

## Expanded Electricity Market Options Would Open New Opportunities for North Carolina: Support HB 745

North Carolina's growing economy is powered by our sectors in retail, manufacturing, high-tech, and professional services. Our companies and jobs depend on a reliable and affordable energy supply. To maintain our state's growing momentum and ensure long-term success, we must explore improvements to its electricity market. House Bill 745, the Fair Competition Study Act, directs the North Carolina Utilities Commission to conduct evidence-based research on potential reforms to enhance competition.

Advances in energy technology and proven energy market options open a path to a historic opportunity for North Carolina to realize tens of millions of dollars in savings for energy customers, increase grid reliability, and enable expanded economic opportunity and business investment in the state. [Energy Future Carolinas](#) represents a [broad group of large commercial and industrial customers](#) in the Carolinas, working with key decision-makers and stakeholders to promote the benefits of a more affordable, reliable, and cleaner energy future made possible through expanded energy market options.



Our companies' ability to continue to grow and innovate is directly tied to their ability to access affordable, reliable, and clean energy to power their operations. **We urge lawmakers to support HB745 and assess whether the current market structure best serves the needs of ratepayers and businesses.**

### WHAT HB 745 DOES

HB 745 directs the North Carolina Public Utilities Commission to conduct in-depth, evidence-based research and analysis on possible improvements and reform to ensure fair competition in North Carolina's energy market. The bill calls for an in-depth, evidence-based study on:

- **Current Market Performance** – Evaluates cost, service quality, reliability, and economic impact.
- **Alternative Market Models** – Includes regional energy imbalance market and regional transmission organization (RTO) options.
- **Legal Roadmap** – Identifies what regulatory or legislative steps would be needed to move toward modernized, competitive markets.

HB 745 would appropriate \$350,000 to conduct the study, and the Public Utilities Commission would report back within 12 months.

## WHY IT'S NEEDED IN NORTH CAROLINA

North Carolina's current monopoly electricity system is inadequate to meet the rising demands of new technologies and high electricity-demanding businesses. By exploring market reform options, North Carolina could achieve substantial savings, improve grid reliability, and increase access to cost-effective energy. Broader regional coordination for competitive wholesale electricity trading would deliver cost savings, better system efficiencies, and grid reliability. A [2020 study](#) by Vibrant Clean Energy and Energy Innovation found that with a regional transmission organization, the Southeast region could save \$384 billion by 2040 and create 285,000 full-time jobs. Here in North Carolina:

- **Businesses are demanding grid stability and efficiency.** Growth in high electricity-demand industries is driving concerns about grid reliability and rising costs. A modern market design ensures flexibility, competition, and lowest-cost energy use.
- **North Carolina lags behind.** All but eight states (North Carolina, South Carolina, Tennessee, Georgia, Florida, Alabama, Alaska, and Hawaii) have at least part of their state area served by a utility participating in an organized wholesale electricity market. Customers — and utilities — in states with competitive wholesale markets have realized huge cost savings and benefits.
- **We can learn from South Carolina.** [Brattle Group analysts](#) in 2023 told the South Carolina General Assembly's Electricity Market Reform Measures Committee that South Carolina utility customers could save \$285 million to \$362 million a year if the Carolinas together joined a regional transmission organization. HB 745 would ensure we evaluate similar potential here.

Expanding electricity market options in North Carolina would help drive innovation and cost savings for all energy customers and improve grid reliability and resilience. Organized wholesale markets are centrally managed markets that provide a platform for transparent and competitive wholesale electricity trading.

## WHAT NORTH CAROLINIANS THINK

[Polling data](#) from a **Conservatives for Clean Energy** and **Clean Energy Buyers Association Poll** (Statewide N=600):

- **78.7% of Republican voters** support reforming North Carolina's regulatory policies to allow **more energy competition and consumer choice**.
- **Only 5.8%** of voters want to stick with the current monopoly system once informed of **hundreds of millions in potential savings** from greater market competition.
- **61.8% of voters** (including **57.4% of Republicans**) support commissioning a **study** on joining a regional transmission organization.
- Voters want lawmakers to focus on **cost efficiency and reliability**, not politics. Voters want increased **competition, modernization, business growth, and savings**.

**Supporting HB 745 would bring competitive market insights, examine grid stability, and take an important step toward ensuring North Carolina stays economically competitive.**

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