



CLEAN AIR  
TASK FORCE

## CLEAN ENERGY AND ENERGY EFFICIENCY PORTFOLIO STANDARD\* AND CARBON PLAN

# North Carolina



Policy type	Form of the standard	Eligible sources
Renewable Portfolio Standard	Energy-based RPS % of renewable energy required	RPS Biogas
Clean Energy Standard	Emissions-based CES % of required emissions reductions	Biomass Distributed Generation Energy Efficiency Fusion*
Targets		Geothermal Hydrogen Hydropower New Nuclear*
<ul style="list-style-type: none"><li><b>RPS:</b> Interim – 3% in 2011, 6% in 2014, 10% in 2017 (Investor-owned utilities); Final – 12.5% by 2021 (IOUs), 10% by 2018 (municipal and cooperative utilities)</li><li><b>CES:</b> Carbon neutrality by 2050, allowing the use of verifiable offsets to meet up to 5% of the reduction goal</li></ul>		Solar Waste Heat Wave/Tidal Wind
<b>Economy-wide goal:</b> Executive Order No. 80 sets the goal to reduce state-wide emissions to 40% below 2005 levels by 2025		<b>CES</b>
<b>Point of regulation:</b> RPS – Retail sales; CES – Emissions		Tech-neutral
<b>Regulated entities:</b> Investor-owned utilities, cooperatives, municipal utilities; Carbon Plan – Investor-owned utilities that serve at least 150,000 customers as of 2021		
<b>Percent of retail sales covered by RPS:</b> 100%		
<b>Implementing agency:</b> North Carolina Utilities Commission		
<b>Enforcement mechanisms:</b> The Commission may assess penalties if utilities fail to comply under its existing authority (none specifically stated)		
<b>Compliance flexibility and cost containment:</b> The Commission may adjust or modify the schedule if modifications are deemed to be in the public interest		
<b>Carve-outs and incentives:</b> Solar (0.2%); swine and poultry waste using best available control technology for biomass		
<b>Compliance tracking:</b> <a href="#">NC-RETS</a>		
<b>Notable features:</b> Up to 40% of a utility's renewable energy obligation can be met with energy efficiency, and up to 100% can be met with "electricity demand reductions." See <a href="#">Senate Bill 75 (2011)</a>		

\*In 2023, North Carolina amended its REPS to include new nuclear and fusion as eligible sources, reframing the standard as a Clean Energy and Energy Efficiency Portfolio Standard. See SB 678 (2023). The policy is not described in this resource as a CES because utilities had already met the final 12.5% target utilizing previously eligible renewable technologies, and the legislation did not strengthen the target.

**Recent updates:** SB 266 removed the interim 2030 CO<sub>2</sub> emissions target.

**Links to agency website and statutes/rules:** [N.C. Gen. Stat. § 62-133.8](#); [N.C. Gen. Stat. § 62-110.9](#); [North Carolina Utilities Commission REPS](#), DOCKET NO. E-100, SUB 179: Carbon Plan; House Bill 951; [Retail Electricity Sales](#); EPA's REC Tracking Systems; [Senate Bill 266 \(repealing 2030 target\)](#)

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See CEPS: N.C. Gen. Stat. § 62-133.8(a)(8) for definitions of eligible resources; N.C. Gen. Stat. § 62-133.8(j)(7) for distributed generation; N.C. Gen. Stat. § 62-133.8(c)(2)(b), § 62-133.8(a)(4) (defining "energy efficiency measure"), and § 62-110.9(j) (Carbon Plan) for energy efficiency; N.C. Gen. Stat. § 62-133.8(c)(2)(c) for hydropower. Certain limits may apply.