



March 1, 2024 | [nclm.org](https://nclm.org)

## The Recap

Legislators are enjoying a relatively calm start to the new year when it comes to policy considerations. Why is that? It's election season. Many legislators are gearing up for the March 5th primary, as all 120 seats in the General Assembly are up for election this November.

Legislators have indicated that this short session will be quick and less contentious, and from these conversations and our analysis of lingering legislative issues, we anticipate budget adjustments and bills relating to video gaming terminals and medical marijuana will be the big topics of conversation.

Local governments occasionally leverage the lull of the short session to advocate for funding for projects in their cities and towns. Unfortunately, there is significantly less money this short session above the amounts already designated in the two-year budget. We still want to encourage you to assess your needs and inform legislators in the event of state or other sources of funding becoming available, as well as discuss any needs for local legislation.

Sa'Metria Jones

A handwritten signature in black ink, appearing to read 'Sa'Metria Jones', written in a cursive style.

Legislative Counsel

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## Duke Energy Carolinas Rate Increases Finalized

Significant rate increases for lighting and other customers in the Duke Energy Carolinas territory became final in January. These increases followed a similar outcome for the Duke Energy's other N.C. territory last year. The League successfully intervened at the N.C. Utilities Commission (NCUC) in both cases to reduce the proposed increases for cities' lighting electric use. This rate hike will be spread over the next three years. The lighting class increases that will affect municipalities are shown

below; the 2024 figure includes an interim rate increase of 7.8% that went into effect in September, but is now folded into the 2024 increase.

- 2024: 23.8% (original Duke request was 28%)
- 2025: 5.3% (originally 5.2%)
- 2026: 4.8% (originally 3.1%)

The Duke Energy Carolinas territory, where these rate increases will take place, generally covers areas in the western half of the state. Numerous recent policy changes contributed to the rising rates, including a change in the company's methodology for allocating costs across customer classes—a change that Duke, the NCUC Public Staff, and industrial customers agreed to prior to the start of the rate case and the League's intervention. Industrial customers in particular argued that they were subsidizing other classes of rate payers, especially the lighting class, and that as a result, lighting customers should pay a higher share. The NCUC Public Staff agreed with these industrial customers, advocating for even higher lighting rates than those the Commission ultimately ordered.

While numerous parties have challenged this order, including N.C. Attorney General Josh Stein, the rate increases have gone into effect. If the legal challenges are ultimately successful, the NCUC would recalculate rates.

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## Town & State Dinner: From Jones St. to Main St.

Watch your email for more details as our Town & State Dinner road show cranks up this month. We will be hosting five dinners throughout the state beginning next Wednesday in Concord, with the events allowing you to connect with your state legislators and other local leaders. Town & State Dinner: From Jones St. to Main St. is a crucial advocacy occasion, helping build and maintain relationships with legislators in order to act in common purpose to improve communities and the lives of residents.

Registration for the first two events has already closed, but more information will be forthcoming about the remaining events, which will take place through April 10, so keep an eye out. You should have received personalized registration information on 1/23/2024 inviting you to the Town & State Dinner location that includes your legislators. To review which event you should attend, refer to your personalized Town & State Dinner invitation, or find the location your legislator has been invited to at the list below:

### LEGISLATOR INVITES

If you have any questions about registration, please email [TSD@nclm.org](mailto:TSD@nclm.org)

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# NCLM Leadership Reception at NLC Congressional Cities Conference

Please join the NCLM President William Harris and the NCLM Board of Directors for a reception honoring North Carolina's municipal officials during the NLC's Congressional City Conference. The reception will take place Monday, March 11, 2024, from 6 - 7:30 p.m. at the Ciel Social Club in Washington, DC

We are excited to welcome you back to the Ciel Social Club for this year's reception. It is a quick walk from the conference hotel, and provides beautiful, nearly 360-degree views of downtown DC, including the Washington Monument and US Capitol.

The event is **FREE** for municipal officials, spouses and guests. Pre-registration is required.

[REGISTER HERE](#)

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