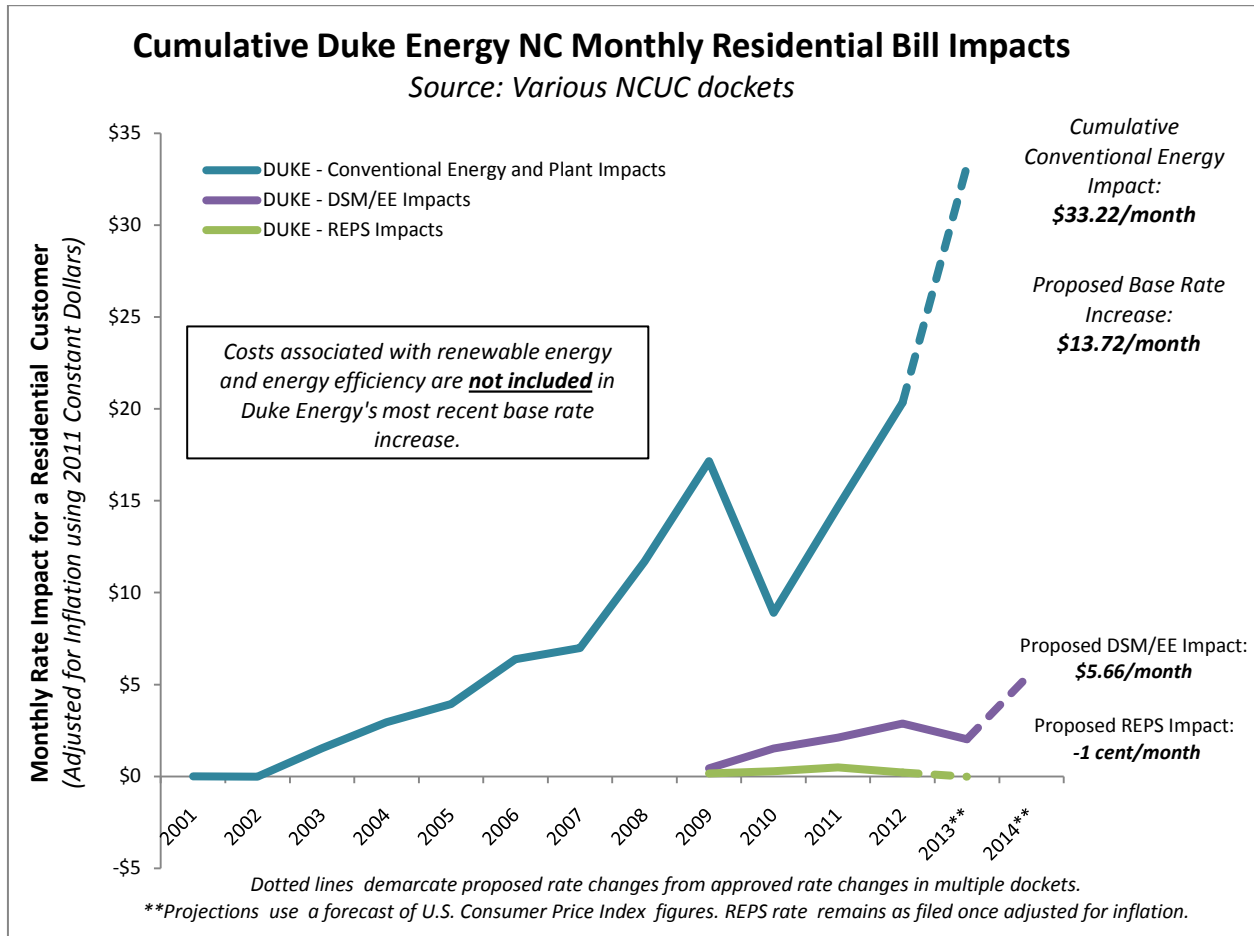




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## PROPOSED DUKE ENERGY CAROLINAS' REPS RIDER RESULTS IN NET SAVINGS TO ITS RESIDENTIAL CUSTOMERS; PROPOSED BASE RATE INCREASE NOT DUE TO INVESTMENTS IN RENEWABLE ENERGY AND ENERGY EFFICIENCY



RALEIGH, N.C. – On March 13<sup>th</sup>, 2013, Duke Energy Carolinas (DEC) filed an application with the North Carolina Utilities Commission requesting approval of a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) rider of **negative one cent (-\$0.01)** per month for its residential customers, a 23 cent decline from the currently approved REPS rider of 22 cents per month. According to DEC, this net customer savings associated with its REPS compliance is due in part to purchases of less expensive renewable energy resources for REPS compliance and the sale of more expensive renewable energy resources purchased several years ago. Under Utilities Commission rules, DEC must refund the \$1.25 million in savings associated with these sales to its customers. DEC's service territory includes 45% of the state's retail electricity customers.

"Some electricity customers in our state may think their electric bills are higher because of our state's REPS law. In fact, if the Utilities Commission approves Duke Energy's proposed REPS rider, the 'cost' of the REPS will actually be negative for its residential customers in the coming year," said Michael Youth, NCSEA's Counsel and Policy Director. "The NC Sustainable Energy Association commends Duke Energy for its continuing efforts to help its customers realize the benefits of steep declines in the cost of renewable energy resources."

The NC Sustainable Energy Association (NCSEA) also found that the base rate increase requested by Duke Energy Carolinas, Inc. (DEC) will cost the average DEC residential customer \$13.72/month (adjusted for inflation). None of the increase in base rates requested by DEC is due to investments in renewable energy and energy efficiency. If all pending DEC base and fuel rate changes are approved, the average DEC residential customer's bill will have risen \$33.22/month (adjusted for inflation) since 2001 in order to pay for new investments in new power plants and other transmission and distribution infrastructure designed primarily to support the generation of coal, natural gas and nuclear power.

The cost to DEC's residential customers of investments in renewable energy and energy efficiency is recovered in separate dockets at the North Carolina Utilities Commission. These costs, as proposed, include:

- A proposed flat fee of **-\$0.01 per month** for compliance with the North Carolina Renewable Energy and Energy Efficiency Portfolio Standard (REPS) (Proposed Rider 'REPS (NC)' in NCUC Docket E-7, Sub 1034);
- A proposed average **\$5.66 per month** for demand-side management and energy efficiency (DSM/EE) programs that save energy and reduce the need to build new conventional energy plants (Proposed 'Rider EE (NC)' in NCUC Docket E-7, Sub 1031).

***About the NC Sustainable Energy Association:***

*Founded in 1978, the NC Sustainable Energy Association (NCSEA) is a 501(c)3 non-profit membership organization of individuals, businesses, government and non-profits working to ensure a sustainable future by promoting renewable energy and energy efficiency in North Carolina through education, public policy and economic development. NCSEA has been the "go-to" leader in shaping North Carolina's commitment to renewable energy, energy efficiency, high performance building, smart grid and electric vehicle jobs and economic opportunities in communities all across our state. Learn more at [www.energync.org](http://www.energync.org)*