

April 7, 2015

Lynn J. Good
President and Chief Executive Officer
Duke Energy Corporation
550 South Tryon Street
Charlotte, North Carolina 28202

Subject: A meeting to discuss your "Solar Hurts the Poor" and anti-Energy Freedom Act lobbying

Dear Ms. Good,

We invite you to Greensboro at your earliest convenience to discuss Duke Energy's increasing efforts to derail the growing use of rooftop solar power in North Carolina. We are particularly concerned about your tactics targeting pastors and other civic and political leaders with your claim that rooftop solar harms people with low incomes and people of color, as well as your aggressive lobbying against the new Energy Freedom Act that would open the door to third party solar competition in this state, thereby helping the same low-wealth communities for which Duke Energy now professes concern.

We believe these actions by Duke Energy are adding to its serious credibility problem with the people of this state, and we wish to share some constructive ideas for repairing this divide.

SOLAR POWER & LOW-WEALTH COMMUNITIES

As pastor of a predominantly African-American church in Greensboro, I (Rev. Nelson Johnson) have been visited in recent months by three different individuals selling Duke's "solar power hurts the poor" message. The claim is that the poor are left to subsidize more affluent customers who are able to buy rooftop solar power systems – because the non-solar customers are left to pay more than "their share" for Duke Energy's large, expensive power plants.

It appears evident that this "solar hurts the poor" strategy has been coordinated by Duke and its cohorts in the corporate electric power industry and used in many states recently. Fortunately, the scheme has been rejected by the NAACP's national board, by various state NAACP chapters, and by the Congressional Black Caucus, among others. Nevertheless, Duke Energy is vigorously pursuing this same deception in North Carolina. This cynical corporate activity is an affront to the people of this state, and it is your personal responsibility to stop it.

The NAACP agrees that solar power helps communities of color for many reasons. Chief among them is that every new rooftop solar system helps *all customers* by reducing overall electricity usage, thus reducing the need to keep building expensive power plants and continually raising customer rates. In the Carolinas, NC WARN has long described that as Duke's business plan: to "build plants and raise rates" while discrediting and disrupting competition from the burgeoning clean energy revolution.

Reducing the cost of electrical energy for the poor, while reducing North Carolina's carbon footprint through increased use of solar energy, reflects both moral and economic progress, which the broad religious community supports. We encourage Duke Energy to join us in this

constructive undertaking. The other key element of your business plan is the persistent use of corporate influence to distort public debate and silence civic leaders, in an effort to protect Duke's profits from competition. All those elements seem to be active in this solar dispute.

In addition to those promoting Duke Energy's efforts to undermine low-cost solar energy at Faith Community Church and on area campuses, we assume Duke has hired others in North Carolina to carry out similar efforts to discourage solar installations. Perhaps you are working through a front company that is loyal to Duke's profit-making interests. We call on you to do the right and moral thing by publicly acknowledging your role in this hurtful initiative. In that spirit, we ask you how many people are promoting Duke's anti-solar message in communities and on North Carolina college campuses? And how much of your customers' money are you paying them?

We also have learned that your lobbyists are spreading the same "solar hurts the poor" message with the Legislative Black Caucus. Yet, with GOP legislators, you are altering the message to say that rooftop solar harms businesses. Both of these presentations serve the purpose of confusing the public and distorting the truth.

That Duke is promoting such campaigns is deeply troubling. We urge you to stop this cynical and duplicitous corporate behavior. We urge you, instead, to open a dialogue with us and other North Carolinians about our common interest in an energy future that benefits all communities by reducing power bills, creating jobs, and by reducing the pollution that is harming our health and moving an already horrific climate situation toward a disastrous future for all of Creation.

As for your claim that non-solar customers must pay more than "their share" for power plants: The whole concept of "their share" is based on the outdated and broadly rejected notion that high-profit-making Duke Energy can continue to operate as a monopoly, thus supposedly forcing captive customers to absorb the costs for its corporate decisions. That outdated monopoly role is the only reason Duke can even hope to force captive customers to pay a higher price for a product – electricity from big, polluting power plants – that others choose to replace with solar.

We are convinced that your monopoly control over North Carolina is in its twilight, and that efforts to raise rates on captive customers, as others move to lower-priced and safer solar, will be vigorously fought in the legislative and regulatory arenas by a host of coordinated interests.

"NO MONEY DOWN SOLAR" – THE ENERGY FREEDOM ACT

Experienced solar companies with strong financial backing want to install systems in this state on the property of churches, businesses, homes, and government buildings, and then sell them the power for no up-front cost and at a fixed rate lower than Duke's electricity. But they have been inhibited by monopoly rules that supposedly force customers to buy from Duke Energy if their property is in one of Duke's two service territories. North Carolina is one of only five states with such an anti-competitive and outdated law against what is also called "third party sales."

There is a profound irony in your vigorous opposition to the Energy Freedom Act: Because your customers are increasingly choosing rooftop solar, you say you will try to force other captive customers to pay more for dirty power plants. Then, from the other side of your corporate mouth, you're trying to block the very avenue for those other customers to go solar.

In other words, even if you were concerned about solar harming low-income North Carolinians, the Energy Freedom Act solves that issue for many of them by eliminating the up-front cost of rooftop solar, allowing low-income folks to participate and reap the benefits of lower cost electricity.

WE WANT DUKE ENERGY TO *ACTUALLY* HELP

If your new-found interest in low-income communities is genuine but merely undeveloped, we would like to share thoughts about how to optimize the well-being of these, and all, North Carolina constituencies. NC WARN has a history of assisting in providing solar options. The religious community has a history of joining with socially and morally just causes. Thus, we want to discuss with you some ways Duke Energy can *actually* help the low-income and people of color.

To be clear, low-income communities are suffering under your business model. Every rate hike hurts real people in real ways. Our communities cannot continue bearing the higher and higher electric bills that would result from your 15-year projections in your Integrated Resource Plan.

Our communities need the many thousands of jobs that the solar power industry is bringing to this state. Duke Energy could take a constructive role by helping ensure that those economic benefits are shared among traditionally disadvantaged communities.

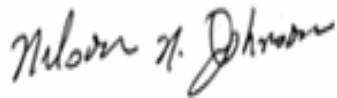
We would be pleased to learn that, after many years of neglect, Duke Energy leadership is turning a corner to genuinely care about low- and fixed-income customer groups. We look forward to hearing what led to such changes. Until you share that explanation with us, however, we remain concerned that your current business plan is but a cynical corporate effort to try to divide the people of this state in order to protect your profits.

Increasingly, North Carolinians are coming together across traditional divisions. We will not be divided on this issue that is profoundly important for so many economic and environmental justice reasons. We call on Duke Energy to join those taking the lead toward a clean energy economy, not to remain in league with those who hold back the very positive changes that could spell the difference between a world of increasing cooperation and healthy communities, and one of devastating polarization.

In a nation heavily burdened by longstanding inequities and divisions over race – and in a time when multiple parties are gratuitously exploiting and amplifying those divisions – we would welcome, with your involvement, the chance to close the gap between the public well-being and corporate leaders' narrow focus on profit.

In that spirit, we invite you to Faith Community Church to discuss these matters during the second or third week of April. Please let us know of your most convenient time.

Sincerely,



Rev. Nelson Johnson, Pastor
Faith Community Church
Greensboro, NC



Jim Warren, Executive Director
NC WARN
Durham, NC