



Department of Energy
Washington, DC 20585

Order No. 202-26-05

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 shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes. Issuance of this Order will meet the emergency and serve the public interest.

Emergency Situation

On January 26, 2026, Duke Energy, whose combined service territory includes electric customers in North Carolina and South Carolina, filed a *Request for Emergency Order Under Section 202(c) of the Federal Power Act* (Application) with DOE “to preserve the reliability of the bulk electric power system.”³ Duke Energy has indicated that it anticipates unusually high load forecasts totaling approximately 38,097 MW from January 27, 2026 until 12:00 PM EST on January 30, 2026, due to record-breaking customer demand as a result of extreme cold temperatures.⁴ Consequently, Duke Energy states that because of conditions and limitations in their unit environmental permits, 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 security and reliability of the grid.”⁵ Therefore, Duke Energy requests an order allowing it to operate certain resources “notwithstanding permit and other limitations will reduce the likelihood that Duke Energy will need to curtail load.”⁶

Description of Mitigation Measures

Duke Energy states that it has initiated its Emergency Operating Plans to mitigate an Operating Emergency and expects to issue public conservation appeals encouraging customers to

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

³ Application at 1.

⁴ *Id.* at 1-2.

⁵ *Id.* at 2.

⁶ *Id.* at 4.

reduce usage.⁷ Also, Duke Energy expects to curtail all recallable energy sales and implement its load management program, including residential demand response, large load curtailments, and a 5% voltage reduction, as well as notify wholesale customers to implement in-kind load management programs.⁸ 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.⁹

Request for Order

Duke Energy requests that the Secretary issue an order effective January 27, 2026, and through 12:00 PM EST on January 30, 2026, the expected period to address high load related to Winter Storm Fern, authorizing “certain electric generating units [Specified Resources] located within the Duke Energy service territory to operate up to their maximum generation output levels under the limited circumstances described in [its Application], notwithstanding air emissions or other permit limitations as well as any other generating units subject to emissions or other permit limitations.”¹⁰ The generating units (Specified Resources) to which this Order relates are listed in Exhibit A of the Application for the Order 202-26-05, as described below.

Duke Energy also provided the following documents in support of its Application: (1) authorization letters from DEC, DEP, North Carolina Electric Membership Corporation, 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,” then 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.”¹¹ This statutory language constitutes a specific grant of authority

⁷ *Id.* at 2.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 1.

¹¹ 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).

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 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 by Winter Storm Fern and its aftermath, 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 Winter Storm Fern is expected to impact the Duke Energy service territory. Because the additional generation may result in a conflict with environmental standards and requirements, 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 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.¹² 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.

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

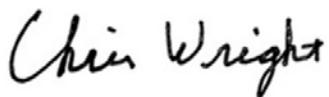
- A. In the event that Duke Energy determines that generation from the Specified Resources is necessary to meet the electricity demand that Duke Energy anticipates in its service territory, I direct Duke Energy to dispatch such unit or units and to order their operation only as needed to maintain reliability. Specified Resources are those generating units set forth in Exhibit A to their Application for the order (i.e., Order 202-26-05 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

¹² Application at 1, 4-5.

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 operation of the Specified Resources must comply with applicable environmental requirements, including but not limited to monitoring, reporting, and recordkeeping requirements, to the maximum extent feasible while operating consistent with the emergency conditions. This Order does not provide relief from any obligation to pay fees or purchase offsets or allowances for emissions that occur during the emergency condition or to use other geographic or temporal flexibilities available to generators.
- 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 at 12:00 AM EST, January 27, 2026, and shall expire at 12:00 PM EST on January 30, 2026, with the exception of the above reporting requirements and compliance obligations, as applicable. Renewal of this Order, should it be needed, must be requested before this Order expires.

Issued in Washington, D.C. at 2:22 PM EST on this 26th day of January 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

State Commissioners

See Attachment A

Attachment A: State Contact Information

The table below provides contact information for state commissioners within the affected Duke Energy service territory.

State	Office	Name
NC	North Carolina Utilities Commission	<u>William M. Brawley (Chairman)</u>
		<u>Floyd B. McKissick, Jr.</u>
		<u>Tommy Tucker</u>
		<u>Donald van der Vaart</u>
SC	Public Service Commission of South Carolina	<u>Delton W. Powers, Jr. (Chairman)</u>
		<u>Justin T. William (Vice Chair)</u>
		<u>Florence P. Belser</u>
		<u>H. David Britt</u>
		<u>Stephen "Mike" Caston</u>
		<u>Headen B. Thomas</u>
		<u>Carolyn "Carolee" L. Williams</u>