

Debunking Duke Energy's Claim that Solar Power Harms Low-income Carolinians

SOLAR POWER HELPS ALL CUSTOMERS SAVE MONEY AND CUT POLLUTION



Around the country, utilities including Duke Energy are trying to stop the growth of solar electricity by claiming it hurts low- and fixed-income customers and people of color.

The claim is that, as more customers put solar panels on rooftops and in back yards, other customers are left to pay more than “their share” for Duke Energy’s large, expensive power plants.

But even the Edison Electric Institute – the industry’s trade group – has said that the real problem is years of falling demand and

falling profits for monopoly utilities as more customers rely less on giant, expensive power plants. A 2014 study by the Lawrence Berkeley Lab demonstrated that adding distributed solar to the electricity grid does not raise rates, but *does* cut utility profits.

Five key points countering Duke Energy’s claims:

- 1. Every new rooftop solar system helps *all* customers by reducing Duke Energy’s case to keep building expensive power plants we don’t need and continually raising rates.** Solar power provides energy during times of high demand – the hottest hours of the day – eliminating Duke’s argument for building more power plants.
- 2. Duke Energy’s protected monopoly status is the only reason it can force captive customers to pay a higher price for a product – polluting power – that others choose to replace with solar.** It is unfair to force customers, instead of corporate stockholders, to pay for poor decisions to build giant, expensive power plants as the national market swings toward cheaper, safer energy generated right at the home and workplace.

“The state should be encouraging utilities and customers alike to invest in more renewable energy. In addition to helping families, putting solar on homes, schools, churches and businesses reduces the need for expensive power plants, which can help keep rates low for all of us.”

- Rosemary Harris Lytle,
President, NAACP Colorado,
Montana, Wyoming State
Conference, 2014

3. If Duke Energy cared about low-income customers, it would stop opposing competition, such as “third party sales” by companies who install solar on homes for no-money-down, then share the savings with customers.

Solar companies with strong financial backing want to sell power to customers in the Carolinas for no up-front cost, but have been blocked by monopoly rules forcing businesses, homes, and others to buy from Duke Energy.

4. Duke Energy keeps raising the flat monthly fee on all customers regardless of how little power they buy.

This “basic service charge” – paid even by customers with rooftop solar – covers much of the “fixed costs” for power plants that Duke claims would be forced onto low-wealth customers as more people adopt solar.

5. The NAACP says solar power helps communities of color for many reasons. The NAACP’s State Conference for Colorado, Montana and Wyoming, and the US Congressional Black Caucus have recently rejected lobbying efforts designed to turn people away from solar power. Someone has hired people in North Carolina to spread anti-solar propaganda. Don’t listen to it.

“Portraying low-income customers as victims of energy efficiency programs and policies that advance solar power is misguided and disingenuous and holds all Floridians back.”

- Ennis Leon Jacobs, former Chairman, Florida Public Utilities Commission, 2014

Other ways that solar power benefits all customers include: creating good local jobs, reducing pollution and water usage, helping slow climate disruption, cutting costly fossil fuel imports, and reducing the risks of widespread power outages.

The NAACP is promoting “a transition from harmful energy production processes in our communities to an energy efficient and clean energy policy landscape that reduces pollution and creates new jobs.”

- Jacqueline Patterson, Environmental and Climate Justice Director, NAACP, ‘Just Energy Policies’ report, 2013

If Duke Energy executives cared about the low-income families and seniors on fixed incomes, they would eliminate punitive deposits and penalties for cut-offs and reconnection. They would stop targeting rural and low-income communities with dangerous power plants and coal ash dumps. They would stop rigging rates by shifting costs from the richest corporations onto families. They would stop trying to stick customers with billions in advance for construction of nuclear power plants that are unlikely to ever be completed. They would stop opposing clean energy advances in North Carolina that have already added thousands of jobs.

Duke Energy and the Koch Brothers are trying to kill solar power in North Carolina and other states by creating divisions among customers. NC WARN and its allies will vigorously work to expose and defy such cynical corporate exploitation, and to demand energy and climate justice for North Carolina.