



Date: May 7, 2013

To: Mayor and City Council Members
From: Patrick W. Baker, City Attorney
Through: Sherri Zann Rosenthal, Senior Assistant City Attorney
Subject: Intervention in Duke Rate Case Docket at NCUC

Executive Summary

The City of Durham has participated as an intervening party in several Duke Energy dockets at the NC Utilities Commission (NCUC). Through participation in the last two rate cases, the City Attorney’s advocacy resulted in significant savings compared to the rates Duke Energy proposed to charge for street lighting. In addition, in its order in the last rate case, the NCUC ordered Duke Energy to meet with the City of Durham and other interested cities, and propose a settlement on street light issues by the next rate case. By approving the resolution to intervene in the current rate case, the Council would authorize the City Attorney’s Office, and as necessary, the City Manager’s Office, to represent the City at the NCUC in this docket, including following up on the NCUC’s order regarding street light issues.

Recommendation

The City Attorney recommends that the City Council adopt a Resolution that the City of Durham become an intervening party in NC Utility Commission Docket E-7, Sub 1026, and which authorizes the City Attorney and City Manager take action in this docket as appropriate in support of the resolution.

Alternatives

If the City Council does not adopt the Resolution, the City Attorney’s Office will not represent the City in the Current rate increase docket. The City could instead pay to be part of the League of Municipalities’ joint representation of cities in the docket, and would be represented by attorneys hired by the League for this purpose. The City could also not participate in the docket by either of these means, which would potentially give up ability to follow up on the prior order of the NCUC that Duke Energy come to agreement with Durham and other interested cities regarding street light issues.

Financial Impact

There are no substantial costs to the City of participating in the Rate Increase Docket through representation by the City Attorney’s Office.

Attachments

Resolution to Intervene in Duke Energy Rate Case Docket.