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Energy Experts Press North Carolina to Support Customer-Owned Electricity Generation to Advance Equity and Justice

In new policy brief, the Center for Progressive Reform calls on the state of North Carolina to advance "energy equity" by taking steps to help low-wealth people generate their own electricity via residential and community solar programs.

WASHINGTON, D.C. — The Center for Progressive Reform is calling on North Carolina to enact a suite of policy reforms that would help low-wealth people generate their own electricity by installing solar panels on their properties or subscribing to community solar programs. Doing so, Center scholars and staff argue, will advance "energy equity" — the principle that people who are harmed the most by inequitable energy systems and infrastructure are able to participate in and benefit from a fairer energy system as the state transitions to a clean energy economy.

The Center makes this call in a <u>new policy brief</u> that defines "customer-owned energy generation" for lay audiences; explains how it differs from "dirty" energy generated by utility companies and how it benefits structurally marginalized communities, including low-wealth people, communities of color, and people in rural areas; identifies legal and policy opportunities to advance it; and lists concrete actions that law- and policymakers can take to support it.

The brief — <u>Power to the People: Advancing Energy Equity via Customer-Owned Electricity</u> <u>Generation</u> — focuses on North Carolina, a state that has so far failed to make good on its tremendous potential to convert energy from the sun into electricity for the public, particularly in marginalized communities. It is aimed at people who advocate for energy equity in North Carolina and concerned citizens facing rising electricity prices as the state decarbonizes, but it also has value for those advocating for customer-owned generation in other states.

"People who generate their own energy are better able to access a continuous stream of electricity and withstand extended power outages, an increasingly common problem as our climate changes," said Sophie Loeb, a Climate Justice Fellow at the Center for Progressive Reform. "They also spend less on energy, are better able to build wealth, and are spared the harms of toxic pollution from dirty energy. Yet not all people have equitable access to customerowned electricity generation, and North Carolina must change that. Our policy brief explains how."

Energy inequity is acute in North Carolina, where nearly 1.5 million people face high energy burdens, in that they pay a high proportion of their income on energy.

The state now has a huge opportunity to reduce this inequity, but it is failing to seize it. In recent years, North Carolina enacted legislation to reduce carbon emissions by 70 percent by 2030 and to achieve carbon neutrality by 2050. The North Carolina Utilities Commission (NCUC), the agency in charge of the state's energy market, is overseeing this transition, but it tasked Duke Energy, which enjoys near monopoly control over the state's electricity market, with developing the state's decarbonization plan.

Not surprisingly, Duke Energy's plan, released last year, largely overlooks customer-owned generation as a carbon reduction strategy. What's more, the company did not meaningfully engage low-wealth people in plan development and ignored concerns related to affordability and equity. And yet, NCUC announced in December 2022 it had issued an order to adopt Duke Energy's initial carbon plan.

"North Carolina is wasting a precious opportunity to accelerate customer-owned generation and advance energy equity," said Ajulo Othow, a board member of the Center and founder/CEO of EnerWealth Solutions in North Carolina. "The state must reverse this trend now, and it can do so by following the recommendations laid out in *Power to the People*."

The brief urges North Carolina lawmakers to:

- Use retail rates for "net metering" (whereby people who generate their own energy are compensated for electricity they transfer to utility companies) for all households, especially low-wealth households.
- Incentivize low-wealth people to generate their own electricity on their own properties or in their own communities.
- Create structural conditions that promote a vibrant, competitive energy marketplace.

"Everyone needs reliable access to clean, affordable electricity to power their lives," said Sid Shapiro, a board member at the Center and the Fletcher Chair in Administrative Law at Wake Forest University. "But marginalized groups lack equitable access to this basic life necessity, and this problem threatens to get worse as our planet warms. North Carolina needs to do much more to advance energy equity. Fortunately, it's well-positioned to do so, and we show how."

The policy brief is available on the Center's website at

https://progressivereform.org/publications/power-to-the-people-advancing-energy-equity-via-customer-owned-electricity-generation/. You can also watch a recording of our March 30 webinar on the topic at https://progressivereform.org/events/power-to-the-people-advancing-energy-equity-in-north-carolina-and-beyond/.

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