



Department of Energy
Washington, DC 20585

Duke Energy Carolinas, LLC and
Duke Energy Progress LLC
Regarding Specified Resources

Order No. 202-26-34

Pursuant to the authority vested in the Secretary of Energy by section 202(c) of the Federal Power Act (FPA),¹ and section 301(b) of the Department of Energy (DOE) Organization Act,² and for the reasons set forth below, I hereby determine that a statutory emergency exists within the service territories of Duke Energy Carolinas, LLC (DEC) and Duke Energy Progress, LLC (DEP) (collectively, Duke Energy) due to a sudden increase in demand, a shortage of electric energy, a shortage of facilities for the generation or transmission of electric energy, and other causes. Issuance of this Order will meet the emergency and serve the public interest.

EMERGENCY SITUATION

On July 2, 2026, Duke Energy, whose combined service territory includes electric customers in North Carolina and South Carolina, submitted a request for an emergency order pursuant to FPA section 202(c) (Application).³ Specifically, Duke Energy respectfully requests that the Secretary issue an order authorizing certain electric generating units located within the Duke Energy service territory to operate up to their maximum generation output levels as needed for grid reliability due to hot weather conditions, where temperatures “across the Carolinas are forecast to reach 95-99°F in DEC and 94-100°F in DEP.”⁴ Duke Energy is projecting unusually high load forecasts totaling approximately 36,196 MW on July 2, 2026, and expects the hot weather to continue until 10:00 PM EDT on July 6, 2026, due to customer demand as a result of a period of hot weather.⁵ Duke Energy states that some generating units are limited in providing needed generation because of conditions and limitations in their environmental permits.⁶ As a result, the system “may not have sufficient generation available to meet this unusually high demand and [Duke Energy] may be forced to curtail load in order to maintain [the] security and reliability of the grid.”⁷ Therefore, Duke Energy requests an order allowing it to operate certain resources “notwithstanding permit and other

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

³ Application at 1.

⁴ *Id.*

⁵ *Id.* at 1–2.

⁶ *Id.* at 2.

⁷ *Id.*

limitations [which] will reduce the likelihood that Duke Energy will need to curtail load.”⁸

According to NERC’s 2026 Summer Reliability Assessment, the SERC Reliability Corporation East assessment area (SERC–East) “simulations performed show that small amounts of [expected unserved energy (EUE)] materialized in a single summer evening hour under a high-stress scenario involving elevated load, reduced solar output during the evening ramp, and coincident generator outages.”⁹ The anticipated reserve margin SERC-East assessment area is projected to be 26.3%, a 2.8% decrease from the 2025 anticipated reserve margin of 29.1%. Additionally, the 2026 anticipated reserve margin drops to 10.3% in the event of “higher demand, outages, [or] derates in extreme conditions.”¹⁰ The assessment’s review of 2025 capacity and energy performance also notes that

in SERC, an EEA Level 2 was declared in the Carolinas amid high load conditions and generation resources that were unavailable during the peak of the June heat wave affecting the broader Eastern Interconnection – a precautionary reliability measure to support system operations during peak demand and generation outages. During this event, the affected service territory recorded a new all-time peak demand of 21,931 MW [on June 25, 2025].¹¹

In its 2025 Long-Term Reliability Assessment, NERC observed that the SERC-East assessment area is an elevated risk¹² of energy shortfalls over the upcoming years and faces reliability challenges as “[c]urrent projections for resource additions do not keep pace with escalating demand forecasts and planned generator retirements.” The assessment notes that “SERC-East is projecting over 5.7 GW of coal unit retirements over the 10-year assessment horizon”¹³ and that “large, new load additions, particularly data centers and other industrial facilities, are the primary drivers of significant changes in the 10-year forecasted demand and energy growth rates.”¹⁴ Overall, the assessment concludes that, “[d]emand growth and planned generator retirements contribute to growing energy risks. SERC and the SERC East entities will need to continue to monitor the resource adequacy studies.”

⁸ *Id.* at 4.

⁹ NERC, *2026 Summer Reliability Assessment* 10 (Jan. 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_sra_2026.pdf.

¹⁰ *Id.* at 10.

¹¹ *Id.* at 52.

¹² NERC, *2025 Long-Term Reliability Assessment* 22 (May 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.

¹³ *Id.*

¹⁴ *Id.* at 10.

DESCRIPTION OF MITIGATION MEASURES

In anticipation of this emergency, Duke Energy states that it has initiated its Emergency Operating Plans to mitigate an Operating Emergency. If needed during an emergency, Duke states it issues public conservation appeals encouraging reduced usage,¹⁵ curtails all recallable energy sales and implements its load management program, including residential demand response, large load curtailments, and a 5% voltage reduction, as well as notifies wholesale customers to implement in-kind load management programs.¹⁶ In addition, Duke Energy states that it will exhaust its ability to obtain more power through other means, including committing all available generation resources, implementing Emergency Ratings output, as well as purchasing external capacity where available and deliverable.¹⁷

REQUEST FOR ORDER

Duke Energy requests that the Secretary issue an order effective on July 2, 2026, through 10:00 PM EDT on July 6, 2026, the expected period to address high load related to the hot weather conditions, which authorizes “certain electric generating units (Specified Resources) located within the Duke Energy service territory to operate up to their maximum generation output levels as needed for grid reliability under the limited circumstances described in [its Application], notwithstanding air emissions or other permit limitations.”¹⁸ The generating units (Specified Resources) to which this Order relates are listed in Exhibit A of the Application, as described below.

Duke Energy also provided the following documents in support of its Application: (1) authorization letters from DEC, DEP, Carolina Power Partners, LLC, and Southern Power Company; and (2) an endorsement letter from DEC, as the Reliability Coordinator Agent for VACAR South.

ORDER

FPA section 202(c)(1) provides that whenever the Secretary of Energy determines “that an emergency exists by reason of a sudden increase in the demand for electric energy, or a shortage of electric energy or of facilities for the generation or transmission of electric energy . . . or other causes,” the Secretary has the authority “to require by order . . . such generation, delivery, interchange, or transmission of electric energy as in [his] judgment will best meet the emergency and serve the public interest.”¹⁹ This statutory language constitutes a specific grant of authority to the Secretary to require the operation of generation, delivery, and transmission resources when the Secretary has

¹⁵ *Id.* at 2.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.* at 1, 3.

¹⁹ Although the text of FPA section 202(c) grants this authority to “the Commission,” section 301(b) of the Department of Energy Organization Act transferred this authority to the Secretary of the Department of Energy. *See* 42 U.S.C. § 7151(b).

determined that such operation, delivery, or transmission resources will best meet an emergency caused by a sudden increase in demand, a shortage of electric energy, a shortage of generation capacity, a shortage of facilities for generation or transmission of electric energy, and other causes.

Given the emergency caused by the expected load stress, the responsibility of Duke Energy to ensure maximum reliability on its system, and the ability of Duke Energy to identify and dispatch generation necessary to meet load requirements, I have determined that, under the conditions specified below, additional dispatch of the Specified Resources is necessary to best meet the emergency and serve the public interest for purposes of FPA section 202(c). This determination is based on the expected load stress, shortage of electric energy, shortage of facilities for the generation of electric energy, and other causes, and the potential loss of power to homes and local businesses in the areas that may be affected by curtailments or outages, presenting a risk to public health and safety.

Because the additional generation may result in conflict with environmental laws and regulations, I am authorizing only the necessary additional generation under the conditions contained in this Order, with reporting requirements as described below.

FPA section 202(c)(2) requires the Secretary of Energy to ensure that any FPA section 202(c) order that may result in a conflict with a requirement of any environmental law be limited to the “hours necessary to meet the emergency and serve the public interest, and, to the maximum extent practicable,” be consistent with any applicable environmental law and minimize any adverse environmental impacts. Duke Energy anticipates that this Order may result in exceedance of permit restrictions on emissions, effluent, environmental permit or other limitations.²⁰ To minimize adverse environmental impacts, this Order limits operation of dispatched units to the times and within the parameters determined by Duke Energy for reliability purposes. Consistent with FPA section 202(c)(3)²¹ and DOE’s February 4, 2026 Order Granting Rehearing,²² the emissions from, hours of operation of, and fuel burned by Specified Resources while this Order is in effect will not be counted toward applicable 12-month or 30-day rolling average limitations.

Based on my determination of an emergency set forth above, I hereby order:

- A. In the event that Duke Energy determines that generation from the Specified Resources is necessary to meet the electricity demand that Duke Energy anticipates in its service territory, I direct Duke Energy to dispatch such unit or units and to

²⁰ Application at 1, 2–3.

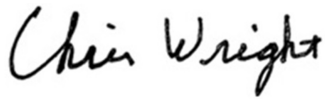
²¹ 16 U.S.C. § 824a(c)(3).

²² *Elec. Reliability Council of Tex., Inc.*, Order on Reh’g, DOE Order Nos. 202-26-01 et al. (regarding Winter Storm Fern emergency Order Nos. 202-26-01 to -15) (2026).

order their operation only as needed to maintain reliability. Specified Resources are those generating units set forth in Exhibit A to their Application for the order (i.e., Order No. 202-26-34 Resource List), subject to updates directed here and as described in paragraph D, which DOE shall post on www.energy.gov.

- B. To minimize adverse environmental impacts, this Order limits operation of dispatched units to the times and within the parameters determined by Duke Energy for maintaining grid reliability and to the maximum extent practicable is consistent with any applicable environmental law. Duke Energy shall provide a daily notification to DOE (via AskCR@hq.doe.gov) reporting each generating unit that has been designated to use the allowance and operated in reliance on the allowances contained in this Order.
- C. All operations of the Specified Resource must comply with applicable environmental requirements, including but not limited to monitoring, reporting, and recordkeeping requirements, to the maximum extent practicable while operating consistent with the emergency conditions.
- D. In the event that Duke Energy identifies additional generation units that it deems necessary to maintain the reliability of the power grid, Duke Energy shall provide prompt written notice to DOE at AskCR@hq.doe.gov with the name and location of those units that Duke Energy has identified. Such additional generation unit shall be deemed a Specified Resource for the purpose of this Order for the hours prior to the required written notice to DOE updating Exhibit A of the Application, and Duke Energy may dispatch such additional generation units, provided that if the DOE notifies Duke Energy that it does not approve of such generation unit being designated as a Specified Resource, such generation unit shall not constitute a Specified Resource upon notification from DOE.
- E. Duke Energy shall also provide such additional information regarding the environmental impacts of this Order and its compliance with the conditions of this Order, in each case as requested by DOE from time to time.
- F. This Order shall not preclude the need for the Specified Resources to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.
- G. This Order shall be effective July 2, 2026, upon issuance, and shall expire at 10:00 PM EDT on July 6, 2026, with the exception of the reporting requirements in paragraph B and applicable compliance obligations in paragraph E. Renewal of this Order, should it be needed, must be requested before this Order expires.

Issued in Washington, D.C. at 6:34 PM EDT on this 2nd day of July 2026.



Chris Wright
Secretary of Energy

cc: **FERC Commissioners**

Chairman Laura V. Swett
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang
Commissioner David A. LaCerte

North Carolina Utilities Commissioners

Chairman William M. Brawley
Commissioner Floyd B. McKissick, Jr.
Commissioner Tommy Tucker
Commissioner Donald van der Vaart
Commissioner John Gajda

Public Service Commission of South Carolina

Chairman Justin T. Williams
Vice Chair H. David Britt
Commissioner Stephen M. Caston
Commissioner Swain E. Whitfield
Commissioner Florence P. Belser
Commissioner Eugene Hennelly
Commissioner Delton W. Powers