



Department of Energy
Washington, DC 20585

Duke Energy Carolinas, LLC
Regarding Specified and Backup Generation Resources

Order No. 202-26-48

Pursuant to the authority vested in the Secretary of Energy (Secretary) 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 Duke Energy Carolinas, LLC (Duke) service territory,³ due to a sudden increase in demand for electric energy, or a shortage of electric energy or of facilities for the generation and transmission of electric energy, and other causes. I direct Duke and backup generation resources defined below to comply with this Order.⁴ Issuance of this Order will meet the emergency and serve the public interest.

EMERGENCY SITUATION

On September 18, 2026, Duke submitted a request for an emergency order pursuant to FPA section 202(c) (Application).⁵ Specifically, Duke requests that the Secretary find that “an emergency exists by reason of a sudden increase in the demand for electric energy within the Duke service territory that requires intervention by the Secretary, in the form of a section 202(c) emergency order, to preserve the reliability of the bulk electric power system.”⁶ As of the time of Application, Duke has initiated its Emergency Operating Plans to mitigate an Operating Emergency.⁷

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

³ Duke serves as the Balancing Authority and acts as an agent for the Reliability Coordinator for its region and is, therefore, responsible for overseeing the dispatch of generation to meet system demand at all times within the limits of the transmission system. The Duke region includes all, or parts, of North Carolina and South Carolina.

⁴ All geographical or electrical areas of the Bulk-Power System are under the oversight of one and only one Reliability Coordinator. *See N. Am. Elec. Reliability Corp.* (NERC), Rules of Procedure, § 501.1.4.1, https://www.nerc.com/globalassets/who-we-are/rules-of-procedure/nerc-rop-with-appendices-eff-20250520_signed.pdf [hereinafter NERC Rules of Procedure]. All Balancing Authorities are under the responsibility of one and only one Reliability Coordinator. *See id.* § 501.1.4.2. All load and generation is under the responsibility and control of one and only one Balancing Authority. *See id.* § 501.1.4.4.

⁵ Application at 1.

⁶ *Id.*

⁷ *Id.* at 2.

Duke reports that it anticipates unusually high load forecasts of approximately 20,102 MW.⁸ Duke states that the increase in demand is due to atypical high temperature forecasts of 93–94 degrees Fahrenheit, 9-10 degrees above normal high temperatures.⁹ Duke expects these conditions to compound residential and commercial demand, driving system demand to unusually high levels.¹⁰

Duke states that some generating units are limited in providing needed generation because of conditions and limitations in their environmental permits.¹¹ As a result, Duke is concerned that the system “may not have sufficient generation available to meet this unusually high demand and [Duke] may be forced to curtail load in order to maintain security and reliability of the grid.”¹² Therefore, Duke “seeks an immediate order from the Department authorizing the provision of additional energy from the Specified Resources, as well as any other generating units, as needed for grid reliability, regardless of emissions or other permit limitations”¹³

Consistent with my letter issued on January 22, 2026,¹⁴ regarding the deployment of backup generation during emergency conditions, Duke also seeks authorization for large non-essential customer-owned backup generators to operate pursuant to a section 202(c) order and to use those backup generation facilities.¹⁵ It is our understanding that Duke seeks to unlock and deploy backup generation resources (whether auxiliary, standby, directly-connected, battery storage, or other, and whether synchronized or not to the bulk-power system) at data centers (including, but not limited to, hyperscaler facilities), and at other large load industrial and commercial customer sites as another tool to mitigate any undue risk to the bulk-power system. The employment of this backup generation is expected to reduce stress on the grid and permit orderly, safe, and secure operations during the atypical weather conditions as a last resort before declaring a Duke-wide or local Energy Emergency Alert (EEA) 3 event, or during an EEA 3, as needed for grid reliability under the limited circumstances defined here.

REQUEST FOR ORDER

Duke requests that the Secretary issue an order immediately, effective September 18, 2026, through September 21, 2026, to address high load related to the atypical weather conditions, which authorizes “certain electric generating units located within the Duke Energy service territory as well as large non-essential customer-owned

⁸ *Id.* at 1.

⁹ *Id.*

¹⁰ *Id.* at 2.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.* at 3.

¹⁴ Letter from Chris Wright, Sec’y, DOE, to Reliability Coordinators & Balancing Auths. (Jan. 22, 2026), <https://www.energy.gov/documents/leveraging-backup-generation-facilities-during-energy-emergencies>.

¹⁵ Application at 1.

backup generators to operate up to their maximum generation output levels as needed for grid reliability under the limited circumstances described in this letter, notwithstanding air emissions or other permit limitations.”¹⁶ The generating units to which this Order pertains (i.e., Specified Resources) are listed in Exhibit A to the Application for the Order No. 202-26-48, as described below.

DESCRIPTION OF MITIGATION MEASURES

In anticipation of this emergency, Duke states that it has initiated its Emergency Operating Plans to mitigate an Operating Emergency.¹⁷ If needed during an emergency, Duke states it has “already (or will during peak demand) curtailed all recallable energy sales, and implements its load management program, including implementing residential demand response programs and large load curtailments.”¹⁸ Additionally, Duke is evaluating whether to issue public conservation appeals encouraging customers to reduce usage.”¹⁹ Duke 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.²⁰ Indeed, Duke expects to reduce demand by more than approximately 500 MW and has secured an additional 2,089 MW and will continue to pursue more capacity as available.²¹

APPLICATION OF EOP-011-4

Section 215 of the FPA²² established a framework for development and implementation of mandatory and enforceable Reliability Standards that apply to Bulk-Power System owners, operators, and users, such as Reliability Coordinators and Balancing Authorities. NERC certifies Reliability Coordinators and Balancing Authorities pursuant to an Organization Certification program set forth in its Rules of Procedure,²³ because of the significant roles these two functional entity category types have in ensuring bulk-power system reliability. A Reliability Coordinator is defined as

the entity that is the highest level of authority who is responsible for the Reliable Operation of the [Bulk Electric System (BES)], has the Wide Area view of the BES, and has the operating tools, processes, and procedures, including the authority to prevent or mitigate emergency operating situations in both next-day analysis and real-time operations. The Reliability Coordinator has the purview that is broad enough to enable

¹⁶ *Id.*

¹⁷ *Id.* at 2.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.*

²² 16 U.S.C. § 824o.

²³ *See generally* NERC Rules of Procedure, *supra* note 4; *see also id.* § 500.

the calculation of Interconnection Reliability Operating Limits, which may be based on the operating parameters of transmission systems beyond any Transmission Operator's vision.²⁴

A Balancing Authority is "the responsible entity that integrates resource plans ahead of time, maintains Load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time."²⁵

Because of the criticality of their respective roles, Reliability Coordinators and Balancing Authorities are subject to NERC's Organization Certification Program to ensure that they have "the tools, processes, training, and procedures to demonstrate their ability to meet the Requirements/sub-Requirements of all of the Reliability Standards applicable to the function(s)."²⁶

NERC Reliability Standard EOP-011-4 addresses Emergency Operations. Requirement 2 provides that "[e]ach Balancing Authority shall develop, maintain, and implement one or more Reliability Coordinator-reviewed Operating Plan(s) to mitigate Capacity Emergencies and Energy Emergencies within its Balancing Authority Area." Balancing Authorities are responsible for requesting that their respective Reliability Coordinators issue an EEA in accordance with Requirement 2 and Attachment 1 to Reliability Standard EOP-011-4. Among other things, Requirement 2.2.4 of this reliability standard authorizes Balancing Authorities to make "[p]ublic appeals for voluntary Load reductions." Moreover, section 2.2.9 requires Balancing Authority Operating plans to include provisions for "Transmission Operators to implement operator-controlled manual Load shedding, undervoltage Load shedding, or underfrequency Load shedding," and section 2.2.10 requires such plans to determine reliability impacts of "extreme weather conditions."

According to Requirement 5,

Each Reliability Coordinator that receives an Emergency notification from a Transmission Operator or Balancing Authority within its Reliability Coordinator Area shall notify, within 30 minutes from the time of receiving notification, other Balancing Authorities and Transmission Operators in its Reliability Coordinator Area, and neighboring Reliability Coordinators.

According to Requirement 6,

Each Reliability Coordinator that has a Balancing Authority experiencing a potential or actual Energy Emergency within its Reliability Coordinator Area

²⁴ NERC Rules of Procedure, *supra* note 4, app. 5B; *see also id.* app. 2. Other capitalized terms in this definition also are defined in the NERC Rules of Procedure at app. 2.

²⁵ *Id.* app. 5B; *see also id.* app. 2.

²⁶ *Id.* § 501.

shall declare an Energy Emergency Alert, as detailed in Attachment 1.

Attachment 1 provides,

Initiation by Reliability Coordinator. An [EEA] may be initiated only by a Reliability Coordinator at 1) the Reliability Coordinator's own request, or 2) upon the request of an energy deficient Balancing Authority.

To ensure that all Reliability Coordinators clearly understand potential and actual Energy Emergencies in the Interconnection, NERC has established three levels of EEAs. The Reliability Coordinators will use these terms when communicating Energy Emergencies to each other. An EEA is an Emergency procedure, not a daily operating practice, and is not intended as an alternative to compliance with NERC Reliability Standards.

The Reliability Coordinator may declare whatever alert level is necessary and need not proceed through the alerts sequentially.

Before requesting an EEA 3, the energy deficient Balancing Authority must make use of all available resources; this includes, but is not limited to:

2.5.1 All available generation units are on line. All generation capable of being on line in the time frame of the Emergency is online.

2.5.2 Demand-Side Management. Activate Demand-Side Management within provisions of any applicable agreements.

3.3.1 Energy deficient Balancing Authority obligations. The energy deficient Balancing Authority, upon notification from its Reliability Coordinator of the situation, will immediately take whatever actions are necessary to mitigate any undue risk to the Interconnection. These actions may include Load shedding.

ORDER

FPA section 202(c)(1) provides that whenever the Secretary 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," 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.”²⁷ This statutory language constitutes a specific grant of authority to the Secretary to authorize the operation of generation, delivery, and transmission resources that the Secretary has determined will best meet an emergency.

Given the emergency caused by the expected system stress, the responsibility of Duke to ensure maximum reliability of its system, and the ability of Duke to identify and dispatch generation resources and make available backup generation resources necessary to meet load requirements, I have determined that, under the conditions specified below, additional dispatch of the Specified Resources is necessary and operation of backup generation resources may be necessary to best meet the emergency and to 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.

Consistent with the anticipated circumstances, this Order is limited to the period of time that the atypical weather event is expected to impact the Duke region. Because the additional generation or availability of backup generation may result in conflict with environmental standards and requirements, I am authorizing only the necessary additional resources on the conditions contained in this Order, with reporting requirements as described below.

FPA section 202(c)(2) requires the Secretary to ensure that any 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.²⁸ Duke anticipates that this Order may result in exceedance of permit restrictions on NOx, carbon monoxide, and volatile organic compounds.²⁹ To minimize adverse environmental impacts, this Order limits operation of dispatched units to the times and within the parameters determined by Duke for reliability purposes. Consistent with FPA section 202(c)(3) and DOE’s February 4, 2026, Order Granting Rehearing, the emissions or discharges from, hours of operation of, and fuel burned by Specified Resources and backup generation resources while this Order is in effect will not be counted toward applicable rolling average-based limitations.³⁰

²⁷ 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).

²⁸ 16 U.S.C. § 824a(c)(2).

²⁹ Application at 3.

³⁰ *See* 16 U.S.C. § 824a(c)(3); *Duke Energy Carolinas, LLC*, Order Granting Reh’g, DOE Order Nos 202-26-07B et al. (2026) (including Order Nos. 202-26-01B to -15A, regarding Winter Storm Fern).

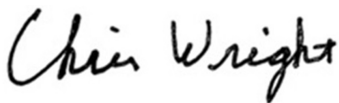
Based on my determination of an emergency set forth above, I hereby order:

- A. From September 18, 2026, in the event that Duke determines that generation from the Specified Resources is necessary to meet the electricity demand that Duke anticipates in its service territory, I direct Duke to dispatch such unit or units and to order their operation only as needed to maintain reliability. Specified Resources are those generating units set forth in Exhibit A to its Application for this Order (i.e., Order No. 202-26-48 Resource List), subject to updates directed here and as described in paragraph G, which DOE shall post on www.energy.gov.
- B. From September 18, 2026, Duke is authorized to direct backup generation resources (whether auxiliary, standby, directly-connected, battery storage, or other, and whether synchronized or not to the bulk power system) to operate as a last resort before declaring an EEA 3 (i.e., before firm load interruption) or during an EEA 3.³¹ Duke is authorized to call upon its Transmission Owners to implement this Order as needed.
- C. This Order authorizes the operation of the backup generation resources described in paragraph B. Following the conclusion of the EEA conditions described in paragraph B, sufficient time for orderly ramp down is permitted, consistent with industry practices.
- D. This Order is not applicable to any backup generation resource serving a critical reliability or backup need, including those at defense, homeland security, first responder, air traffic control, hospital facilities, 911 call centers, water treatment or wastewater facilities, natural gas pipeline facilities, natural gas gathering facilities, or other similar facilities.
- E. To minimize adverse environmental impacts, this Order limits operation of dispatched Specified Resources and backup generation resources to the times and within the parameters determined by Duke for maintaining grid reliability and to the maximum extent practicable be consistent with any applicable environmental law. Duke shall provide a daily notification to DOE (via AskCR@hq.doe.gov) reporting each Specified Resource and backup generation resource that has been designated to use the allowance and operated in reliance on the allowances contained in this Order.
- F. All operations of the Specified Resources and backup generation resources 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.

³¹ See NERC Reliability Standard EOP-011-4, attach. 1, at 3.1 (“The Reliability Coordinators and the energy deficient Balancing Authority shall continue to take all actions initiated during EEA 2.”).

- G. In the event that Duke identifies additional generation units that it deems necessary to maintain the reliability of the power grid, Duke shall provide prompt written notice to DOE (via AskCR@hq.doe.gov) with the name and location of those units that Duke 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 may dispatch such additional generation units, provided that if the DOE notifies Duke 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.
- H. Duke 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.
- I. Each party affected by this Order is directed to file with the Federal Energy Regulatory Commission any tariff, tariff revisions or waivers necessary to effectuate this Order, as applicable. Rate recovery is available pursuant to 16 U.S.C. § 824a(c).
- J. This Order shall not preclude the need for the Specified Resources and backup generation resources to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.
- K. Because this Order is predicated on the shortage of facilities for generation of electric energy and other causes, any backup generation resource subject to this Order shall not be considered a capacity resource.
- L. This Order shall be effective September 18, upon issuance, through September 21, 2026, with the exception of the reporting requirements in paragraph E and applicable compliance obligations in paragraph F. Renewal of this Order, should it be needed, must be requested before this Order expires.

Issued in Washington, D.C. on this 18th day of September 2026.



Chris Wright
Secretary of Energy

cc: **Federal Energy Regulatory Commission**

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Commissioner David Rosner
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Commissioner Judy W. Chang
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