THE ATTORNEY GENERAL'S ROLE

IN RATE REGULATIONS

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In order to provide the best and most services to the citizens of North Carolina, the State has granted to some industries, such as the power industry, the telephone industry, trucking, public transportation, and others, special privileges. The State has said to these and to others that in order for you to more efficiently and economically operate and to provide better service for the people, you are being given a monopolistic franchise - that is, we are going to eliminate competition in the particular areas in which you are permitted to serve. However, since the State has eliminated the self-regulating influence of competition, the State has said that such industries shall be subject to reasonable regulations by the State to the end that the public will be protected in the services that it receives and the prices it pays for such services.

It was for these reasons that the Utilities Commission was established. This body sits in a quasi-judicial capacity - that is it must hear the evidence and testimony that is offered and then set rates and services on the basis of such testimony. It is only fair to the commission that all evidence

both pro and con be presented to it on a given question before it is required to render its decision.

It is only fair to the industries that are regulated that they receive a hearing that is not only fair but one that is felt and believed to be fair by such industries - in other words, that not only are they entitled to a fair hearing, but to one that gives and leaves the impression that it is fair. If the regulatory agencies are required not only to hear the evidence of the companies but to develop the facts on the other side of the issue- to act as judge and prosecutor - no one affected can feel that they have had less than a fair and impartial hearing.

And yet, fairness to the public requires that the position of the consumer be represented - that the testimony and evidence of those seeking to increase rates or reduce services be subjected to the scrutiny of cross-examination.

For two hundred years, the policy of the Anglo-American system of evidence has been to regard