



CONSERVATIVES FOR CleanEnergy

CWIP: What it means for North Carolina Voters and Ratepayers

What is CWIP?

Construction Work in Progress (CWIP) allows monopoly utility companies to **charge customers for power plants and other infrastructure before they're built or operational**. These costs are passed along during construction, not after a plant provides electricity.

Why Do Utilities Want CWIP?

Monopoly utilities like CWIP because it:

- **Provides earlier returns on investment**, meaning they can collect profits before a plant is online.
- **Improves credit ratings** by guaranteeing revenue during construction.
- **Shifts financial risk to customers** rather than their investors or shareholders.

In short: CWIP protects the utility's bottom line.

What Risks Are Shifted to You?

CWIP makes ratepayers, not shareholders, carry the **financial burden for projects** that may:

- Go over budget
- Fall years behind schedule
- Never be completed at all

Customers pay, even if the utility mismanages the project.

CWIP Failures in the Southeast

VC Summer Nuclear Project (South Carolina)

- Customers were **charged \$2+ billion in CWIP** for a project that was never finished.
- **The plant was abandoned**, but customers are still paying.

Plant Vogtle Units 3 & 4 (Georgia)

- Originally budgeted at \$14 billion, **now over \$35 billion**.
- Construction was 7 years behind schedule.
- Ratepayers have been **footing the bill through CWIP since 2009**.

Who Wins If CWIP Passes in North Carolina?

- **Monopoly utilities are guaranteed profit even if projects fail.**
- Not ratepayers, who take on the financial risk for billion-dollar bets.

What You Can Do

North Carolina should protect ratepayers by:

- **Rejecting CWIP** inclusion in rate base.
- Requiring utilities to **finish projects on time and budget** before charging customers.
- **Ensuring accountability for failed or mismanaged construction.**

Let's keep North Carolina families and businesses safe from risky schemes like CWIP.

Questions or want more information?

Contact: Thomas Shumaker,

State Director of Conservatives for Clean Energy North Carolina

tshumaker@cleanenergyconservatives.com