

Duke Energy's Latest Rate Hike Would Harm Consumers and Small Businesses



- Duke Energy's third rate hike in the Carolinas since 2009 would boost average residential rates by 13.9% and small to medium-sized business rates by up to 10.7%.
- If successful, Duke's rate hike would bring household rates to a level 30% higher than in 2009. Rates would be up by as much as 25% for small and medium businesses.
- The largest industrial customers – who currently pay about one-third as much, per kilowatt hour, as smaller customers – would rise by only about 3%.
- Duke keeps down the rates of its largest customers – including energy-hogging data centers like Apple, Google, and Facebook – by shifting costs of new power plants onto smaller customers. Then, by offering rock-bottom rates and other incentives, Duke entices more high-load, low-jobs data centers into North Carolina, driving up demand for even more power plants that otherwise would not be needed – and raising small customer rates yet again.
- Protected by its monopoly capture of ratepayers, Duke Energy is seeking a guaranteed minimum profit of 11.25%. This far exceeds market level returns.

1) Speak out at upcoming hearings:

Large industrial and commercial customers hire big law firms to protect their interests. Owners of small and medium-sized businesses must speak out, alongside residential ratepayers, at public hearings held by the N.C. Utilities Commission:

- **Franklin - May 21** (Tue), 7pm, Macon County Courthouse, Courtroom A
- **Marion - May 22** (Wed), 7pm, McDowell County Court House
- **Winston-Salem - June 19** (Wed), 7pm, Forsyth County Courthouse, Courtroom 1C
- **Charlotte - June 26** (Wed), 6pm, Mecklenburg County Courthouse, Courtroom 5310
- **Hillsborough - July 2** (Tue) at 6pm, Orange County Courthouse

2) Share your concerns with N.C. Utilities Commission Chair Ed Finley:

statements@ncuc.net And urge local business owners, community organizations and others to speak at a hearing and to contact Finley.

3) Contact your local city and county elected representatives and staff.

Ask them to speak at the public hearings – to protect our local economy and our prospects for new jobs.

The public's voice matters. In April, the N.C. Supreme Court set aside Duke's 2012 rate hike – at least for now – after public opposition led Attorney General Roy Cooper to intervene.

More About Duke Energy's Request for Increased Rates

(From Duke Energy rate case filing. N.C. Utilities Commission Docket # E-7, Sub 1026)

Small and medium business owners will pay for this rate hike in many ways:

- A direct increase of 8.6% to 10.7% that must be absorbed or passed along to customers.
- Increased personal residential electric bills.
- Increased cost of purchased goods and services that have an energy component.
- Increased property taxes when municipalities can't absorb rate increases in their budgets.
- Decreased buying power from customers trying to make ends meet as utility, food, medical and other costs rise.

Residential rate hike request –13.9% for the average home:

- Duke Energy is asking for a 45% increase in the residential basic service charge. Monthly bills will jump by more than 13.9% for homes using less power than the average household.
- Residential customers would feel the impact not only in their monthly bills, but also in higher prices for goods and services that have absorbed higher electricity costs.
- Residential rates are structured to penalize electricity-saving efforts.

An unfair shifting of costs to smaller customers:

- Duke Energy has been shifting costs from its largest industrial and commercial customers to residential and small business customers, a trend that is accelerating with each rate hike.
- Duke's formula to allocate costs to different customer classes – repeatedly ruled unfair by the Utilities Commission years ago but still used by Duke – enables large customers to avoid their fair share of costs.
- Special deals made with large customers during the Duke/Progress merger protect them from the full impact of rate hikes – at the expense of households and small businesses.
- Despite flat demand growth, excess generation capacity throughout the region, more efficient housing and more people conserving electricity, Duke plans to spend billions on new power plants largely to serve data centers that produce only a handful of jobs.

For More Information

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