



FACT SHEET PROPOSED DUKE ENERGY-PROGRESS ENERGY MERGER

It is the regulatory duty and indeed, we believe, the moral obligation of the North Carolina Utilities Commission to regulate power companies for the benefit of the public welfare.

The current regulatory conditions agreed to by the Public Staff are inadequate and the proposed merger between Duke Power and Progress Energy should not be permitted unless:

1. PROGRAMS ARE CREATED TO DRAMATICALLY INCREASE ENERGY CONSERVATION, LOWER DEMAND, AND AVOID NEW PLANT CONSTRUCTION

Numerous studies and existing programs in other states demonstrate the effectiveness of energy conservation programs. (See back page)

2. PROGRAMS ARE CREATED TO IMPROVE THE WEATHERIZATION OF NORTH CAROLINA HOMES

North Carolina has one million households that qualify for weatherization assistance. Weatherization of NC homes would increase efficiency, reduce energy consumption and eliminate the need for more power plants.

3. LIMITS AND PROTECTIONS ARE CREATED TO REGULATE ELECTRIC CUTOFFS AND PROGRAMS WITH RATE SUBSIDIES ARE ESTABLISHED TO PROTECT POOR PEOPLE FROM UNAFFORDABLE RATES

Thousands of North Carolinians live in poverty and cannot afford current rates for electricity and thousands more will be harmed with every rate increase. We need effective rate subsidy programs and protections against electric cutoffs.

4. PROGRAMS ARE CREATED FOR A DRAMATIC INCREASE IN THE USE OF WIND AND SOLAR POWER GENERATION

North Carolina should aggressively pursue alternative safe, non-polluting sources of energy which do not contribute to climate change such as wind and solar power generation.

- North Carolina has the potential to be an energy efficiency leader, but currently ranks only 26th out of 50 states in the American Council for an Energy Efficient Economy's *The 2009 State Energy Efficiency Scorecard*.
- North Carolina electric utilities budgeted only \$9.08 per capita for energy efficiency and demand side management in 2009. Thirty-one states spent more, including 14 that spent more than double what North Carolina invested.
- An Energy Efficiency Portfolio Standard (EEPS) would benefit all customers. Analysis by national experts such as the American Council for an Energy Efficient Economy (ACEEE) -- and Duke Energy's own Forefront study -- show that a 15-22 percent savings by 2025 is economically achievable. As energy efficiency programs improve, the realizable energy savings would be substantially greater.
- Duke Energy's experience in Ohio also shows this is possible: Duke Energy agreed to a .5 percent annual savings (over the average of the three preceding years) – but that savings was exceeded almost three-fold. Energy efficiency and renewable programs are proven to work.
- Thousands of North Carolinians who rent or own homes have inefficient appliances that need replacement. Programs to update appliances will reduce energy consumption and the need for more power plants, saving energy and helping consumers.
- Numerous organizations, local governments and businesses support strong energy efficiency principles as part of any Duke Energy-Progress Energy merger. Phasing out coal plants in favor of inexpensive and job-creating energy efficiency will save families money, lead to cleaner air and water, and promote a green energy economy in North Carolina.