STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

STAFF CONFERENCE AGENDA May 11, 2020

IMPORTANT NOTE: STAFF CONFERENCE
WILL BE CONDUCTED VIA WEBEX.
INSTRUCTIONS FOR PARTICIPATION AND A LINK TO
VIEW THE MEETING WILL BE POSTED ON THE
COMMISSION'S WEBSITE, NCUC.NET

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

D. ELECTRIC

P1. <u>APPLICATION FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES</u>

E. WATER

- P1. DOCKET NO. W-1305, SUB 4 PLURIS HAMPSTEAD, LLC APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY EXHIBIT NO. P-1
- P2. DOCKET NO. W-1305, SUB 5 PLURIS HAMPSTEAD, LLC NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA EXHIBIT NO. P-2

TO: Agenda – Commission Conference – May 11, 2020

FROM: PUBLIC STAFF – North Carolina Utilities Commission

D. ELECTRIC

P1. <u>APPLICATION FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES</u>

EXPLANATION: The following applications seek certificates of public convenience and necessity for construction of solar photovoltaic electric generating facilities, pursuant to N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

Duke Energy Carolinas, LLC:

 <u>Docket No. SP-22329</u>, <u>Sub 0</u> – Application of Hornet Solar LLC for a certificate of public convenience and necessity to construct a 75-MW solar photovoltaic facility in Lincoln County, North Carolina

North Carolina Electric Membership Corporation:

 <u>Docket No. SP-17341, Sub 0</u> – Application of Grissom Solar, LLC, for a certificate of public convenience and necessity to construct a 10-MW solar photovoltaic facility in Halifax County, North Carolina (no registration statement)

The Public Staff has reviewed the applications and determined that they comply with the requirements of N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

Unless otherwise noted, each applicant has filed a registration statement for a new renewable energy facility. The registration statement includes certified attestations, as required by Commission Rule R8-66(b), that: (1) the facility is in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources; (2) the facility will be operated as a new renewable energy facility; (3) the applicant will not remarket or otherwise resell any renewable energy certificates sold to an electric power supplier to comply with N.C. Gen. Stat. §. 62-133.8; and (4) the applicant will consent to the auditing of its books and records by the Public Staff insofar as those records relate to transactions with North Carolina electric power suppliers.

The project associated with the application filed in SP-22329, Sub 0, is a CPRE program participant.

RECOMMENDATION: (Saillor/Lawrence) That the Commission issue orders approving the applications and issuing the requested certificates for the facilities. Proposed orders have been provided to the Commission Staff.

E. WATER

P1. <u>DOCKET NO. W-1305, SUB 4 – PLURIS HAMPSTEAD, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY</u>

EXPLANATION: On June 26, 2017, Pluris Hampstead, LLC (Pluris Hampstead), filed an application with the Commission seeking a certificate of public convenience and necessity to provide sewer utility service in Canter Crest Subdivision (Canter Crest) in Pender County, North Carolina, and approval of rates. On April 9 2019, Pluris Hampstead filed the wastewater collection system extension permit. On November 26, 2019, Pluris Hampstead filed a deed of dedication. Pluris Hampstead expects to eventually serve 39 residential customers and one commercial customer. The service area is shown on plans filed with the application.

Pluris Hampstead is proposing to charge customers in Canter Crest the current rates approved for its other service area in Docket No. W-1305, Sub 0. Currently, there are ten active customers being billed.

The N.C. Department of Environmental Quality, Division of Water Resources has issued to Pluris Hampstead Permit NO. WQ0039240, dated July 13, 20917, for the construction and operation of a 44 gallon per minute lift station and wastewater collection extension to serve 32 three-bedroom residences, 7 four-bedroom residences, and a mini-storage facility in Canter Crest.

Pluris Hampstead has entered into an Agreement for Sanitary Sewer Service (Sanitary Sewer Agreement) dated March 29, 2017, with Bill Clark Homes of Wilmington, LLC (Developer), by which the Developer will construct and install all of the sewer collection facilities at no charge to Pluris Hampstead. The Developer will pay to Pluris Hampstead a non-refundable sewer connection fee of \$3,200 per three-bedroom single-family equivalent (SFE), an additional \$1,067 for each additional bedroom beyond a SFE, and \$3,200 (one SFE) for the mini-storage facility.

Under the Sanitary Sewer Agreement, the Developer is required to accept return groundwater in equal volume to the wastewater volume sent to the wastewater treatment facility. To satisfy the Developer's obligation under the Sanitary Sewer Agreement, the Developer has entered into an Agreement for Alternative Return Groundwater (Reuse Water Agreement), dated April 12, 2017, with Blake Farm Pond, LLC (BFP). Under the Reuse Water Agreement, BFP will accept the groundwater into BFP's existing groundwater impoundment facility. The Developer will pay BFP a non-refundable capital reimbursement fee of \$700 per SFE. The terms of the Reuse Water Agreement are acceptable to Pluris Hampstead.

Pluris Hampstead holds wastewater franchises serving approximately 582 customers in North Carolina. Its record of service is satisfactory.

Pluris Hampstead has filed all exhibits required with the application.

The Public Staff is of the opinion that Pluris Hampstead has the technical, managerial, and financial capacity to provide sewer utility service in Canter Crest and recommends that the certificate of public convenience and necessity be issued.

The Public Staff recommends that the Commission require posting of bond in the amount of \$10,000. Pluris Hampstead currently has \$200,000 of bonds posted with the Commission. Of this amount, \$120,000 of bond surety is assigned to specific subdivisions, and \$80,000 of bond surety is unassigned.

EXHIBIT: A copy of the proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Casselberry/Henry/Creech/Grantmyre) That the Commission issue the proposed order accepting and approving bond, granting the franchise, and approving Pluris Hampstead's proposed rates.

P2. <u>DOCKET NO. W-1305, SUB 5 – PLURIS HAMPSTEAD, LLC – NOTIFICATION</u> OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On September 21, 2017, Pluris Hampstead, LLC (Pluris Hampstead), filed a notification of intention to begin operations in an area contiguous to a present service area for sewer utility service in Carolina Creek Subdivision, Phase I (Carolina Creek), which is contiguous to Olde Point Village in Pender County, North Carolina. On April 12, 2019, Pluris Hampstead filed the wastewater collection system extension permit. On November 26, 2019, Pluris Hampstead filed a deed of dedication. The service area is shown on the plans filed with the notification.

Pluris Hampstead expects to eventually serve 135 three-bedroom homes and a recreational amenity center at Carolina Creek. Phase I of the sewer extension will only include a maximum of 70 three-bedroom homes (Lots 17-44, Lots 56-60, Lots 79-81, Lots 98-107 and Lots 112-135) and the proposed amenity center.

Pluris Hampstead is proposing to charge customers in Carolina Creek the current rates approved for its other service area in Docket No. W-1305, Sub 0. Currently, there are no customers being billed at Carolina Creek.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR) has issued to Pluris Hampstead Permit No. WQ0039568, dated November 14, 2017, for the construction and operation of a wastewater collection extension to serve 70 three-bedroom residences and the amenity center in Carolina Creek.

Pluris Hampstead has entered into an Agreement for Sanitary Sewer Service (Sanitary Sewer Agreement) dated July 18, 2017, with Bill Clark Homes of Wilmington, LLC (Developer), by which the Developer will construct and install all necessary sewer collection facilities at no charge to Pluris Hampstead. The Developer will pay Pluris Hampstead a non-refundable sewer connection fee of \$3,200 per three bedroom single-family equivalent (SFE), an additional \$1,067 for each additional bedroom beyond a SFE, and \$3,200 (one SFE).

Under the Sanitary Sewer Agreement, the Developer is required to accept return groundwater in equal volume to the wastewater volume sent to the wastewater treatment facility. To satisfy the Developer's obligation under the Sanitary Sewer Agreement, the Developer has entered into an Agreement for Alternative Return Groundwater (Reuse Water Agreement) with Blake Farm Pond, LLC (BFP). Under the Reuse Water Agreement, BFP will accept the groundwater into BFP's existing or to be built surplus groundwater impoundment facility. The Developer will pay BFP a non-refundable capital reimbursement fee of \$700 per SFE. The terms of the Reuse Water Agreement are acceptable to Pluris Hampstead.

Pluris Hampstead is currently serving approximately 582 customers in North Carolina. Pluris Hampstead's record of service is satisfactory.

Pluris Hampstead has filed all exhibits required with the application.

The Public Staff is of the opinion that Pluris Hampstead has the technical, managerial, and financial capacity to provide sewer utility service in Carolina Creek, and recommends that the contiguous extension for Carolina Creek be recognized.

The Public Staff further recommends that the Commission require posting of bond in the amount of \$10,000. Pluris Hampstead currently has \$200,000 of bonds posted with the Commission. Of this amount, \$130,000 of bond surety is assigned to specific subdivisions, and \$70,000 of bond surety is unassigned.

EXHIBIT: A copy of the proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (Casselberry/Henry/Creech/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension.

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1305, SUB 4

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Pluris Hampstead, LLC, 150)
Turtle Creek Boulevard, Suite 207, Dallas,) ORDER ACCEPTING AND
Texas 75207, for a Certificate of Public) APPROVING BOND,
Convenience and Necessity to Provide Sewer) GRANTING FRANCHISE AND
Utility Service in Canter Crest Subdivision in) APPROVING RATES
Pender County, North Carolina)

BY THE COMMISSION: On June 26, 2017, Pluris Hampstead, LLC (Pluris Hampstead), filed an application with the Commission seeking a certificate of public convenience and necessity to provide sewer utility service in Canter Crest Subdivision (Canter Crest) in Pender County, North Carolina, and approval of rates. On April 9 2019, Pluris Hampstead filed the wastewater collection system extension permit. On November 26, 2019, Pluris Hampstead filed a deed of dedication.

The Public Staff presented this matter at the Commission's Regular Staff Conference on May 11, 2020. The Public Staff recommended that the Commission issue an order accepting and approving bond, granting the franchise, and approving the proposed rates.

Based upon the verified application and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

- 1. Pluris Hampstead presently holds wastewater franchises serving approximately 582 customers in North Carolina. Its record of service is satisfactory.
- 2. Pluris Hampstead expects to eventually serve 39 residential customers and one commercial customer. The service area is shown on plans filed with the application.
- 3. Pluris Hampstead is proposing to charge customers in Canter Crest the current rates approved for its service area in Docket No. W-1305, Sub 0. Currently, there are ten active customers being billed at Canter Crest.

- 4. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR) has issued Permit No. WQ0039240, dated July 13, 20917, to Pluris Hampstead, LLC, for the construction and operation of a 44 gallon per minute lift station and wastewater collection extension to serve 32 three-bedroom residences, 7 four-bedroom residences, and a mini storage facility in Canter Crest.
- 5. Pluris Hampstead has entered into an Agreement for Sanitary Sewer Service (Agreement) dated March 29, 2017, with Bill Clark Homes of Wilmington, LLC (Developer), under which the Developer will construct and install all of the sewer collection facilities at no charge to Pluris Hampstead. The Developer will pay to Pluris Hampstead a non-refundable sewer connection fee of \$3,200 per three bedroom single-family equivalent (SFE), an additional \$1,067 for each additional bedroom beyond a SFE and \$3,200 (one SFE) for the mini storage facility.
- 6. Under the Sanitary Sewer Agreement, the Developer is required to accept return groundwater in equal volume to the wastewater volume sent to the wastewater treatment facility. To satisfy the Developer's obligation under the Sanitary Sewer Agreement, the Developer has entered into an Agreement for Alternative Return Groundwater (Reuse Water Agreement), dated April 12, 2017, with Blake Farm Pond, LLC (BFP). Under the Reuse Water Agreement, BFP will accept the groundwater into BFP's existing groundwater impoundment facility. The Developer will pay BFP a non-refundable capital reimbursement fee of \$700 per SFE. The terms of the Reuse Water Agreement are acceptable to Pluris Hampstead.
 - 7. Pluris Hampstead has filed all exhibits required with the application.
- 8. Pluris Hampstead has the technical, managerial, and financial capacity to provide sewer utility service in this franchise location.
- 9. The Public Staff recommended that the Commission require posting of bond in the amount of \$10,000. Pluris Hampstead currently has \$200,000 of bonds posted with the Commission. Of this amount, \$120,000 of bond surety is assigned to specific subdivisions, and \$80,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission is of the opinion that \$10,000 of Pluris Hampstead's unassigned bond surety

EXHIBIT NO. P-1 PAGE 3 OF 4

should be assigned to Canter Crest Subdivision; that the sewer utility franchise requested by Pluris Hampstead in Canter Crest Subdivision should be granted; that a sewer connection fee of \$3,200 per three-bedroom single-family equivalent (SFE) and an additional \$1,067 for each additional bedroom beyond a SFE should be approved; and that the requested rates should be approved

IT IS, THEREFORE, ORDERED as follows:

- 1. That \$10,000 of Pluris Hampstead's unassigned surety bond is assigned to Canter Crest Subdivision. The remaining unassigned bond surety shall be \$70,000.
- 2. That Pluris Hampstead is granted a certificate of public convenience and necessity to provide sewer utility service in Canter Crest Subdivision in Pender County, North Carolina.
- 3. That Appendix A constitutes the Certificate of Public Convenience and Necessity.
- 4. That Pluris Hampstead's existing Schedule of Rates approved by the Commission Order issued on November 5, 2015, in Docket No. W-1305, Sub 0, is approved for utility service in Canter Crest Subdivision.
- 5. That a \$3,200 per three-bedroom single-family equivalent (SFE) and an additional \$1,067 for each additional bedroom beyond a SFE for sewer service is approved.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of May, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

EXHIBIT NO. P-1 PAGE 4 OF 4

APPENDIX A

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1305, SUB 4

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

PLURIS HAMPSTEAD, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide sewer utility service

in

CANTER CREST SUBDIVISION

Pender County, North Carolina,

subject to any orders, rules, regulations, and conditions now or hereafter lawfully made by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of May, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1305, SUB 5

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Notification by Pluris Hampstead, LLC, 150 Turtle Creek Boulevard, Suite 207, Dallas, Texas 75207, of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Sewer Utility Service in Carolina Creek Subdivision, Phase I in Pender County, North Carolina)))	ORDER RECOGNIZING CONTIGUOUS EXTENSION

BY THE COMMISSION: On September 21, 2017, Pluris Hampstead, LLC (Pluris Hampstead), filed a notification of intention to begin operations in an area contiguous to a present service area for sewer utility service in Carolina Creek Subdivision, Phase I (Carolina Creek), which is contiguous to Olde Point Village in Pender County, North Carolina. On April 12, 2019, Pluris Hampstead filed the wastewater collection system extension permit. On November 26, 2019, Pluris Hampstead filed a deed of dedication. The service area is shown on the plans filed with the notification.

The Public Staff presented this matter at the Commission's Staff Conference on May 11, 2020. The Public Staff recommended that the Commission issue an order accepting and approving bond; and recognizing the contiguous extension.

Based upon the verified application and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

- 1. Pluris Hampstead is currently serving approximately 582 customers in North Carolina, and its record of service is satisfactory.
- 2. Pluris Hampstead expects eventually to serve 135 three-bedroom homes and a recreational amenity center at Carolina Creek. Phase I of the sewer extension will only include a maximum of 70 three-bedroom homes (Lots 17-44, Lots 56-60, Lots 79-81, Lots 98-107 and Lots 112-135) and the proposed amenity center.

- 3. Pluris Hampstead is proposing to charge customers in Carolina Creek the current rates approved for its service area in Docket No. W-1305, Sub 0. Currently there are no customers being billed at Carolina Creek.
- 4. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR) has issued Permit No. WQ0039568, dated November 14, 2017, to Pluris Hampstead, LLC, for the construction and operation of a wastewater collection extension to serve 70 three-bedroom residences and the amenity center in Carolina Creek.
- 5. Pluris Hampstead has entered into an Agreement for Sanitary Sewer Service (Agreement) dated July 18, 2017, with Bill Clark Homes of Wilmington, LLC (Developer), by which the Developer will construct and install all necessary sewer collection facilities at no charge to Pluris Hampstead. The Developer will pay a non-refundable sewer connection fee of \$3,200 per three bedroom single-family equivalent (SFE), and an additional \$1,067 for each additional bedroom beyond a SFE and \$3,200 (one SFE).
- 6. Under the Sanitary Sewer Agreement, the Developer is required to accept return groundwater in equal volume to the wastewater volume sent to the facility. To satisfy the Developer's obligation under the Sanitary Sewer Agreement, the Developer has entered into an Agreement for Alternative Return Groundwater (Reuse Water Agreement) with Blake Farm Pond, LLC (BFP). Under the Reuse Water Agreement, BFP will accept the groundwater into BFP's existing or to be built surplus groundwater impoundment facility. The Developer will pay BFP a non-refundable capital reimbursement fee of \$700 per SFE. The terms of the Reuse Water Agreement are acceptable to Pluris Hampstead.
 - 7. Pluris Hampstead has filed all exhibits required with the application.
- 8. Pluris Hampstead has the technical, managerial, and financial capacity to provide sewer utility service in this franchise location.
- 9. The Public Staff recommended that the Commission require posting of a bond in the amount of \$10,000. Pluris Hampstead currently has \$200,000 of bonds posted with the Commission. Of this amount, \$130,000 of bond surety is assigned to specific subdivisions, and\$ 70,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing, the record in its entirety, and the recommendations of the Public Staff, the Commission is of the opinion that \$10,000 of Pluris Hampstead's unassigned bond surety should be assigned to Carolina Creek; that a sewer connection fee of \$3,200 per three bedroom single-family equivalent (SFE) and an additional \$1,067 for each additional bedroom beyond a SFE should be approved; and that the notification to provide sewer service at Carolina Creek should be recognized.

IT IS, THEREFORE, ORDERED as follows:

- 1. That \$10,000 of Pluris Hampstead's unassigned surety bond is assigned to Carolina Creek Subdivision, Phase I. The remaining unassigned bond surety shall be \$60,000.
- 2. That the contiguous extension of sewer utility service from Olde Point Village to Carolina Creek Subdivision, Phase I, in Pender County, North Carolina, is hereby recognized as meeting the Commission's criteria for the extension.
- 3. That Appendix A constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.
- 4. That the Schedule of Rates previously approved for Pluris Hampstead (see Docket No. W-1305, Sub 0 dated November 5, 2015) are recognized as being applicable for service and are approved for service at Carolina Creek Subdivision, Phase I, Pender County, North Carolina.
- 5. That a \$3,200 per three bedroom single-family equivalent (SFE) and an additional \$1,067 for each additional bedroom beyond a SFE for sewer service is approved.

ISSUED BY ORDER OF THE CO	DMMISSION.
This the day of May, 2020.	
	NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

EXHIBIT NO. P-2 PAGE 4 OF 4

APPENDIX A

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1305, SUB 5

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

PLURIS HAMPSTEAD, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide sewer utility service

in

CAROLINA CREEK SUBDIVISION, PHASE I

Pender County, North Carolina,

subject to any orders, rules, regulations, and conditions now or hereafter lawfully made by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of May, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk