

Duke Energy Shareholder Meeting Question
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My name is Justin Danhof, and I am representing the National Center for Public Policy Research – a free-market think-tank, and a company shareholder. Thank you for the opportunity to speak with you today.

Mr. Rogers, first of all I want to thank you for standing up to the radical leftists who have tried to coerce Duke into severing its relationship with the American Legislative Exchange Council (ALEC). We thank you for sticking with ALEC as it continues its work in defense of liberty, prosperity and free markets.

Secondly, I wanted to get your opinion about North Carolina's Renewable Energy and Energy Efficiency Portfolio Standard, which requires utilities to use at least 12.5 percent renewable energy by 2021, and permits passing extra costs to consumers. Yesterday, a North Carolina Senate committee voted to repeal the standard. Future votes are expected to be close.

A study by the John Locke Foundation and Beacon Hill Institute found that North Carolina consumers will pay an extra \$2 billion between 2008 and 2021 because of this law. These unnecessary costs are regressive – they hit the poor hardest. The National Center for Public Policy Research says North Carolina households with annual incomes of \$30,000 or less spend already spend as much as one-third of their after-tax income on power bills, yet Duke Energy and its subsidiary, Progress Energy, are seeking rate increases of 14.2 and 11.7 percent, respectively.

With an unemployment rate of 9.4 percent, North Carolina can ill-afford to discourage businesses from relocating here. But that's exactly what the renewable-energy mandate does.

As the Heartland Institute pointed out in the Charlotte Observer, renewable energy can and should have a chance to develop, but it shouldn't be done on the backs of the people, especially the poorest and most vulnerable.

Will you agree with us that North Carolina's renewable portfolio standard should be repealed?

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