



CLEAN AIR
TASK FORCE

CLEAN ENERGY AND ENERGY EFFICIENCY PORTFOLIO STANDARD* AND CARBON PLAN

North Carolina

Policy type

Renewable Portfolio Standard

Clean Energy Standard

Targets

- **RPS:** 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)
- **CES:** Carbon neutrality by 2050, allowing the use of verifiable offsets to meet up to 5% of the reduction goal

Economy-wide goal: Executive Order No. 80 sets the goal to reduce state-wide emissions to 40% below 2005 levels by 2025

Point of regulation: RPS – Retail sales; CES – Emissions

Regulated entities: Investor-owned utilities, cooperatives, municipal utilities; Carbon Plan – Investor-owned utilities that serve at least 150,000 customers as of 2021

Percent of retail sales covered by RPS: 100%

Implementing agency: North Carolina Utilities Commission

Enforcement mechanisms: The Commission may assess penalties if utilities fail to comply under its existing authority (none specifically stated)

Compliance flexibility and cost containment: The Commission may adjust or modify the schedule if modifications are deemed to be in the public interest

Carve-outs and incentives: Solar (0.2%); swine and poultry waste using best available control technology for biomass

Compliance tracking: [NC-RETS](#)

Notable features: 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 [Senate Bill 75 \(2011\)](#)

*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 CO₂ 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 \(repealing 2030 target\)](#)

Last updated December 2025

Form of the standard

Energy-based RPS

% of renewable energy required

Emissions-based CES

% of required emissions reductions

Eligible sources

RPS

Biogas

Biomass

Distributed
Generation

Energy
Efficiency

Fusion*

Geothermal

Hydrogen

Hydropower

New Nuclear*

Solar

Waste Heat

Wave/Tidal

Wind

CES

Tech-neutral

See [CEPS: N.C. Gen. Stat. § 62-133.8\(a\)\(8\)](#) for definitions of eligible resources; [N.C. Gen. Stat. § 62-133.8\(i\)\(7\)](#) 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\(i\)](#) (Carbon Plan) for energy efficiency; [N.C. Gen. Stat. § 62-133.8\(c\)\(2\)\(c\)](#) for hydropower. Certain limits may apply.