Duke sticks with rate hike request here

Utility cut back in North Carolina

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Duke Energy doesn't plan now to pare its request for a rate hike in South Carolina as it did in North Carolina, but said Monday it still is negotiating in hopes of reaching a settlement.

Duke has asked regulators in both states for an overall rate hike of about 15 percent, drawing protests on both sides of the border.

Then last week, the utility offered an overall hike of 12 percent to North Carolina regulators, but it won't do the same in South Carolina, company spokesman Jason Walls said.

"We're not changing our request before the (Public Service Commission in South Carolina) at this time," Walls told GreenvilleOnline.com. "We are hopeful, however, that we will be able to reach a settlement soon."

An overall hike of 15 percent translates to 17 percent more for residential customers in South Carolina, 11 percent more for commercial customers and an additional 13 percent for industrial customers.

Ned Cochrane, chairman of the South Carolina Energy Users Committee, a group of about 40 manufacturers opposing Duke's request, said the latest developments don't change his group's position.

"We believe the rate increase request is excessive, and we're trying to get it reduced as much as possible," said Cochrane, a vice president with Mauldin-based Mount Vernon Mills.

The Office of Regulatory Staff, the state agency responsible for protecting the public interest in utility matters, has said it figures Duke is entitled to raise residential rates by 7 percent and commercial and industrial rates by a little more than 5 percent.

The issue will be decided by the South Carolina Public Service Commission. Any rate hike is likely to take effect in February.

Duke, in its change of position in North Carolina, offered to accept $118 million a year less than its original request, reducing its overall rate hike by 3 percent.

But the North Carolina agency that advocates for consumers rejected the offer, according to Charlotte-Observer.com.

The utility says it needs to recoup $6.5 billion spent to modernize its system in the Carolinas and comply with environmental rules.

Critics say the rate hike comes at a bad time with unemployment still high.