

Some Concerns with NC HB951

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- **1 -** <u>HB951</u> (v4) is a political document with profound long-term NC consequences. Passing HB951 would burden future generations of North Carolinians with the political aspirations of Governor Cooper and his allies. *How does that make any sense?*
- **2: Deceptions, Part 1 -** From its inception, HB951 has been a model of deception. For example, HB951 originally started out as a <u>one page bill</u>, **exclusively** supporting SMRs (Small Modular Reactors). Surprisingly, all this made very good sense (regarding economics, reliability and climate). *That rarity should have been a red flag*.

It turns out that HB951 version 1 was a subterfuge. The sponsors had no real interest in SMRs, as subsequent versions dropped any mention of them. Apparently, the phony SMR bill was intended to be a deceptive placeholder, until the real 50± page measure was suddenly and subtly substituted, two months later. Now legislators can correctly say that the latest ten-page version (v4) is a big improvement of the fifty page debacle. However, the appropriate comparison should be with the **original** version — and we've gone considerably downhill from there. *Let's go back to that!*

- **3: Deceptions, Part 2 -** Over the last several months, HB951 was concocted by a combination of parties, facetiously called "stakeholders." More accurately they are lobbyists working for special-interests. Unfortunately, not a single one of those lobbyists genuinely represents the best interests of the state's largest stakeholders: citizens, small businesses, and the military of NC. *How does that make any sense?*
- **4: Deceptions, Part 3 -** The title *Energy Solutions for NC* is misleading, as HB951 is **not** about optimizing NC energy options. Rather it starts an unscientific climate agenda, and then forces the State to **limit** its energy options to those consistent with those *political science* assumptions and objectives. Note that the IPCC (the world's leading advocate of climate policies) stated in a recent major <u>report</u>:

"For most economic sectors, the impact of climate change will be small relative to the impacts of other drivers... Changes in population, age, income, technology, relative prices, lifestyle, regulation, governance, and many other aspects of socioeconomic development will have an impact on the supply and demand of economic goods and services that is large relative to the impact of climate change."

Where is that reality reflected in HB951?

5: Deceptions, Part 4 - Another example of the tactics in play here, is that after some five months of behind-the-scenes horse-trading by special interests, the latest revision of HB951 wasn't even posted on the NC Legislative <u>website</u> until 10/5/21... In other words, the public isn't given one (1) day to read and comprehend the implications of a highly technical bill that will affect our state for decades! *How does that make any sense?*

6: Deceptions, Part 5 - Hidden in the obfuscating terminology of HB951, Duke Energy is a primary beneficiary. However, the words "Duke Energy" don't even appear in this bill. The authors of this polemic have put the burden of deciphering and understanding the implications of the complex financial and technical arrangements posited in HB951, on the public. For example, it says (Section 5):

"Rules, procedures, obligations, and protections adopted for securitization of costs associated with retirement of subcritical coal-fired generating facilities shall be substantively identical to the provisions of Section 1 of S.L. 2019-244, except with respect to the purposes for which securitization may be used under that section."

How about a plain-English version of this impenetrable manuscript?

- 7: Deceptions, Part 6 The State (in its wisdom), several years ago set up the NC Energy Policy Council. It is supposed to be a collection of independent energy knowledgeable people, chaired by the Lieutenant Governor. The Council's charter was to give objective advice to Legislators on energy policy matters. HB951 is a MAJOR energy policy matter yet the NC Energy Policy Council (which has had meetings since the introduction of HB951) has not been publicly involved with it in any apparent way. How does that make any sense?
- 8: Science, Part 1 I've been a professional Scientist for over fifty years. Let me be clear, Science exists for one purpose: to provide us with essential assistance in resolving technical matters. What our energy policies should be, is one of the primary technical matters that our NC legislators have to deal with. As such, it is imperative that our legislators not only acknowledge the critically integral role Science plays here, but to assure that proposed NC energy policies are indeed firmly rooted in Science. Somehow these have both been lost. For example, the word "Science" not only doesn't appear in HB951, but few (if any) of its technical provisions are based on real Science. Instead they are written by self-serving lobbyists, who have no genuine interest in (or little knowledge of) Science. How does it make any sense that legislators allow this to happen?
- **9: Science, Part 2 -** HB951's deviation from Science starts with its very first sentence (Roman numeral One), where the primary objective is spelled out. The percentages and years enumerated, are arbitrary and capricious. This is *political science*, not real Science. Even to laypersons, the political nature of this objective should be apparent, as if they were really serious about their stated climate objectives, there would be a substantial amount of nuclear support in HB951 **yet there is none.** *Pure politics!*

- **10: Science, Part 3 -** Highfalutin technical terms may impress the public, but they do not make a bill scientific. Those more technically experienced would pick up on a key scientific disconnect in HB951: its endorsement of wind & solar (e.g., § 62-110.8). The reality is that those renewables have zero scientific proof that they consequentially reduce CO2 (e.g., see here and here and here). How does promoting them make scientific sense?
- **11: Science, Part 4 -** Despite the justifications, since many NC energy policies (like this), are almost devoid of real Science, they inevitably result in three predictable outcomes:
 - a) the benefits are always less than promised,
 - b) the costs are always more than projected, and
 - c) there are numerous adverse unintended consequences.

Why haven't state legislators figured this out a long time ago, and changed their ways?

- **12: Economics, Part 1 -** The title of HB951 went from: *Study Emerging Energy Generation* to *Energy Solutions for North Carolina*. It's well-established that the two most important societal energy criteria are: **a)** reliable electricity, *and* **b)** low-cost electricity. HB951 gives token acknowledgment to both of these realities. However, it then promotes wind and solar (e.g., § 62-110.8) which are **inherently unreliable**, and **far more expensive** than traditional electricity sources. *How do those contradictions make any sense?*
- **13: Economics, Part 2 -** Section 3 of HB951 says: "DEQ shall develop a plan to ensure adequate financial resources for the decommissioning of utility-scale solar projects..." Yes, there should be statewide pre-determined plans to decommission both wind and solar projects which are problematic and very expensive efforts. **Under no circumstances should these costs be on the back of NC taxpayers or ratepayers.** Instead, the full cost of such plans should be 100% borne by the entrepreneurs profiting from these lucrative projects. *This bill is remiss in not specifically requiring that*.
- **14: Economics, Part 3 -** There are pages of mumbo-jumbo having to do with electricity rates and PBRs, PIMS, DERs, and MYRPS. Since these were all likely written by Duke Energy attorneys (and some of them are a radical departure from current policies), there is effectively zero possibility that the outcome of all this back-room dealing will result in lower costs for NC ratepayers or taxpayers. Where are the independent studies critically examining the implications of these provisions? Who is representing the public here?
- **15-** So, in summary: why would a NC Republican Senator, or a NC Republican House member support a measure that is: **a)** unscientific, **b)** contrary to the interests of the majority of NC citizens and businesses, **c)** not likely to be successful in attaining stated objectives, and **d)** is also largely inconsistent with the professed positions stated in the NC Republican Party Platform? How would such support make any sense?