



October 9, 2024

The Honorable Jennifer Granholm
Secretary of Energy
United States Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585-1000

Re: Request for Emergency Order Under Section 202(c) of the Federal Power Act

Dear Secretary Granholm:

Pursuant to Section 202(c) of the Federal Power Act ("FPA") and the regulations promulgated thereunder by the Department of Energy ("Department" or "DOE"), Duke Energy Florida, LLC ("Duke Energy") respectfully requests that the Secretary of Energy ("Secretary") find that an emergency exists within the Duke Energy 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. Duke Energy respectfully requests that the Secretary issue an order immediately, effective today, October 9, 2024, authorizing certain electric generating units located within the Duke Energy service territory to operate at low load as needed under the limited circumstances described in this letter, notwithstanding air emissions or other permit limitations. Duke Energy further requests that the order remain effective through 12 AM Eastern Standard Time (EST) on October 13, 2024.

Background

Duke Energy's service territory is being impacted by Hurricane Milton. As of the morning on Wednesday, October 9th Hurricane Milton is a strong, powerful Category 4 hurricane that is forecast to track across central Florida. Milton is projected to remain hurricane strength while crossing Florida. This will cause hurricane-force-gusts across the St. Petersburg/Tampa metropolitan region at the height of the storm overnight into early Thursday, October 10. Elsewhere, strong tropical-storm to near hurricane-force-gusts are projected to impact highly populated zones along the I-4 corridor served by Duke Energy. The combination of damaging winds, torrential rain and subsequent flooding, storm surge at the coast, and possible tornadoes, will result in major power outages, damaging distribution and transmission infrastructure, and threaten several generation stations along the path. The storm is forecasted to exit offshore the east-central Atlantic coast Thursday afternoon after which wind gusts will gradually subside into the early evening.

While many generating units in the Duke Energy service territory continue to function adequately under these stressed conditions, several of Duke Energy's generating units are expected to be forced to shut down due to facility limits on wind speeds and storm surge, as well as staffing issues caused by mandatory evacuations. Additionally, Crystal River Units 4 and 5 remain in forced outage from storm surge impacts from Hurricane Helene. Specifically, approximately 4,000 MW of generating units are currently offline and will remain offline during Hurricane Milton.

Additionally, several units at Citrus Combined Cycle may be forced offline by conditions in its Title V permit. With projected outages and low demand, in order to keep Citrus online, it would potentially need to operate at low load for an extended period of time, which could result in noncompliance with its Title V permit. If Citrus is brought offline due to compliance issues, then it may not be able to start up or ramp up quickly enough to meet demand as load increases following power restoration, particularly in light of the amount of generation predicted to be offline due to hurricane impacts. Ramp-up times from a cold start could be 8 or 9 hours, and could be further delayed by pre-generation start-up checks. Shutting down also increases the risk of equipment failure as well as the risk of water intrusion due to thermal and pressure gradient changes. If these risks prevent Duke Energy from meeting load demand as it rises, it could result in an EEA Level 3 and rotating load shed. Such impacts would hinder post-hurricane restoration and recovery activities and overall grid reliability. Although Duke Energy would attempt to mitigate such impacts through alternative generation as well as power purchases, it is unknown what will be available following the hurricane and whether the necessary transmission infrastructure will remain to use it.

Duke Energy will attempt to keep Citrus operating at a load level compliant with its Title V permit whenever possible, including attempting to sell power to keep load higher. Duke Energy anticipates needing to continue these efforts through the order end date requested here. Subject to the exceptions requested herein, Duke Energy commits to continuing to take such actions, including attempting to sell power, before operating any units in a manner that will result in a conflict with a requirement of any federal, state, or local environmental statute or regulation, including requirements in permits issued pursuant to such laws or regulations. Even with the requested order, however, it is possible that Duke Energy will need to curtail firm load to ensure system reliability.

Relief Requested

During low demand periods following the hurricane, Duke Energy may have to shut down certain units due to conditions established by federal and state environmental laws and permits that prohibit operating at low load for extended periods. These units are described in **Exhibit A** (the "Specified Resources"). Specifically, the operation of these units is or may be impacted by CT MACT formaldehyde limitations in the Title V permit and the Continuous Compliance Plan that requires compliance with a four-hour rolling average minimum operational load of 150 MWs.

Because low load operation of these units subject to these restrictions would help to reduce the likelihood of any firm load shedding that may be required during this hurricane event, Duke Energy seeks an immediate order from the Department ordering the continued operation of the Specified Resources, as well as any other generating units, regardless of emissions or other permit limitations. This relief would be available only under the following limited circumstances:

- Duke Energy must take all steps possible to run the Specified Units at a load level in compliance with permit requirements, including attempting to sell power.
- To minimize adverse environmental impacts as set forth herein, this order limits operation of dispatched units to the times and within the parameters determined by Duke Energy as necessary for grid reliability to avoid adverse health and safety impacts to customers from shedding firm customer load. Duke Energy shall provide a daily notification to the Department by email to 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.
- Duke Energy will provide such additional information regarding the environmental impacts of the order and its compliance with the conditions of the order, in each case as requested by the Department of Energy from time to time. By October 20, 2024, Duke Energy will report all dates between October 9, 2024 and October 13, 2024, inclusive, on which the Specified Resources were operated, the hours of operation, and violations of permit conditions. Duke Energy will submit a final report by November 20, 2024, with any revisions to the information reported on October 20, 2024. The environmental information submitted in the final report will also include the following information for each Specified Resource that operates pursuant to the order:
 - The number and actual hours each day that each Specified Resource unit operated in excess of permit limits or conditions;
 - Amount, type and formulation of any fuel used by each Specified Resource;
 - For any permit that had limits or conditions exceeded or violated pursuant to this order, all reporting provided pursuant to that permit over the last three years to the United States Environmental Protection Agency or state or local environmental agencies;
 - Additional information requested by DOE as it performs any environmental review relating to the issuance of the order; and
 - Information describing how operation of the Specified Resource complied with applicable environmental requirements.
- Duke Energy will take reasonable measures to inform affected communities where all Specified Resources operate that Duke Energy has been issued the order, in a manner that

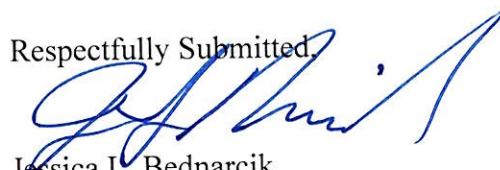
ensures that as many members of the community as possible are aware of the order, and explains clearly what the order allows Duke Energy to do. At a minimum, Duke Energy will post a description of the Order on its website (with a link to the order) and identify the name, municipality or other political subdivision, and zip code of Specified Resources covered by the order, as the Specified Resources may be updated. In addition, in the event that a Specified Resource operates pursuant to the order, a general description of the action authorized by the order will be included in any press release issued by Duke Energy with respect to Hurricane Milton and will include a reference to the website posting required by the preceding sentence for further information. Duke Energy will describe the actions taken to comply with this paragraph in the reports described above.

Duke Energy estimates conservatively that operation in reliance on this order may result in excess emissions of 48 pounds of formaldehyde, which was calculated based on the four turbines at Citrus operating at 140 MW for eight hours. Such minimal excess emissions would have a negligible impact to health and the environment, and, considering ambient conditions during the storm, would likely disperse quickly.

Duke Energy requests this order because it is committed to public health and safety, takes its compliance obligations seriously, and understands the importance of the environmental permit requirements that are at issue. In this case, the risk of power outages during Hurricane Milton is a more imminent and prominent threat to the communities in our service territory than the temporary exceedances of those permit limits that would be allowed under the order. Authorizing the Specified Resources to operate notwithstanding permit and other limitations will reduce the likelihood that Duke Energy will need to curtail load. This request is narrowly tailored to allow only the exceedances that are necessary to ensure reliability during the limited timeframe of this request.

Duke Energy greatly appreciates the Department of Energy's expedited consideration of this request and commits to respond to any requests for additional information on an expedited basis. Please do not hesitate to contact me or my staff if you have any questions or require additional information in order to act on this request.

Respectfully Submitted,



Jessica L. Bednarcik

SVP, Enterprise Safety and Generation Services
Duke Energy Florida, LLC