 28201-1090

Dear Ms. Good and Mr. De May:

We have an interest in seeing Duke Energy succeed and meet the goals outlined in your climate report, “Achieving a Net Zero Carbon Future.” We also have a collective interest in ensuring those goals are met in a way that ensures affordability, reliability, equity, and sustainability.

The environmental goals that Duke Energy has articulated are commendable. Now we ask that Duke Energy align its public climate goals with a lobbying and political strategy that advances climate policy and solutions.

In both the 2020 IRP and in “[Achieving a Net Zero Carbon Future: Duke Energy 2020 Climate Report](#),” your company states that market forces alone will not transition North Carolina’s electric grid in a way that is expedient, affordable, and reliable. To do so, policy changes are needed to ensure an affordable, rapid decarbonization.

We believe that Duke Energy should align its lobbying and political strategy with climate science and the end-goal of achieving the policy reforms necessary to mitigate the worst effects of climate change by taking the following actions:

1. **Lobby for climate policies:** Many signatories to this letter endorse [a set of principles](#) that we would like to see in this IRP process. We ask that Duke Energy commit to lobbying transparently on climate issues.

2. **Be Transparent:** Duke's Climate Report notes that the preferred policy method of enabling carbon reduction is a national price on carbon and that Duke is proactively pushing for policies to mitigate climate change, stating,

"We are also a founding member of EEI's Clean Energy Technology Innovation Initiative, which is partnering with several non-governmental organizations (NGOs), including Clean Air Task Force, the Center for Climate and Energy Solutions, and the Bipartisan Policy Center, to identify areas for advocacy on advanced technologies."¹

[Analysis](#) of the respective lobbying disclosure reports from the Edison Electric Institute, Bipartisan Policy Center Advocacy Network, and Center for Climate and Energy Solutions do not indicate that they currently lobby on a carbon price of any kind.² The Clean Air Task Force's lobbying disclosures indicate that they lobby on a clean energy standard, as do Duke Energy's own lobbying reports. Undisclosed, however, are *all* of the political candidates Duke Energy supports, along with a full disclosure of the trade associations, think tanks, and other advocacy groups that Duke Energy is a member of, or contributes to. Transparency will increase trust between the public and Duke Energy and allows Duke to show their commitment to transitioning to carbon free energy.

3. **End "dark money" lobbying:** Unfortunately, there is a long, documented history of companies lobbying in opposition to science and climate policy. FirstEnergy's racketeering lawsuit in Ohio is a recent and particularly egregious example of this practice. FirstEnergy used "dark money" organizations to carry out a political giving strategy to secure public subsidies for uneconomic coal plants. [Reporting](#) from the Energy News Network last April indicates that Duke Energy used a similar "527 dark money organization" to disperse \$500,000 in political donations to candidates.³

Recent [reporting](#) by NPR identified efforts by the American Gas Association to "refram(e) the debate" and pass model, preemptive legislation at the state level to preserve fossil fuel use.⁴ The debate does not need to yet again be "reframed". The debate needs to be around solutions.

¹ Duke Energy, "Achieving A Net-Zero Carbon Future: Duke Energy 2020 Climate Report". Pg. 5. April 28, 2020.

<https://www.duke-energy.com/ /media/pdfs/our-company/climate-report-2020.pdf?la=en>

² Porter, Joel. "Analysis of Duke Energy's Federal Lobbying Efforts (for years 2018-2020)". Clean Air Carolina. February 25, 2020. <https://cleanaircarolina.org/wp-content/uploads/2021/03/CAC-Analysis-of-Duke-Energy-Lobbying-through-years-2018-to-2020.pdf>

³ Ouzts, Elizabeth, "Duke Energy gave half a million to political group before primary, new filings show". Energy News Network, April 29, 2020.

<https://energynews.us/2020/04/29/southeast/duke-energy-gave-half-a-million-to-political-group-before-primary-new-filings-show/>

⁴ Brady, Jeff; Charles, Dan. "As Cities Grapple With Climate Change, Gas Utilities Fight To Stay In Business" February 22, 2021 <https://www.aga.org/globalassets/events--community/leadership-council-03.31.2020-natural-gas-bans.pdf>

4. **Adopt the CERES principles:** Last July, the national sustainability organization, CERES, issued a [Blueprint for Responsible Policy Engagement on Climate Change](#). It encourages companies to “Assess; Govern; and Act.”

- **ASSESS** the impact of climate change to the company, including the ways in which its lobbying efforts on climate change serve to exacerbate or mitigate these risks
 - Assess the risk that climate change poses to the company
 - Conduct an internal audit of direct and indirect lobbying positions on climate change
- **GOVERN** to systematize decision-making on climate change across the company, including in all direct and indirect lobbying
 - Systematize decision-making on public policy engagement on climate change
 - Engage the board on climate policy
- **ACT** to align both direct and indirect lobbying with science-based climate policies
 - Publicly state that the company supports science-based climate policies
 - Directly lobby for science-based climate policies
 - Engage with trade associations on aligning their lobbying with climate science

Duke Energy’s 2020 Climate Report already outlines your governing structure and responsibilities in addressing climate impacts from electric generation, transmission, and maintenance operations. Adopting the ASSESS and ACT principles are the next necessary steps to achieving your carbon reduction goals.

We request that Duke Energy issue a statement declaring that the company will adopt Ceres’ Blueprint ([or another like it](#)) and lobby transparently in the public interest, cease the use of dark money political spending, and use your resources to support climate policies on both sides of the political aisle that are rooted in the best available science.

Our current political climate is dangerously over-fueled with mis- and non-factual information. Propagating misinformation and downplaying the severity of issues like climate change must stop. We urge your company to lead, and to encourage your peers in industry to follow your example to give the climate change crisis the high priority it requires.

Sincerely,



June Blotnick
Executive Director
Clean Air Carolina

and



Joel Porter
Policy Manager
Clean Air Carolina



Drew Ball
Director
Environment North Carolina



Cathy A. Buckley
Director, Statewide Organizing
NC-APPPL: Alliance to Protect Our People and the Places We Live



Carrie Clark
Executive Director
North Carolina League of Conservation Voters



Will Harlan
Senior Campaign Representative
Sierra Club

MES Shober

Maggie Shober
Director of Utility Reform
Southern Alliance for Clean Energy

Eliza Stokes

Eliza Stokes
Organizer & Communications Manager
MountainTrue

Susannah Tuttle

Susannah Tuttle
Director
NC Interfaith Power & Light