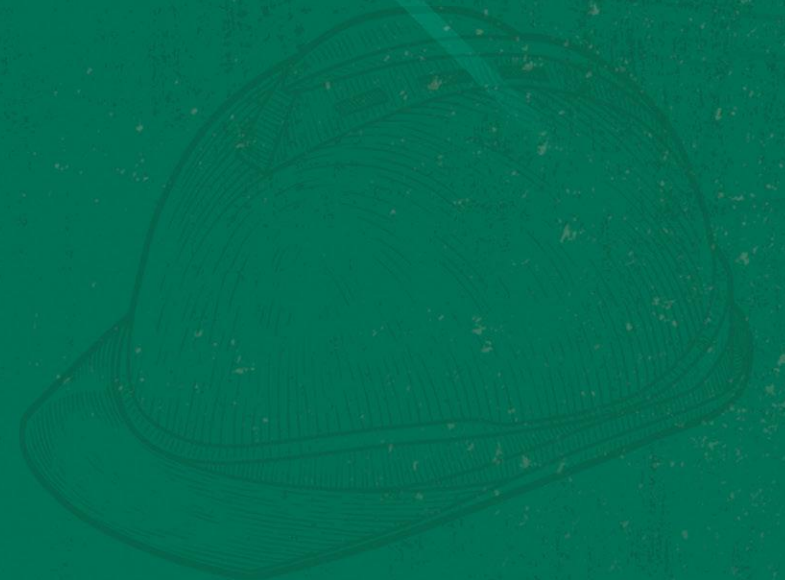




# Elizabeth City Load Management Program Discussion

Monday, February 23<sup>rd</sup>, 2026



# Agenda

- Load Management (LM) Background
- Coincident Peak (CP) Billing
- Basic CP Rate Components
- Distributed Resource (DR) Guidelines
- Elizabeth City's Qualified Resource (QR) Allocation
- Review financial impact

# Load Management (LM) Background

- Load Management is the act of reducing the wholesale load by either dispatching resources, controlling HVAC units, heat strips, water heaters and/or implementing voltage reduction (VR)
- This is done to reduce Elizabeth City's load during the Duke Energy Progress Coincident Peak (CP) hour for each month

# Coincident Peak (CP) Billing

Coincident peak demand (CP) is generally defined as:

- The maximum kilowatt (kW) demand established by the wholesale customer during the 60-minute interval that coincides with the highest hourly demand on the Duke Energy system for that month.
- Put another way, the CP Demand Coincides with Duke Energy's System Peak: This is the crucial part. It means the customer's demand is measured specifically during the hour when the *entire* Duke Energy system (all its customers combined) reaches its highest point of electricity usage for that month. Duke Energy determines this system-wide peak.

# Coincident Peak (CP) Billing

- Elizabeth City purchases power from the North Carolina Eastern Municipal Power Agency (NCEMPA)
- NCEMPA is a wholesale customer of Duke Energy Progress (DEP)
- The CP hour is established at the end of each month after DEP has completed their monthly true-ups.

# Basic CP Rate Components

- Elizabeth City's overall cost per CP kW (demand) is \$24.58 consisting of the following:
  - \$22.86/kW Demand Charge
  - \$0.06/kW Delivery Surcharge (Rider 2)
  - \$1.66/kW Special Obligations Charge (Rider 4)
- Monthly energy is billed at \$0.02628/kWh
- These rates (FR-10) are in effect until April 2026

# Basic CP Rate Components cont'd

- Elizabeth City's overall cost per CP kW (demand) will be \$25.28 consisting of the following:
  - \$23.56/kW Demand Charge
  - \$0.06/kW Delivery Surcharge (Rider 2)
  - \$1.66/kW Special Obligations Charge (Rider 4)
- Monthly energy is billed at \$0.02726/kWh
- These rates (FR-11) will be effective April 2026

# Distributed Resource (DR) Guidelines

- Distributed Resources are typically made up of generators or Battery Energy Storage Systems (BESS)
- Distributed Resources are categorized as 5 types:
  - Member Resource – located at a Member’s facility (WWTP, fire department, town hall, water plant, etc)
  - Customer Resource – located at a customer’s facility (grocery store, hospital, large C&I customer, etc)
  - PURPA qualified – renewable energy or a generator that meets the Public Utility Regulatory Policies Act (PURPA) of 1978
  - Economic Development – permission granted from DEP, to retain or increase load in the region
  - Interruptible Load – load that is curtailed during LM events

# Distributed Resource (DR) Guidelines cont'd

- Non-Exempt Resources with a nameplate rating greater than or equal to 95kW must give notice to NCEMPA 4 months before running for LM
- Non-Exempt Resources with a nameplate greater than 2,500kW must give notice to NCEMPA 7 months before running for LM and pay a reserved capacity fee
- No back feeding is allowed on the transmission system

# Distributed Resource (DR) Guidelines cont'd

- Any high interruptible loads (HILs) greater than or equal to 1MW that has been energized after January 1, 2023 must be noticed with NCEMPA so the appropriate metering can be installed.
- PURPA qualified and Economic Development resources are exempt from NCEMPA's Qualified Resources cap and do not reduce a Member's allocation.

# Elizabeth City's Qualified Resource (QR) Allocation

- Each year's allocation is based on the previous year's annual peak with allocation not to reduce below 2023's allocation as voted on by the Rate Committee.
- Elizabeth City's 2025 allocation was 12,052kW
- Elizabeth City's 2026 allocation is XYZkW
- Currently 4,110kW noticed (34.1%)
- 4,605kW in PURPA qualified and 7,000kW in "grandfathered" resources

# Review financial impact

- Assuming all your existing resources (15,715kW) ran at full nameplate during the CP, the wholesale savings could be ~\$394k monthly
- If the remaining 7,942kW of allocation is noticed the savings could increase by ~\$199k monthly
- Total wholesale savings could be as much as ~\$593k monthly provided all the resources 'catch' the CP
- This equates up to ~\$7.1M in annual wholesale savings
- These estimates do not include O&M operational expenses

# Review financial impact cont'd

- 2024 Operations:
  - NCEMPA had 51 generator events for 177:55 hours and 53 LM events for 132:15 hours
  - Estimated wholesale NCEMPA savings was \$73M with Elizabeth City saving an estimated \$1.6M
- 2025 Operations:
  - NCEMPA had 62 generator events for 228:05 hours and 62 LM events for 156:00 hours
  - Estimated wholesale NCEMPA savings was \$78M with Elizabeth City saving an estimated \$1.75M



▶ **Any Questions?**

