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# THE PERQUIMANS WEEKLY

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## County may apply for CDBG grant

Perquimans County may apply for a \$164,000 Community Development Block Grant to help defray costs of infrastructure at the commerce centre.

County Economic Development Director Robert Baker told the commissioners during a public hearing on Feb. 1 that the N.C. Department of Commerce recommended that the county apply for CDBG funds.

Perquimans County is eligible to apply for the funds because the commerce centre is being developed to create jobs and expand the county's tax base.

A preliminary engineering report completed by Leo F. Green Associates estimates the initial cost of infrastructure at \$732,000. This includes installation of roads, water, sewer and storm sewer.

So far, the county has received a \$250,000 grant from the N.C. Department of Commerce Infrastructure Fund and a \$114,000 grant from the N.C. Department of Transportation. A \$150,000 grant application has been submitted to the Rural Center. If the Rural Center and CDBG funds are approved, the county will only have to pay \$54,000 of the cost of the infrastructure.

Baker said if all the applications are approved, the county will pay about 7 percent of the total cost. Communities typically pay about 25 percent. Perquimans County stands to receive more than the typical amount in grant funds because they have never asked for help before and can demonstrate need. Indeed, about 60 percent of the workforce in Perquimans County commutes outside the county to work each day. Baker said the rate is one of the highest.

The shell building constructed by the county at the commerce centre is almost complete. The building was built with a no-interest EMC loan. It is for sale.

The ARISE incubator building is expected to be complete by this summer. It will house small businesses desiring to share clerical work and some business equipment.

The Town of Hertford is moving forward with its satellite annexation. The town will provide utilities at the site.

The county signed a purchase option with Shoreflyte Marine in late 1998. The company hopes to be the first to locate in the commerce centre. The owner plans to invest \$2.5 million at the site and provide 30-50 new jobs. The investment will mean about \$25,000 in annual tax revenues.

Baker said the work at the park and the building make it look like a business center and will make it easier to sell.

## PCHS students fail to keep licenses

By SUSAN R. HARRIS  
 Editor

There may be more places to park at Perquimans County High School soon as the first of the students to lose their driving privileges for failing grades get their licenses revoked.

Under legislation enacted in 1997, North Carolina high school students must pass 70 percent of their classes each semester through graduation to maintain a driver's license. If they fail to meet the acad-

emic requirement, their driver's license will be revoked. Those persons under age 18 who received a driver's permit or license before Dec. 1, 1997 are not affected by the legislation. Therefore, most students at PCHS were exempt from the requirement for the first semester of 1998-99.

The legislation also stipulates that a person who is less than 18 years old must present a Driving Eligibility Certificate and a high school diploma or its equivalent when applying for driving

privileges. The DEC, issued by the student's high school principal, states that the individual has demonstrated adequate academic progress by passing at least 70 percent of his or her classes for the previous academic semester. That portion of the law went into effect on Aug. 1, 1998.

The N.C. Department of Public Instruction is responsible for distributing the DEC forms to each school. Students pick them up from the school office prior to applying for a driver's permit.

Perquimans High School students take six classes each day. With the 70 percent requirement, students can fail one class and still retain their driving privileges. Failing two classes for a semester means the license will be revoked if the student falls under the legislation.

PCHS principal Elaine Pritchard said she is not sure at this time how many students will have their licenses revoked by the state. She said the school recently sent out about 150 letters to students

who are failing to inform them of the possibility that they could lose their license if they fall under the legislation. No official report has been sent to DMV, she said.

The statutes were designed to encourage students to finish their high school education and are being administered by the N.C. Department of Public Instruction in cooperation with the N.C. Division of Motor Vehicles, the N.C. Division of Non-Public Schools and the N.C. Community College System.

## AT THE TOP



The Lady Pirates earned at least a share of the Northeastern Albemarle Conference championship last week with a big overtime win over homestanding Manteo. The team took its first loss on Tuesday at Northside, then came back Thursday to defeat the Lady Redskins. Perquimans claimed a win over Williamston Friday. For game highlights, please see page 6.

## ElectriCities backs Boyles' stranded cost recovery plan

In an effort to help jumpstart stalled electric industry deregulation talks in North Carolina, ElectriCities of North Carolina is taking a new compromise position on stranded cost recovery based on a proposal made by State Treasurer Harlan Boyles.

Boyles, in a recent opinion piece for his quarterly newsletter, proposes freezing electric rates for a period of years to recover stranded costs before opening the state's electric industry to competition.

Under this kind of stranded cost recovery mechanism, all utilities would earmark adequate portions of their "above market revenues" to help pay the state's stranded costs.

Prior to Boyles' proposal, ElectriCities had been pushing for a uniform stranded cost recovery plan in which a charge would be added to the electric bills of all customers in the state for a period of five years to help pay all utilities' stranded costs.

However, Boyles made it clear that uniform recovery is not a politically viable option. He pointed out in his opinion piece that the only other option would involve the imposition of an additional sales tax.

ElectriCities CEO Jesse Tilton said the Power Agencies are willing to pay the bigger burden a rate freeze would impose on them in order to move deregulation talks forward.

"The main sticking point in this whole debate has been stranded cost recovery and how to protect the 51 power agency cities' debt," Tilton said. "This proposal will resolve those issues without raising anyone's electric rates."

Boyles cited the 51 power agency cities' high rates as one of the reasons why the state needs to move forward with a solution. The cities have rates that are on average 35 percent higher than Duke and CP&L's. That rate disparity will eventually cause economic development problems for North Carolina. A rate freeze will keep this rate disparity from

### Options

1. Freeze existing rates and earmark a portion of the anticipated savings to pay the stranded costs without raising anyone's current rates. Open up the industry to choice once stranded costs are recovered.

2. Deregulate immediately for all customers; institute uniform and competitive rates; offer the cities' generation and distribution assets for sale to Duke and CP&L in return for their accepting all related debt and liability.

3. Target legislatively the electric sales tax to debt downpayment if the mandated sale and liquidation of the undivided interested in the generation facilities owned by the power agencies, and the sale of the remaining electric system assets are not sufficient to cover the debt.

growing, and will help bring lower rates once customer choice is introduced in North Carolina.

ElectriCities serves about 400,000 customers. The cities' high electric rates are directly tied to bond debt issues in the late 70s and early 80s to enable the cities to partner with Duke and CP&L to complete construction on power-generating plants.

The most appealing aspect of the rate freeze proposal is that it does not raise rates for any electric customer in North Carolina, and will provide the opportunity for lower rates at the end of the transition period, Tilton said.

"The Treasurer's proposal is a solution we would support, and we absolutely agree that this issue must be addressed in the 1999 session," Tilton said. "We must address the stranded cost issue and the issue of high rates in this state or we will face serious economic problems in the future."

## Weekend weather

Thursday—High 70s, Low 40s, Mostly Sunny  
 Friday—High 70s, Low 50s, Chance of Rain  
 Saturday—High 40s, Low 30s, Clear and Cold