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K&L Gates' ReNEWS Southeast – Volume 10

K&L Gates reports on the latest renewable energy policies and activities in the southeastern United States.

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K&L Gates' ReNEWS Southeast is a periodic bulletin that tracks key developments in renewable energy policy, activities, and technologies that are driving the industry forward.

Construction Complete on Two Georgia Solar Projects

- On September 25, 2019, [United Renewable Energy LLC announced](#) the completed construction of two solar-power projects amounting to more than 3.8 megawatts (“MW”) of generation. The projects cover nearly 30 acres in Chattooga County and Stephens County. [United Community Bank](#) assisted in bringing the projects to fruition through debt financing structures.
- As covered in previous ReNEWS Southeast issues, renewable projects are gaining steam in Georgia, including the recent completion of [nine new solar projects](#) and the [opening of the Curiosity Lab](#), which will serve as a space to test smart-city innovations.

Virginia's Sweeping Clean Power Initiatives

- On September 16, 2019, Governor Ralph Northam of Virginia signed [Executive Order Forty-Three](#), which identifies specific goals for growing Virginia's clean-energy sector. These goals include moving 30 percent of Virginia's energy production to renewables by 2030 and obtaining 100 percent of the state's electricity from carbon-free sources by 2050. The executive order includes targets for onshore and offshore wind, energy storage, and solar power, as well as energy equity and environmental justice goals.
- Following the governor's goals, [Dominion Energy](#) (“Dominion”), on September 19, 2019, [announced](#) the development of a new offshore wind project that will total more than 2,600 MW of wind energy by 2026. The project will utilize 220 wind turbines off the coast of Virginia Beach and power approximately 650,000 homes at its peak. The project will develop in three phases, each totaling 880 MWs. In June, Dominion began construction of another offshore wind project, the Coastal Virginia Offshore Wind project, a 12 MW demonstration project, which is claimed to be the first fully-permitted wind project in U.S. federal waters.
- Building on this clean-energy wave in Virginia, trade press [reported](#) that the Democratic Party of Virginia unanimously passed multiple resolutions supporting the “Green New Deal Virginia” on September 21, 2019. The proposal shares the 2050 zero carbon goal of Governor Northam's executive order.
- In addition to all of these renewable energy declarations, the Arlington County Board [voted unanimously](#) in favor of an update of its Community Energy Plan adopting similarly ambitious goals for the energy of Arlington County. The update provides clean-energy goals for the community, including building with more stringent renovation codes, resilience infrastructure able to better withstand disruptions, and public transportation with less greenhouse gas emissions, as well as educational and behavioral change efforts to

empower community members to reduce energy use. The bold clean-energy plans from various Virginian government and private sectors taken together provide a clear signal that the state is prioritizing renewable power development.

North Carolina Issues First Clean Energy Plan

- On September 27, 2019, the North Carolina Department of Environmental Quality issued North Carolina's first [Clean Energy Plan](#) (the “CEP”), fulfilling the directive of [Executive Order 80](#), which Governor Roy Cooper issued in October 2018. That order supported the Paris 2015 climate goals and set a number of plans and priorities in motion to reduce the state's greenhouse gas footprint.
- The CEP calls for dramatically reducing greenhouse gas emissions from electric power production. The 2002 North Carolina [Clean Smokestacks Act](#) and the 2007 [Renewable Energy and Energy Efficiency Portfolio Standard](#) already have resulted in some reductions in greenhouse gas and other emissions from power generation in North Carolina through, respectively, pollution control rules and mandating the use of renewable energy sources. The CEP takes these efforts one step further, with a goal of achieving carbon neutrality by 2050. At the same time, the [North Carolina Department of Transportation](#) issued [a plan of its own](#) — this one to increase the number of electric vehicles registered in the state.

Duke Energy Announces New North Carolina Rate Proposal

- On September 30, 2019, Duke Energy announced its [intent to file](#) a general rate application with the [North Carolina Utilities Commission](#) (“NCUC”) to adjust certain electric power rates. According to [the company's North Carolina president](#), the new rate case will include a number of steps to further transition the company to cleaner energy sources and to improve reliability and resilience. In order to achieve these goals, Duke Energy has requested [an increase in the rates](#) it charges to residential and commercial customers.
- [The NCUC regulates](#) providers and some producers of electricity, along with a number of other types of utilities. NCUC [rules](#) and [enabling statutes](#) require that the rates set by electric power providers be approved by the NCUC. This ratemaking process is often long, complex, and public.

Florida Senate Propose a 100 Percent Renewable Energy Goal by 2050

- As of September 11, 2019, the Florida [Senate](#) and [House of Representatives](#) have both filed a bill—[S.B. 256](#) and [H.B. 97](#), respectively—that would establish a renewable portfolio standard (“RPS”) of 100 percent renewable energy generation by 2050 with an interim benchmark of 40 percent by 2030. We previously reported on H.B. 97 after its August filing in [ReNEWS Southeast Volume 8](#).
- Under S.B. 256, electricity providers may initially meet the RPS through the procurement of renewable energy or the purchase of renewable energy credits (“RECs”). However, S.B. 256 requires the [Public Service Commission](#) to promulgate a rulemaking that favors the procurement of renewable energy over the purchase of RECs and eventually phases out the use of RECs for compliance.
- According to a 2014 [Florida Energy Systems Consortium](#) study, 61 percent of the state's energy generation came from natural gas, 23 percent from coal, 12 percent from nuclear, and just 4 percent from renewable sources, including solar, wind, and geothermal. However, Florida utilities have spurred a dramatic increase in renewable projects in recent years. [The Smart Electric Power Alliance](#) reports that Florida utilities more than doubled their solar capacity in 2018. If passed, the bills will further increase this shift to renewable energy. The bills have both been referred to committees and await the Republican-controlled legislature to reconvene in January for the 2020 session.

Duke Energy Updates Carbon-Reduction Goals to 50 Percent by 2030

- On September 17, 2019, [Duke Energy announced](#) a goal of net-zero carbon emissions from electrical generation by 2050. This commitment is in line with the standards set forth in the now-abolished Clean Power Plan and the 2015 U.S. commitment to the Paris Climate Agreement. In 2017, Duke Energy set out to reduce carbon emissions by 40 percent by 2030. The company claims the sustained, low natural gas prices and declining costs for renewables and storage have allowed it to accelerate that goal to at least 50 percent by 2030. Besides doubling its portfolio of solar, wind, and other renewables by 2025, Duke Energy looks to modernize the grid and invest in research for technological innovation.
- In December 2019, Duke Energy hopes to bring two Florida solar power facilities online. The two facilities, located in Highlands and Gilchrist counties, will produce nearly 120 MW, enough to power more than 35,000 homes at peak production. These will aid the company in reaching its state-specific goal of producing 700 MW of solar production in the state through 2022.

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