

Investors press Duke Energy for environmental info

John Downey, Monday, February 13, 2012

As annual meetings approach, investors affiliated with a national nonprofit promoting control of greenhouse gases and other sustainability issues have filed shareholder resolutions with Duke Energy, pressing for corporate information about managing business risks from climate change and air pollution.

Ceres, the nonprofit which leads a coalition of investors and environmental groups, says the resolutions are part of challenges to 10 major electric companies in the nation filed by shareholders.

“Leading electric utilities are expanding energy efficiency programs, adding renewable energy generation and switching from coal to natural gas to diversify their strategies for providing cleaner electricity,” said Mindy Lubber, president of Ceres and director of the Investor Network on Climate Risk, which helps coordinate the resolutions. “Investors want to know which companies are ahead of the curve in making this shift, which will help them comply with the new mercury standard and eventual climate regulations.”

The shareholder advocacy group **As You Sow** has filed a shareholder resolution with Duke, asking the utility to report on plans to reduce company exposure to costs and risks from its use of coal to produce electricity. The group specifically wants information on progress toward achieving goals to minimize risk, emissions other than greenhouse gases, the costs of environmental compliance and construction risk.

“Due to a changing regulatory landscape and increased market pressures from low-cost natural gas and alternative energy sources, electric utilities reliant on coal are exposed to significant financial risk,” said Corinne Bendersky, **As You Sow’s** energy program manager.

The New York State Comptroller has also filed a resolution with Duke for information on efforts Duke could take to expand energy efficiency and renewable energy programs, particularly with the coming merger with Progress Energy.

B&W gets \$600M naval nuclear contract order

Babcock & Wilcox Co.’s Nuclear Operations Group Inc. has received its second order under a \$2 billion contract for the manufacturer of naval nuclear power systems for submarines and aircraft carriers.

Work on the \$600 million order will be done at B&W’s plants in Lynchburg, Va.; Barberton, Ohio; Mount Vernon, Ind.; and Euclid, Ohio.

B&W’s headquarters is in Charlotte.

Duke venture asks feds to settle line ownership

Plans for the \$1 billion, 240-mile extra high-voltage transmission line Duke Energy plans to build with American Electric Power Co. in Indiana have hit a snag. A local utility contends it has the sole right to develop and invest in a part of the project.



Duke Energy shareholder resolutions on global warming and pollution are part of a coordinated effort to press 10 major electric power companies for information on environmental issues.

SNL Energy reports Duke and AEP have asked the Federal Energy Regulatory Commission to confirm that its venture, Pioneer Transmission LLC, is the sole entity that can build the project.

The online magazine which follows the energy industry says:

Northern Indiana Public Service Co. has insisted that it, as a “connected” owner at one end of the approved project, has an exclusive right to invest in and own a portion of the project even though it has “played no role in the development or approval” of that project.

“Pioneer did the planning and engineering work that produced this project; Pioneer submitted this project...; Pioneer assisted in the studies that caused (Midwest Independent Service Operator) to include the project in the 2011 (MISO Transmission Expansion Plan); and Pioneer worked closely with MISO to ensure that it would be designated as the entity with rights to build the project,” Pioneer said. “NIPSCO has shown up at the eleventh hour asserting a right to construct and own a portion of this project for no reason other than the fact that it is an existing [transmission] owner in MISO.”

At issue are equipment that will be built near the Indiana utility’s New Reynolds power station and half-ownership of a 66-mile segment of the line.

Pioneer Transmission was the first major project Duke undertook in its commercial division as it has started over the last three years to develop transmission projects as one of its unregulated businesses.