Overview of Governor Cooper’s Executive Order No. 80: NC’s Commitment to Address Climate Change and Transition to a Clean Energy Economy

Secretary’s Environmental Justice and Equity Advisory Board

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Executive Order No. 80
North Carolina’s Commitment to Address Climate Change and Transition to a Clean Energy Economy

• Recognizes that climate change is affecting the health and welfare of our residents, economy, environment, and our natural and built infrastructure.

• Recognizes that we must take an active role in combatting climate change and make our state more resilient to its impacts.

• Calls for clean energy technology innovations, workforce development, and a modern, smart electric grid to grow the state’s economy while making North Carolina a national leader in clean energy solutions.

• Recognizes that we can protect our communities, grow our economy, and ensure a healthy environment at the same time.
State Goals

The State of North Carolina will strive to accomplish the following by 2025:

a. Reduce statewide greenhouse gas emissions to 40% below 2005 levels.
b. Increase the number of registered, zero-emission vehicles (ZEVs) to at least 80,000.
c. Reduce energy consumption per square foot in state-owned buildings by at least 40% from fiscal year 2002-2003 levels.
General Directives to All Cabinet Agencies

Assess and Address Climate Change

• Evaluate the impacts of climate change on agency programs and operations.
• Integrate climate change mitigation and adaptation practices into agency programs and operations.
• Support communities and sectors vulnerable to climate change impacts.

Support Clean Energy Businesses

• Take actions that support the expansion of clean energy businesses and service providers, clean technology investment, and companies committed to procuring renewable energy.

Procure and Use Zero-Emission Vehicles

• Prioritize ZEVs in the purchase or lease of new vehicles and use ZEVs for agency business travel when feasible. When ZEV use is not feasible, prioritize cost-effective, low emission alternatives.

Improve State Building Energy Consumption
Specific Directives

Creation of the NC Climate Change Interagency Council

Department of Environmental Quality

• **N.C. Clean Energy Plan** – encourage the increased utilization of clean energy technologies in the public and private sectors. *Due Oct. 1, 2019*

• **Comprehensive Energy, Water, and Utility Use Conservation Program** – update best practices and guidance to achieve 40% state buildings efficiency goal. *Due Feb. 1, 2019 and Dec. 1, 2019*

• **N.C. Climate Risk Assessment and Resiliency Plan** – provide a scientific assessment of current and projected climate impacts on North Carolina and prioritize effective resiliency strategies. *Due Mar. 1, 2020*

• **Greenhouse Gas Inventory** – prepare estimates of North Carolina’s statewide net GHG footprint.

Other Agencies....
Partners and Stakeholders

- Academia and scientific community
- State, local and tribal agencies
- Environmental groups
- Businesses and community organizations
- Financing and funding entities
- Others
**Goals**

1. Develop an updated Climate Science Assessment for North Carolina.
2. Assess vulnerability to climate change.
3. Develop a NC Climate Risk Assessment and Resiliency Plan.
4. Assist interested local communities develop resiliency strategies.
**EO 80 – Section 4**  
**DEQ to Develop NC Clean Energy Plan**

- **Develop** a *North Carolina Clean Energy Plan* that fosters and encourages:
  - Utilization of clean energy resources and innovative technologies, and
  - Integration of these resources to facilitate the development of a modern and resilient electric grid.
- **Collaborate** with *stakeholders* to increase the utilization of clean energy technologies, energy efficiency measures, and clean transportation solutions.
- Submit the plan to the Governor by *October 1, 2019*. 
Clean Energy Plan

DEQ’s Development Process

• Conduct an open and inclusive stakeholder-driven process
• General description of approach:
  1. Vision building and assessing current landscape for clean energy resources in NC.
  2. Examine evolving and changing landscape in the power sector.
  3. Develop policy, regulatory, administrative, and program recommendations to achieve the vision.
“What do you and/or your organization see as the most important values for the electricity system to uphold and promote going forward?”

Total Votes

- Environmental/carbon reduction
- Affordability
- Reliability
- Efficiency
- Energy independence
- Economic/job growth
- Innovation
- Public health
- Environmental justice
- Conservation
- Resiliency
- Customer satisfaction
- Safety
- Security (physical/cyber)
- Utility compensation aligned with public interest
- Grid investment efficiency
- Customer choice
- Equity
- Competition
- Future-focused (longer planning horizons, lower stranded assets)
- Third-party and customer data access/ownership
- Community choice
- Universal service
- Adaptive
- Public policy leadership
- Regulatory certainty
- Fairness

North Carolina
Clean Energy Plan Development
Clean Energy Plan

Principles/Values Selected by Stakeholders

• Environmental/carbon reduction
• Competition
• Customer equity
• Resiliency
• Economic/job growth
• Utility compensation aligned with public interest
Clean Energy Plan
Focus Areas Identified by the Stakeholders

1. Customer access to renewables
2. DER interconnection and compensation
3. Grid modernization to support clean energy
4. Utility business model (e.g., how utilities are currently incentivized)
5. Utility system planning and investment
6. Equitable access and just transition clean energy
7. Grid resiliency enhancements
8. Clean energy economy
Consumer Protection Stakeholder Group*

Stakeholder group comprised of representatives from environmental justice and consumer advocacy organizations, including:

- NC WARN
- NC Justice Center
- NC Interfaith Power and Light
- Pritchard Engineering
- Sunrise Movement
- Advanced Energy
- North Carolina Utilities Commission – Public Staff

*Groups with influence on this conversation, however no endorsement implied by one group
Consumer Protection Stakeholder Group Feedback

“We hope for a process and plan that is…

Clean: Provides a path to a verifiably pollution-free energy system
- Why? science and ethics: a moral obligation to act
- Keep: a statewide standard for clean energy
- Fix: absence of strong policy mandates and price signals toward cleanliness

Fair: Ensures that the system is equitable for all stakeholders [Fairness = equitable, NOT equal]
- Why? burdens of life cycle impacts are felt based on socioeconomic status
- Keep: compensating users for performance based on transparent metrics
- Fix: market constructs and impacts vary disproportionately by demographics

Efficient: Enables an open system that maximizes each user’s value
- Why? the urgency: there is limited time and infinite complexity
- Keep: allowing users to exchange their energy rights with each other
- Fix: current system does not allow us to maximize benefits of energy efficiency
We envision a just transition to a fair energy system that provides equal opportunity to all participants to maximize their clean energy potential.

In this future, everyone can choose to exchange clean energy among each other over a reliable network at fair rates, efficiently providing abundant clean and affordable energy to all North Carolinians.

Clean - Fair - Efficient
NC Clean Energy Plan
Current Status

• May 22 – 4th workshop (stakeholder groups presenting memos with recommendations)
• June 26 – 5th workshop
• July 24 – 6th workshop

• Get Involved!
Contact Us at DEQ

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