



North Carolina Energy Policy Task Force

Secretary Reid Wilson
CO-CHAIR

Representative Kyle Hall
CO-CHAIR

January 22, 2026



Welcome and Opening Remarks

**Representative Kyle Hall
CO-CHAIR**

**Secretary Reid Wilson
CO-CHAIR**



Call to Order & Roll Call

Rep. Hall
Members

Call to Order
Roll Call



Conflict of Interest Policy

In accordance with the **State Government Ethics Act**, it is the duty of every Task Force member to avoid both conflicts of interest and the appearance of conflicts of interest.

If any member has any known conflict of interest or is aware of facts that might create the appearance of such conflict with respect to any matters coming before the Taskforce today, please identify the conflict or facts that might create the appearance of conflict to ensure that any inappropriate participation in that matter be avoided.

If at any time, any new matter raises a conflict during the meeting, please be sure to identify it at that time.



Public Records Policy

N.C. GEN. STAT. §132-1(b): “Public records and public information compiled by the agencies of North Carolina Government or its subdivisions are the property of the people”

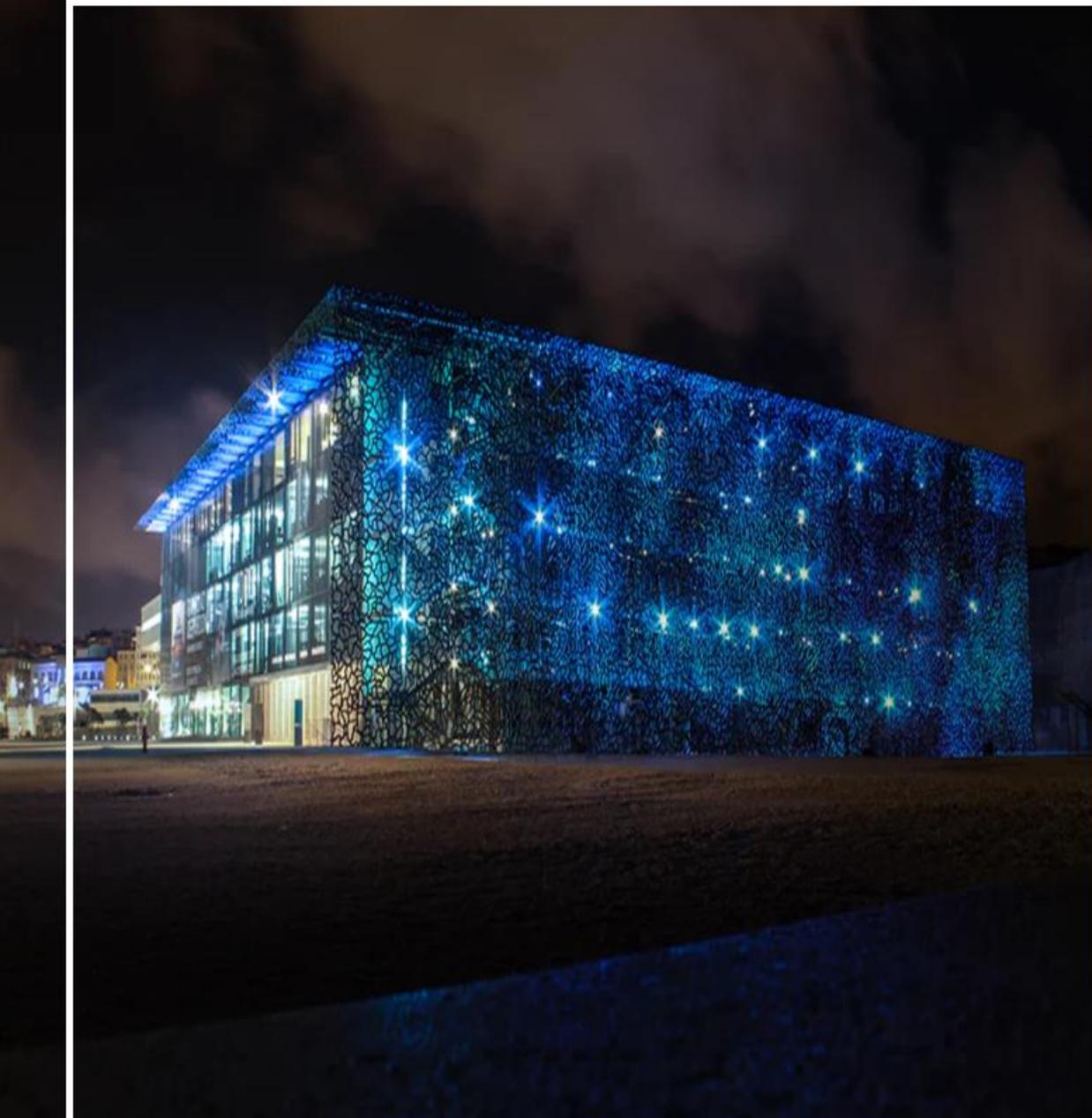
What is public record?

- Any type of document “made or received pursuant to law or ordinance in connection with the transaction of public business...”
- “Commissions and committee members,” including members of this task force are included
- Includes text messages, emails, instant messages regard state business on either public or private devices or accounts

Presentation: Data Center Heat Reuse



- David Gardiner, President & Principal - David Gardiner and Associates



Data Center Heat Reuse: A Tool to Mitigate Load Growth

David Gardiner and Associates
January 2026



Overview

- Data centers produce significant heat when performing computing operations, requiring large amounts of electricity for cooling.
- By capturing and reusing this heat in neighboring factories and buildings, data centers can:
 - Reduce their power demand by 10 to 30% and lower their water use and noise,
 - Help electricity consumers access more affordable rates, and
 - Enable factories and buildings to reduce their carbon emissions.



Demand Reduction

- North Carolina's electricity demand is projected to increase by 46 GW.*
 - Data centers account for approximately 39.8 GW (85%) of this growth.
 - Waste heat could reduce this demand by 4 to 18 GW, avoiding the need for 8 to 36 new conventional 500 MW power plants.
- Data centers use as much as 40% of their power for cooling.
- Reusing data centers' heat at nearby factories or buildings could cut their power demand by 10-30%.

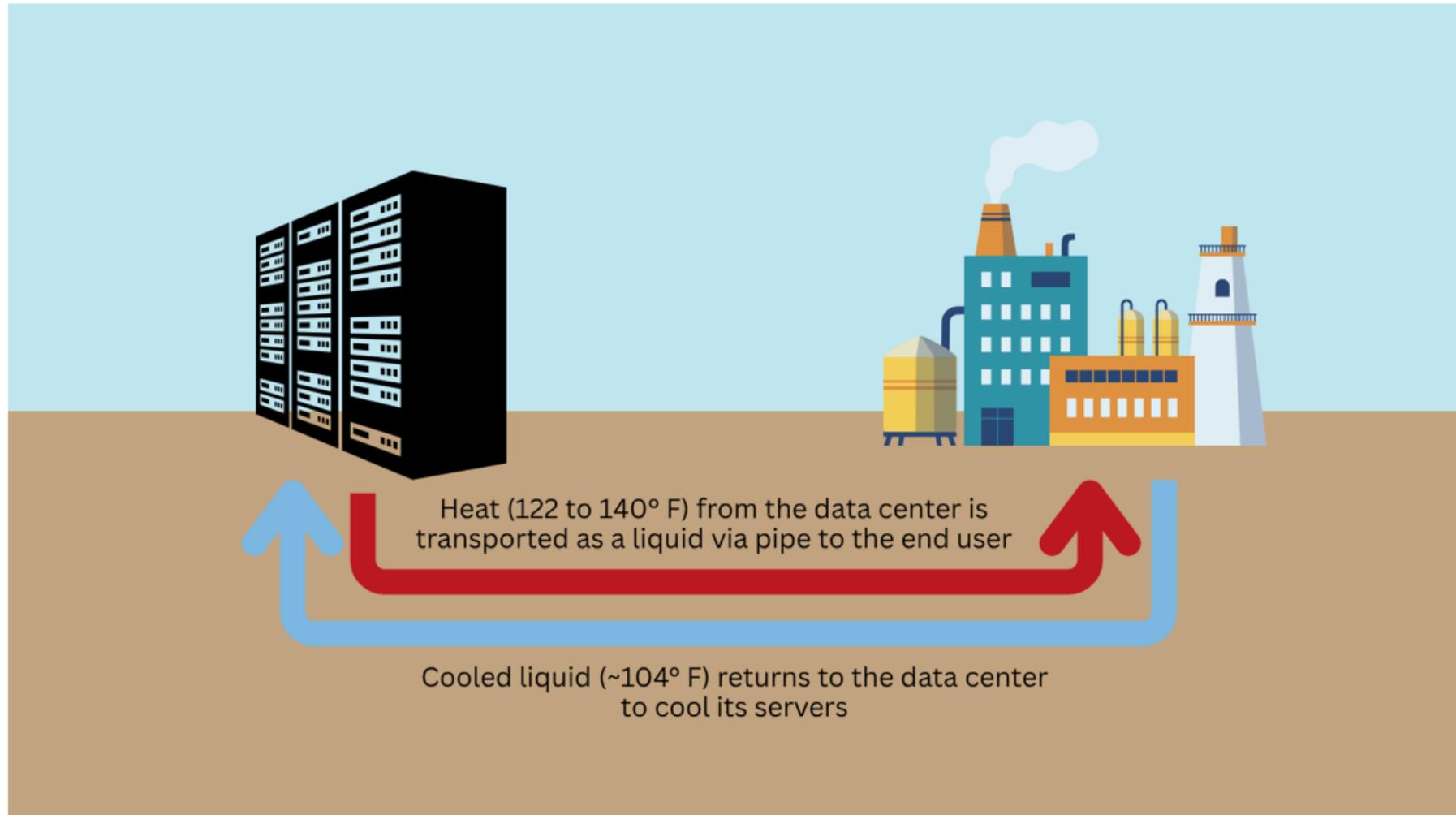
*Duke Energy Carolinas and Duke Energy Progress, "Large Electric Load Additions," Technical Presentation in NC Public Utilities Commission Docket No. E-100, Sub 208 (Oct. 2025).



How it Works

- Data centers produce low-temperature heat (~30-65 C) as a byproduct of their operations. That heat can be transported to offtakers in various sectors, such as:
 - Food & beverage – North Carolina has over 1000 food and beverage facilities
 - Pharmaceuticals – North Carolina has over a 100 pharmaceutical facilities
 - Commercial process heating and cooling
 - Hot water pre-heat
- The heat is then returned to the data center via underground piping (at a lower temperature).

Heat Reuse: How it Works





Example Project: Syracuse University

- Syracuse University hosts the Green Data Center and uses the heat it produces for space heating in an adjacent office building.



The Green Data Center at Syracuse University.

Policy Options

Enabling Policies

Support projects that demonstrate the technical feasibility of data center heat reuse.

Establish matching platforms for data centers and heat end users.

Leverage local and regional planning to co-locate data centers and heat offtakers.

Develop district thermal energy networks to provide heating and cooling to neighborhoods and campuses as an alternative to on-site thermal generation.

Incentives

Offer tax credits for the reuse of data center heat.

Provide grants or low-interest loans for data center heat reuse.

Prioritize permitting and/or interconnecting data centers that reuse their heat.

Standards

Establish energy efficiency standards for data centers that allow data center heat reuse to meet the requirements.

Require plans for heat reuse in permitting of new data centers.

Establish a fee for a data center's greenhouse gas emissions from electricity consumption.



Policy Interests for 2026

- Developing a plan.
 - Based on the novelty of data center heat reuse in the U.S., many are interested in legislation that directs the state energy department to conduct a study on the opportunity for data center heat reuse with policy recommendations.
- Convening stakeholders relevant to data center heat reuse.
 - Some states are interested in hosting a convening of stakeholders involved in data center heat reuse (i.e., data center developers / owners, industrials, economic development offices, district energy developers, etc.).
- Priority permitting and interconnection for data centers that reuse their heat.
 - Given the speed-to-power rush for data centers, expedited permitting and interconnection can be used to incentivize data center heat reuse.



Thank You



Draft Report Review

- 1/7: EPTF Staff sends whatever text we have, based on all input this far, to the Report Writing Group by close of business.
- 1/9: Report Writing Working Group meeting - where the group goes through available text. Staff then incorporates edits.
- 1/9: EPTF Staff informs Load Growth Subcommittee to expect draft text to review on Monday or Tuesday morning at the latest.
- 1/12 or 1/13: EPTF Staff sends revised text to Load Growth Subcommittee
- 1/15: Load Growth Subcommittee Meeting - Group discusses revised text
 - Group identifies areas of disagreement
 - Group tries to incorporate suggestions and counter suggestions in brackets
 - Group tries to resolve disagreements if time is available
- 1/16 or 1/18: EPTF Staff sends report text with any proposed compromises we can come up with to the full Task Force
- **1/22: Full Task Force Meeting - Discuss Text**
 - Identify remaining areas of disagreement and step through all remaining controversies
 - Provide opportunities for members to flag other issues
 - Try to negotiate compromises
 - Vote on approval of all text except remaining areas of disagreement
- 1/23-1/30: "Shuttle diplomacy period - Week 1"
 - Work back and forth with members to try to forge compromises on any outstanding issues
- 2/2-2/6: "Shuttle diplomacy period - Week 2"
 - Work back and forth with members to try to forge compromises on any outstanding issues, with Task Force Chairs involved in conversations.
- **2/10 - Backup virtual full Task Force meeting - virtual 1 hour session**
 - Discuss any remaining issues and forge compromises
 - Vote to approve all text without remaining disagreement
 - Vote on backup "consensus but not unanimity" text if unanimity cannot be achieved.
- **2/11: Final Attempt (with Pizza)**
 - Work one last time to get unanimity.
- 2/15: Report Released

Technical Advisory Subcommittee

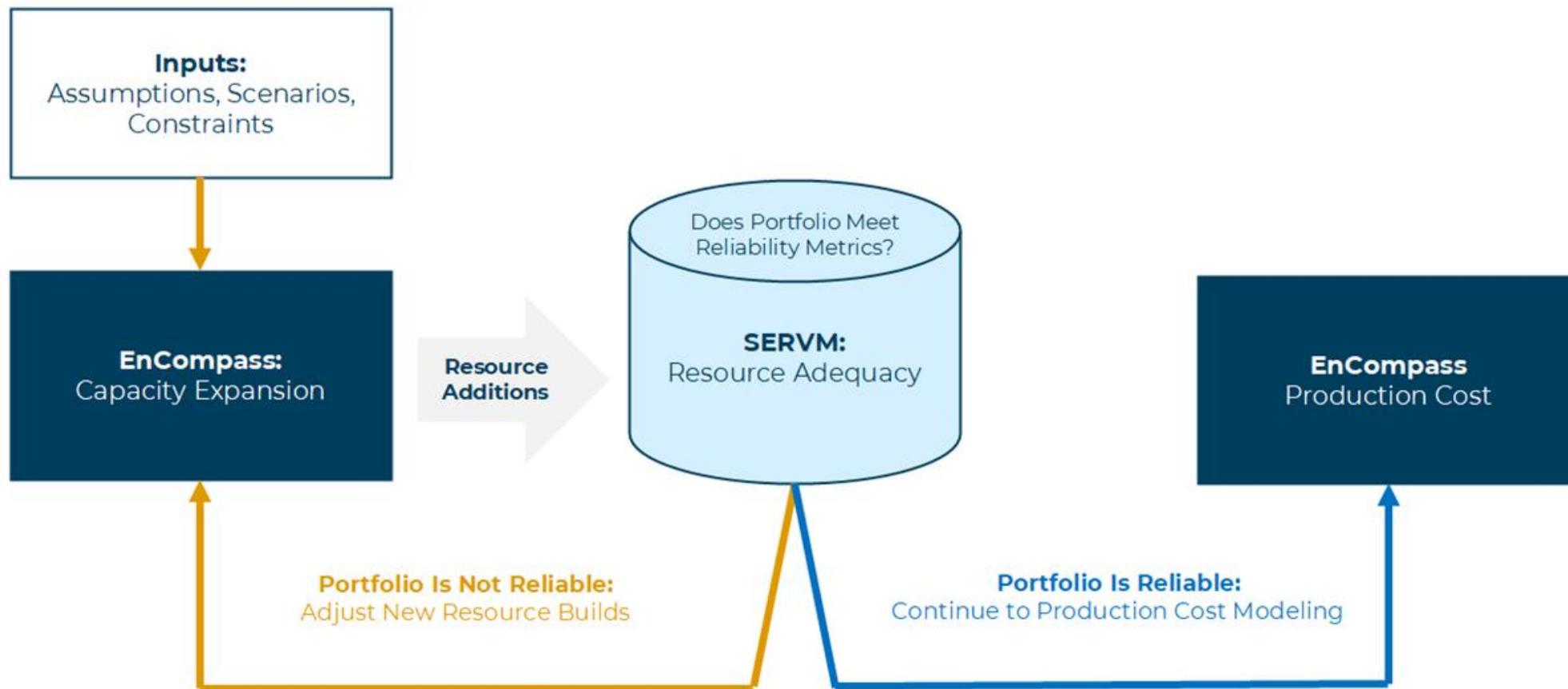
Josh Brooks, NC Sustainable Energy Association, Co-Chair



Technical Advisory Subcommittee, to focus on, as appropriate:

1. Advising the Office of the Governor on any commissioned modeling of North Carolina's electricity system.
2. Developing testable hypotheses and questions that can inform state energy policy.
3. Increasing transparency and public understanding of models used to inform energy policy, including their inputs and outputs, risks, and uncertainties.
4. Providing quantitative and qualitative assessment results and supporting information to other subcommittees.

Modeling Structure



Selected Scenarios

Large Load

- Flexible Large Load + Clean Energy Commitments
 - Flexible Large Load
 - Large Load Clean Energy Commitments
- Alternative Large Load

Comprehensive Comparison

- Path to Net Zero

Cost & Technology Assessments

- Delayed Hydrogen Deployment
- Fixed Duke Portfolio + High Gas Price Forecast
- Fixed Duke Portfolio + High Gas Capital Cost

All selected scenarios received >70% “yes” or “maybe” votes from survey respondents.

Preliminary Findings

- Subcommittee interest is largely focused on assessing scenarios to inform the cost and operational impacts of large load deployment in the state.
- Large load growth, as projected by Duke Energy, will require substantial capital investment in utility-scale generation resources, including gas-fired generation.
- The cost impacts of major capital investment will be heavily influenced by federal policy and large industry trends that shape resource-specific costs.



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Discussion & Next Steps



Future Meetings

- **Virtual Full Task Force Meeting (if needed)**
 - February 10, 2026, 3 PM - 4 PM
- **Hybrid Meeting for Report Review and Finalization (if needed)**
 - February 11, 2026, 1 PM - 4 PM
- **Technical Advisory Subcommittee**
 - Next meeting February 2, 2026, 2:30 – 3:30 PM
- **Next Full Task Force meeting**
 - TBD in April-May timeframe



Adjournment

Secretary Wilson