

Consumers Against Rate Hikes

Feb. 23, 2011

For Immediate Release

Contact: Consumers Against Rate Hikes

Phone: 919-951-8777

NC voters reject plan for rate hikes to finance power plant construction, poll shows

A new poll shows that 70% of voters across North Carolina firmly reject a proposal to make it easier for Duke Energy and Progress Energy to build new nuclear power plants.

The bipartisan poll of likely voters also found that large numbers say their households would suffer financial hardship if the proposal passes the NC Legislature, which would cause electricity rates to begin rising years before new plants could be completed.

Consumers Against Rate Hikes announced the poll's results on Wednesday. The poll of 600 likely voters statewide found that an overwhelming majority say that during these tough economic times, now is not the right time to raise electricity rates to pay for nuclear reactors.

The likely voters said that increased rates would put a large burden on seniors and all consumers and could drive companies and their jobs out of North Carolina, according to the survey.

Bill Wilson, associate director for advocacy at AARP of North Carolina, said the findings are common sense.

"In this difficult economy, this is not the time to increase utility rates on seniors," Wilson said.

The poll results come as Duke Energy and Progress Energy say they want the Legislature to change state law in a way that would allow them to raise rates each year to build new plants – and reduce oversight by the public and the NC Utilities Commission.

Financial institutions have refused to lend the money needed to build the reactors because of the high risks of cost escalation and project cancellation. A controversial 2007 law already allows the utilities to pass on to consumers the cost of building a new nuclear reactor in advance, but only if they can justify rate increases in proceedings before the N.C. Utilities Commission.

“Unemployment and underemployment are at levels that breadwinners are finding it difficult if not impossible to provide basic needs for their families,” said Dr. Kathy Shea, executive director of NC Interfaith Power and Light. “We believe that it is unacceptable for the general public to support risks that stockholders and bankers are unwilling to assume. Increasing the burden on our citizens with an annual rate hike is fundamentally unfair, inappropriate at best, and foolish at worst.”

The poll was conducted jointly by the Republican firm of Hill Research Consultants of The Woodlands, Texas, and the Democratic firm of Lauer Johnson Research of Baton Rouge, La. The poll, conducted Feb. 7-11, has a sampling error of plus or minus 4 percent.

Consumers Against Rate Hikes is supported by AARP North Carolina, Action NC, Alliance for NC SAVE\$ ENERGY, Blue Ridge Environmental Defense League, Clean Water for NC, NC Fair Share, NC Housing Coalition, NC Interfaith Power & Light (a program of the NC Council of Churches), NC Justice Center, NC League of Conservation Voters, NC WARN, Nuclear Information & Resource Service, Western NC Physicians for Social Responsibility.

###