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## Duke Energy: Powering a Plan Toward Net Zero

Cari Boyce, senior vice president of strategy at Duke Energy, sat down at her first weekly team meeting in 2020 and went through her agenda. Among the team's highest priorities was developing a generation strategy for Duke Energy in North Carolina. This strategy would go into the Integrated Resource Planning (IRP) submission to the North Carolina Utilities Commission, where, upon approval, it would become the strategy on record for Duke Energy in this jurisdiction through 2035. This new strategy would be the first high-profile project for Boyce and her new team; previous strategy development and IRP preparation had been done under a different leader.

While Boyce had tremendous confidence in her team and their capabilities, the task of balancing multiple and sometimes conflicting objectives felt like an impossible task. At a corporate level, the company had committed to increase earnings-per-share (EPS) growth from the 4-6% range to 5-7% and analysts welcomed this as the path to keep the stock price in the \$90-\$100+ range. Failure to achieve earnings and EPS growth targets would make the stock less valuable. But, Duke Energy had also committed to keeping customers' bill growth at or below inflation, which at the time meant that bill growth should not exceed 2-3% annually. Additionally, the company was facing significant pressure from environmental groups to increase the amount of renewables in the power-generation mix and reduce the dependence on fossil fuels (coal and natural gas). Finally, there was competition in the capital plan for spending on grid improvements and coal ash cleanup projects.

The last IRP submission for North Carolina, over a decade ago, had been a daunting undertaking. Since that plan, Duke Energy had walked away from a potentially expensive nuclear project, committed to more gas generation and renewables, and planned to install transmission to bring solar power from plants in the east to load centers in the mid- and western Carolinas.

The stakeholder landscape was far more complicated in 2020. Rising expectations around renewables, fossil fuels, energy rates, and cost recovery were all heightened to levels Boyce and others would not have

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