Insights: Perspectives

North Carolina General Assembly Update | October 15, 2021

OCTOBER 15, 2021

Kilpatrick Townsend's Government Relations Team represents a variety of clients across many industries and in all levels of government, with a focus on the North Carolina General Assembly. Below is an update on the activity at the NC General Assembly this week. Please feel free to contact a member of the team with any questions or visit our website to learn more about our Government Relations practice.

Budget Update

There is little to report from the legislature as it was another quiet week at the General Assembly. No committee work or floor votes were conducted this week. House and Senate leaders continue to focus on budget negotiations behind closed doors. At this point, no budget provisions have been made public as the House, Senate, and Governor continue to try to reach an agreement. House and Senate Redistricting Committee rooms also remained open each day this week for legislators to draw maps for the House, Senate, and Congressional Districts. The committee rooms and map drawing stations are livestreamed on the General Assembly website for the public to watch.

Governor Signs Energy Bill

Last week, we mentioned the passage of H951, a major piece of energy legislation. Governor Cooper signed the bill on Wednesday making it Session Law 2021-165. The final product is a bipartisan compromise that seeks to reduce carbon dioxide emissions from public utilities by 70 percent by the year 2030. Some of the other major provisions include:

- Requires Public Utilities to use securitization at 50 percent to retire coal-fired power plants;
- Authorizes the Commission to use "performance-based regulation" for the electric public utilities operating in the State. This means an alternative ratemaking approach that includes decoupling revenue from electricity consumption, one or more performance incentive mechanisms, and a multi-year rate plan; and
- Helps ensure reliable energy by maintaining the Public Utility vertical integration model with a Utilities Commission that retains robust regulatory authority and discretion.

Governor Cooper's statement on the bill can be found here.