



Department of Energy
Washington, DC 20585

Order No. 202-25-5

Pursuant to the authority vested in the Secretary of Energy by section 202(c) of the Federal Power Act (FPA), 16 U.S.C. § 824a(c), and section 301(b) of the Department of Energy Organization Act, 42 U.S.C. § 7151(b), and for the reasons set forth below, I hereby determine that an emergency exists within the Duke Energy Carolinas, LLC (“Duke Energy”) service territory due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes, and that issuance of this Order will meet the emergency and serve the public interest.

Emergency Situation

On June 23, 2025, Duke Energy, an investor-owned utility 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 the United States Department of Energy (Department) “to preserve the reliability of the bulk electric power system.” Duke Energy’s service territory will be impacted by a ridge of high pressure that will stall over the eastern United States resulting in elevated ambient temperatures combined with high humidity for many eastern power pools. This combination of heat and humidity is expected to result in a significant increase in demand for electricity on the Duke Energy system. These conditions are expected to begin on June 23, 2025, and extend through June 25, 2025. Peak temperatures across the service territory – outside of the high elevation – are expected to range from 96°F to 102°F during this time with heat indices in the range of 100°F to 110°F. Duke Energy anticipates unusually high load forecasts during this time of approximately 21,968 MW for Duke Energy Carolinas and 35,623 MW for the Carolinas. Application at 1. The ridge weakens after June 25, 2025, then higher rain chances will provide relief from extreme temperatures and load from June 26-27, 2025. Application at 2.

Duke Energy has indicated that, while the vast majority of generating units in the Duke Energy service territory continue to function as expected under these stressed conditions, some units may experience operating difficulties due to hot weather in the coming days. Specifically, approximately 1,500 MW of generating units are currently in outage or derated. Additionally, other units may be limited in their availability by conditions and limitations in their environmental permits. As a result, Duke Energy states that it may not have sufficient generation available to meet this unusually high demand and may have to curtail load in order to maintain security and

reliability of the grid. In anticipation of this emergency, Duke Energy has entered Grid Status Red and anticipates declaring an EEA Level 2. Application at 2.

Additionally, Duke Energy, in its role as Reliability Coordinator for VACAR South (“RC”), filed a formal endorsement on June 23, 2025, of the Application. RC Letter at 1.

Description of Mitigation Measures

Duke Energy has indicated that it has taken extensive conservation measures in an effort to reduce load so that the supply of power will continue to be sufficient to meet system demand and reserve requirements. On June 23, 2025, Duke Energy issued public conservation appeals encouraging customers to reduce usage. Additionally, Duke Energy has curtailed all recallable energy sales and implemented its load management program, including implementing residential demand response programs and large load curtailments. Duke Energy also notified wholesale customers to implement in-kind load management programs. These efforts are expected to reduce demand by approximately 700 - 1000 MW across the peak demand period. Application at 2.

In addition to the conservation measures, Duke Energy has also exhausted its ability to obtain more power through other means, including utilizing its Carolinas reserve sharing group and purchasing external capacity. As a result of these efforts, Duke Energy has secured approximately 1332 MW. Application at 2.

Subject to the exceptions included in this Order, Duke Energy has indicated that it will continue to take such actions, including utilizing other supply resources, before operating any units or calling on any generator to operate 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. Duke Energy anticipates needing to continue these emergency actions through June 25, 2025. Application at 2.

Request for Order

Duke Energy requests that the Secretary issue an order immediately, effective June 23, 2025, through 10:00pm EDT on June 25, 2025, authorizing “the provision of additional energy from the Specified Resources, as well as any other generating units, regardless of emissions or other permit limitations” in the Duke Energy service territory. Application at 3. The generating units (Specified Resources) that this Order pertains to are listed on the Order 202-25-5 Resources List, as described below.

ORDER

Given the emergency nature of 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 the current extreme weather event 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.

In line with the anticipated circumstances, this Order is limited to the period of the likely hottest weather conditions and highest forecast load. Because the additional generation may result in a conflict with environmental standards and requirements, I am authorizing only the necessary additional generation on 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 emissions of nitrogen oxide and particulate matter. 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 the necessary generation. Specified Resources are those generating units set forth on the Order 202-25-5 Resource List, subject to updates directed here and as described in paragraph D, which the Department 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 the Department (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.

In furtherance of the foregoing and, in each case, subject to the exhaustion of all available imports, demand response, and identified behind-the-meter generation resources selected to minimize an increase in emissions available to support grid reliability:

- (i) For any generation resource that is unable, or expected to be unable, to produce at its maximum output due to an emissions or other limit in any federal environmental permit, at any point before 10:00pm EDT on June 25, 2025, the unit will be allowed to exceed any such limit only during any period for which Duke Energy declared an Energy Emergency Alert (EEA) Level 2 or Level 3,

except as described in item (iii) below in certain limited circumstances in anticipation of an EEA Level 2. Once Duke Energy declares that the EEA Level 2 event has ended, the unit would be required to immediately return to operation within its permitted limits. And at all other times, the unit would be required to operate within its permitted limits, except for the limited exceptions provided herein for operations in anticipation of an EEA Level 2 to prevent the cycling of units or facilitate the charging or pumping of other resources necessary for the EEA Level 2.

- (ii) For any generation resource that is offline or would need to go offline at any point before 10:00pm EDT on June 25, 2025, due to an emissions or other limit in any federal environmental permit, Duke Energy may (or direct the unit operator to) bring the unit online, or to keep the unit online, and to operate at the level consistent with its permits but subject to the exceptions set forth in this Order. In this circumstance, the operator is allowed to make all of the unit's capacity available to Duke Energy for dispatch during any period for which Duke Energy has declared an EEA Level 2 or 3, except as described in item (iii) below in certain limited circumstances in anticipation of an EEA Level 2. Once Duke Energy declares that such an EEA Level 2 event has ended, the unit would be required to immediately return to operating at a level below the higher of its minimum operating level or the maximum output allowable under the permitted limit.
 - (iii) Duke Energy is hereby granted authority to operate the Specified Resources in certain limited circumstances in advance of declaring an EEA Level 2 where such operation or continued operation of the Specified Resource is reasonably necessary to avoid shutting down and restarting the Specified Resources. Duke Energy has represented that such cycling of units can cause reliability issues regarding restarting, delays, and increased emissions during start up. Duke Energy is further authorized to operate the Specified Resources in certain limited circumstances in advance of the declaring an EEA Level 2 where such operation or continued operation of the Specified Resource is reasonably necessary to facilitate charging storage resources or pumping for pumped storage facilities that will be needed during an anticipated EEA Level 2. Duke Energy is required to take measures to dispatch units for which cycling would otherwise be required in a manner reasonably intended to limit the duration and operating level of those units in such a way as to minimize exceedance of permit limitations consistent with the security and reliability of the Duke Energy service territory.
- C. All operation of the Specified Resource 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 the Department of Energy 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 the Department updating Exhibit A, and Duke Energy may dispatch such additional generation units, provided that if the Department of Energy 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 the Department.
- 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 the Department of Energy 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 upon its issuance, and shall expire at 10:00pm EDT on June 25, 2025, with the exception of the reporting requirements in paragraph D 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 3:50 AM EDT on this 24th day of June 2025.

A handwritten signature in blue ink, appearing to read "Chris Wright", is positioned above the printed name and title.

Chris Wright
Secretary of Energy