



Joint Legislative Commission on Energy Policy

February 3, 2026



Three Types of Electric Utilities



PUBLIC POWER UTILITIES

BUSINESS MODEL	Not for profit, Community-owned
FEDERAL ENERGY REGULATORY COMMISSION JURISDICTIONS	Only for interstate transmission
REGULATED BY STATE PUBLIC UTILITY COMMISSION	Very limited instances
GOVERNED BY	Elected/appointed boards, mayors, city council members and citizens
FINANCIAL CONTRIBUTION TO LOCAL GOVERNMENT	Exempt from most taxes; instead make payments in lieu of taxes or transfers to the general fund
CAN RAISE FUNDS THROUGH	Tax-exempt municipal bonds



RURAL ELECTRIC COOPERATIVES

BUSINESS MODEL	Not for profit, Member-owned
FEDERAL ENERGY REGULATORY COMMISSION JURISDICTIONS	Only for interstate transmission
REGULATED BY STATE PUBLIC UTILITY COMMISSION	Some
GOVERNED BY	Member-elected boards
FINANCIAL CONTRIBUTION TO LOCAL GOVERNMENT	May neither pay taxes nor other contributions to local government
CAN RAISE FUNDS THROUGH	Loans from the Dept of Agriculture's Rural Utilities Service or cooperative or private lenders



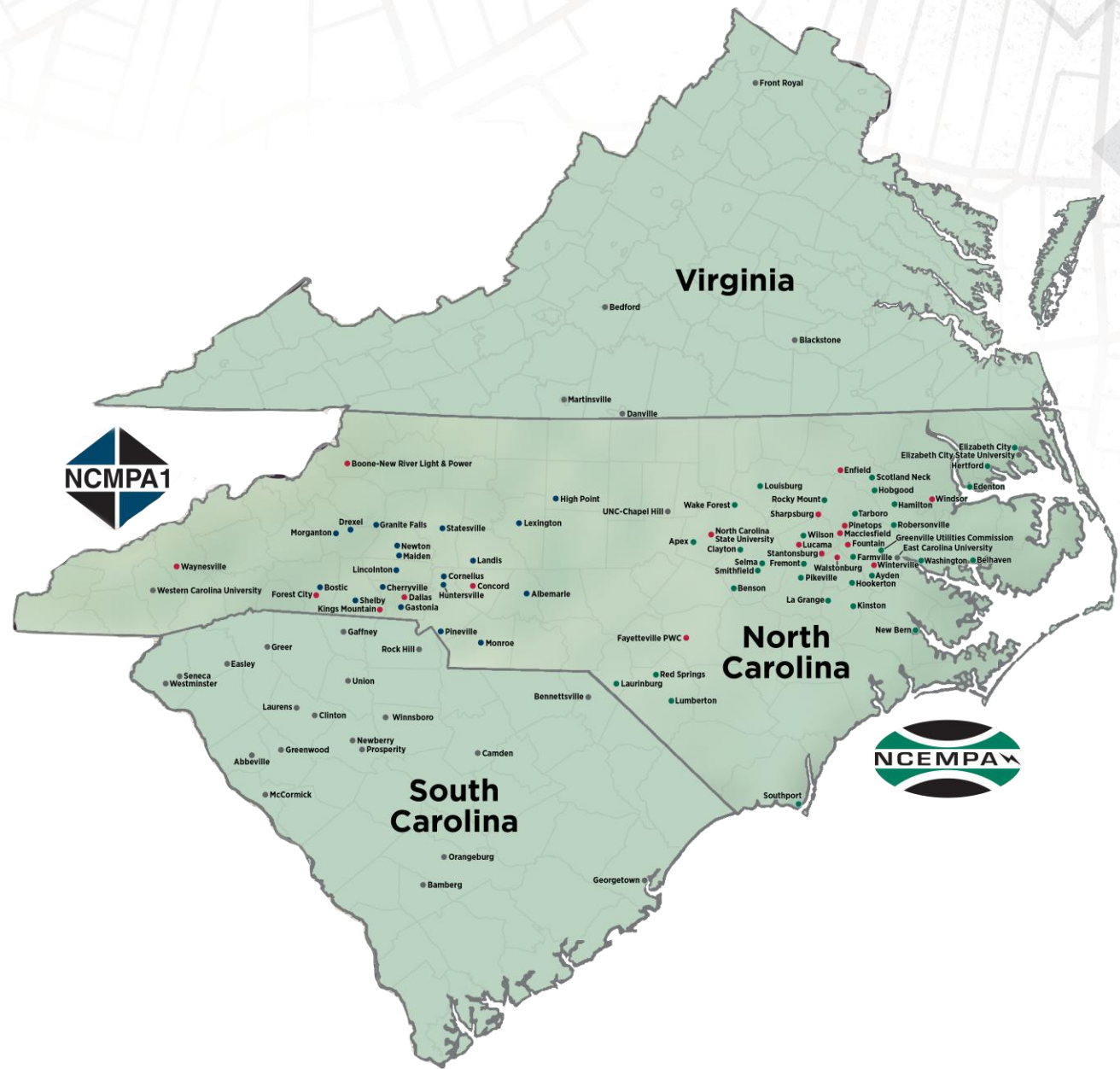
INVESTOR-OWNED UTILITIES

BUSINESS MODEL	For profit, Shareholder owned
FEDERAL ENERGY REGULATORY COMMISSION JURISDICTIONS	For wholesale rates
REGULATED BY STATE PUBLIC UTILITY COMMISSION	All
GOVERNED BY	Private boards
FINANCIAL CONTRIBUTION TO LOCAL GOVERNMENT	Pay taxes to local government
CAN RAISE FUNDS THROUGH	Stock issue or corporate debt

Public Power's Purpose

Deliver value to our communities and customers through collective strength, knowledge, and action while promoting a successful future.

Public power illuminates the homes and workplaces of nearly **1.6M people** in North Carolina.



Nuclear Power in the United States

- The first nuclear plant in the U.S. was in Shipping Port, PA and came on-line December 2, 1957.
- Today there are 94 reactors located at 54 plant sites.
- Produce roughly 18-20% of U.S. electricity.

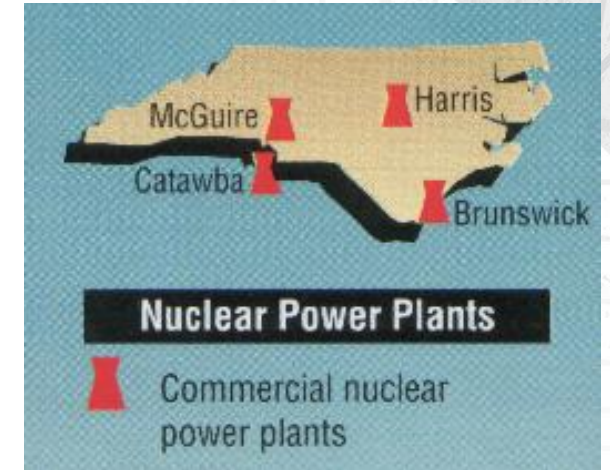
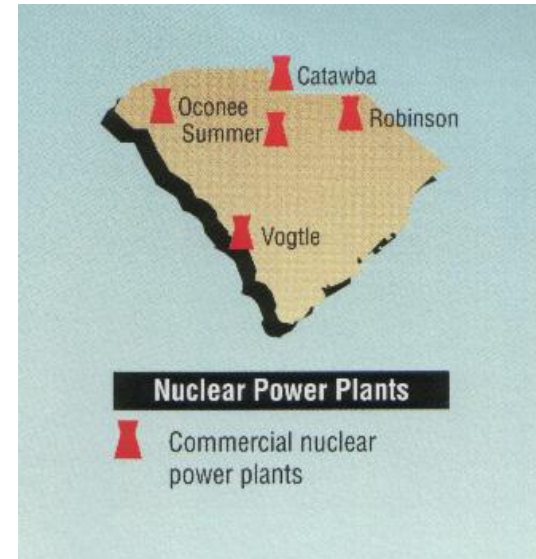


U.S. Operating Commercial Nuclear Power Reactors



Nuclear Power in the Carolinas

- The first nuclear plant in the Southeastern U.S. was H.B. Robinson in 1971.
- Until recently, the Harris Nuclear Power Plant was the last facility constructed in the U.S.
- Vogle Units 3 and 4 achieved commercial operation in 2023/2024.



Power Agencies Are Formed

Energy Crisis Brought Together Utilities and Cities

- Cities wanted greater reliability and control over costs.
- Utilities needed help to finance new power plants.

The Best Solution at the Time:

Cities Granted Permission to Own Generation

- Legislation passed unanimously in 1975.
- Constitutional amendment passed in 1977.

Who Supported the Idea?

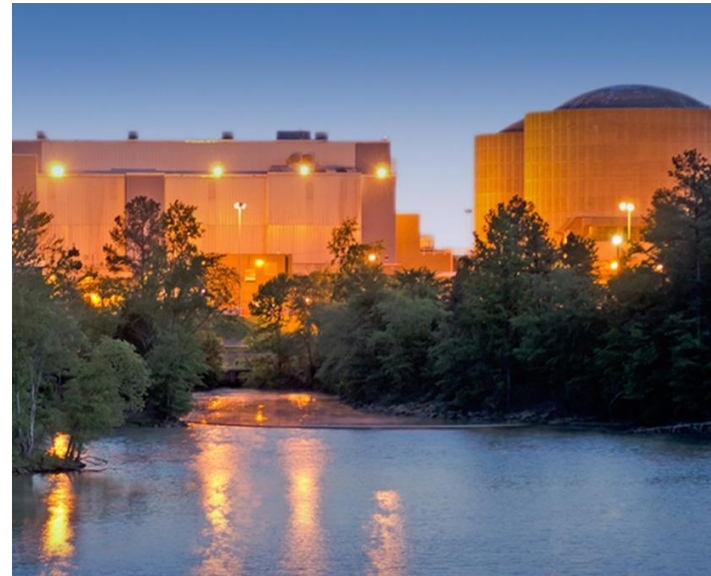
- Governor
- Legislators
- City officials
- Voters



NCMPA1: Catawba Nuclear Station

- The Catawba plant, which consists of two identical units, is jointly owned by NCMPA1, Duke, Piedmont Municipal Power Agency (S.C.), and North Carolina Electric Membership Corporation.
- NCMPA1 owns 75% of Catawba Unit 2.
- Through contractual arrangements, the owners share both units at the plant.
- NCMPA1 owns the largest share of the Catawba plant.
 - NCMPA1 37.500%
 - NCEMC 30.754%
 - Duke 19.246%
 - PMPA 12.500%

Nuclear Regulatory Commission issued license extensions on Dec. 5, 2003, for both Catawba and McGuire nuclear plants. In the early 2030s, Duke will pursue a subsequent 20-year license extension.



License Expiration

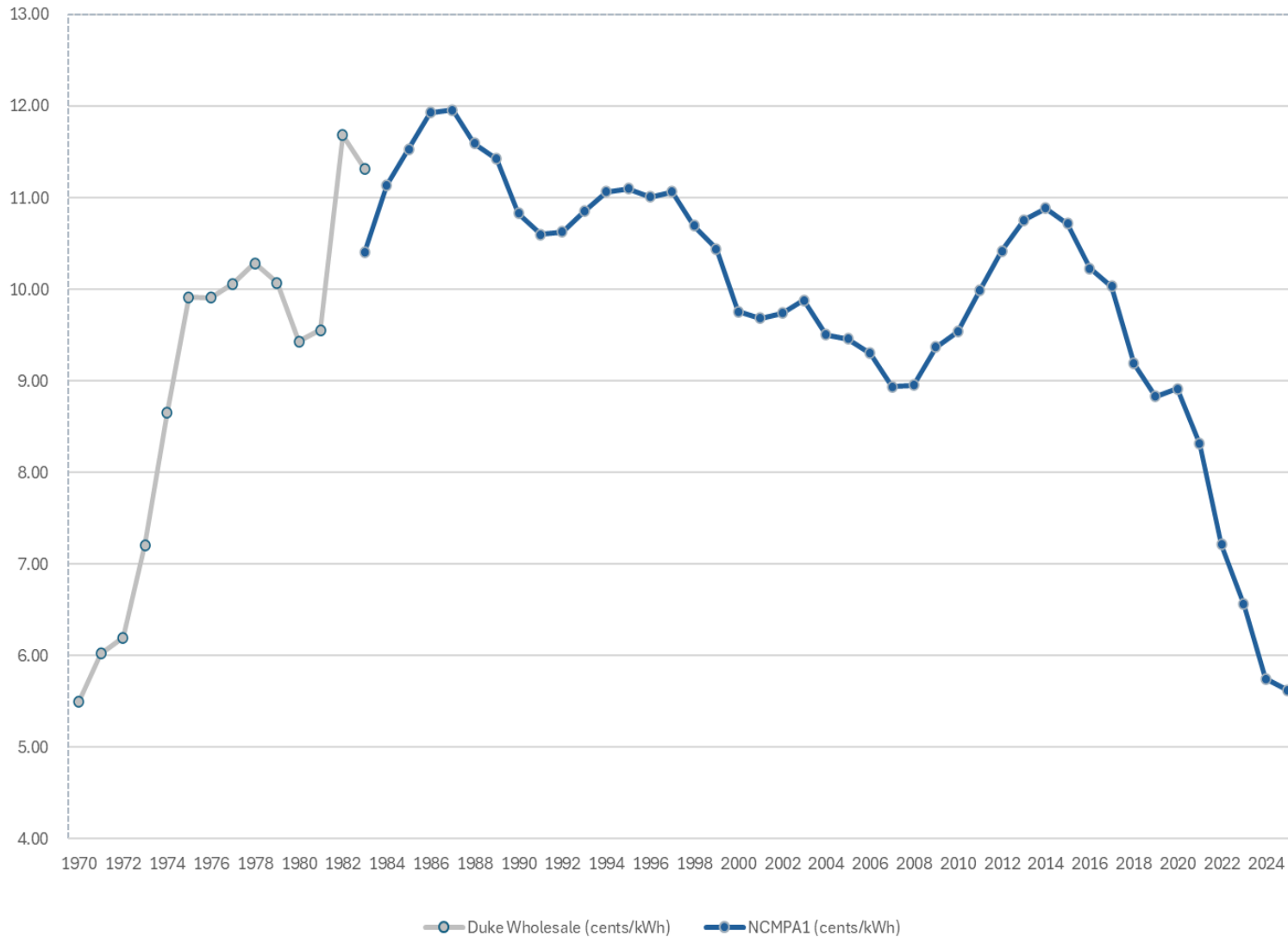
Catawba 1
12/5/43

Catawba 2
12/5/43

McGuire 1
6/12/41

McGuire 2
3/3/43

NCMPA1 Average Wholesale Rates (cents/kwh)

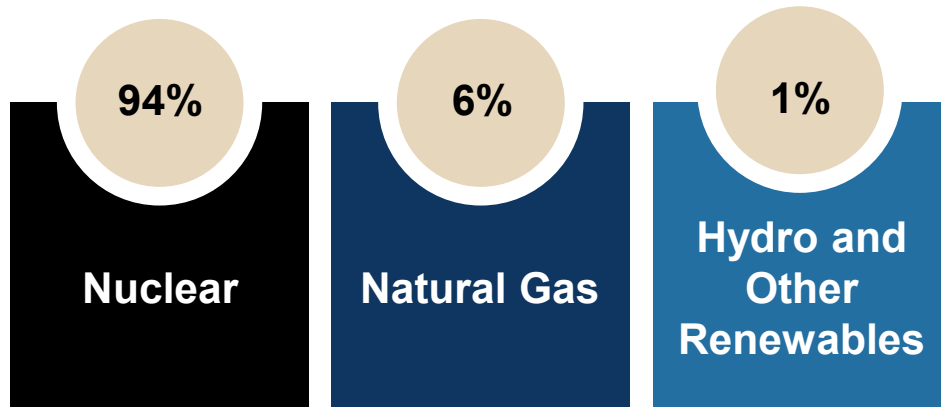


In western North Carolina, NCMPA1's wholesale power costs have reduced by 45% over the past 10 years, and NCMPA1's 19 member communities have received an additional \$275 million back from the Power Agency over the last decade.

NCMPA1 2026 Energy Resource Mix



*19 cities and towns in piedmont
and western North Carolina*



MORE THAN
94%
of the electricity
NCMPA1
PROVIDES IS FROM
EMISSIONS-FREE
generation sources

Continued Nuclear in the Carolinas

- Duke recently received subsequent license extensions at the H.B. Robinson and Oconee plants from the Nuclear Regulatory Commission (NRC).
- Next in the queue are Brunswick, McGuire, Catawba, and Harris.



Recent NCMPA1 Activities

- North Carolina General Assembly passed legislation last year to allow the 19 NCMPA1 municipalities to enter into subsequent contracts for another 50 years.
- Currently presenting contracts that will extend through 2043, the current operating license at Catawba.
- Anticipate having contract approvals completed by end of 2026.



Investing in Our New Nuclear Future

- Two new predominate types of reactors in the U.S. and Canada:
 - Advanced Large Light-Water Reactors; large scale 1,000+ MW
 - Small Modular Reactors (SMR); ~ 50-300 MW
- Ontario Power Generation, in Canada, has a 300 MW SMR under construction; planning for a total of four 300 MW units.
- Saskatchewan, Alberta, and New Brunswick are pursuing SMR deployments but are not under construction.
- Outside of North America, there are currently 6 SMRs under construction or in operation



Investing in Our New Nuclear Future (cont.)

- In the United States, several nuclear projects are underway but not in the construction phase:
 - TVA Clinch River
 - X-energy (multiple U.S. utilities)
 - Several others in licensing or early site phases
- Duke received license approval from the NRC in 2016 to construct an Advanced Large Light-water Reactor in Cherokee County, SC.
- Duke recently filed an Early Site Permit application with the NRC for SMR units located at Belews Creek.



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