

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

May 23, 2022

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, May 23, 2022, at 10:00 a.m., with Commissioner Brown-Bland presiding.

The following were present:

COMMISSIONERS:

Commissioner Clodfelter
Commissioner Duffley
Commissioner McKissick
Commissioner Kemerait

COMMISSION STAFF: Mr. Watson, Mr. Green, Ms. Fennell, Ms. Duffy, Ms. Jarvis, Mr. Mertz, Ms. Hicks, Ms. Harrod, Ms. Webb-Shackleford, Ms. Hilburn, Ms. Eastwood, Mr. Barber, Ms. Burns, Mr. Gajda, Mr. Hardy, Mr. McCoy

PUBLIC STAFF: Mr. Ayers, Ms. Edmondson, Ms. Holt, Ms. Jost, Mr. Creech, Ms. Coxton, Ms. Keyworth, Mr. Freeman, Mr. Maness, Ms. Johnson, Mr. McLawhorn, Mr. D. Williamson, Mr. Lucas, Mr. Metz, Ms. Patel, Mr. Lawrence, Mr. Pappas, Mr. Junis, Ms. Proffitt

ATTORNEY GENERAL:

COURT REPORTER: Ms. Vines

ELECTRIC*PROGRAM MODIFICATION (Lawrence/Edmondson)***North Carolina Green Power**

1. Docket No. E-100, Sub 90 – Application of NC GreenPower to amend NC GreenPower Program to amend and expand its offerings.

On March 30, 2022, NC GreenPower filed a request for flexibility to modify its programs and services consistent with its stated mission and objectives to adapt to the fast-changing needs of consumers without the need for further Commission approval.

The Public Staff stated that it had reviewed the request.

The Public Staff recommended that NC GreenPower's proposed modification to its programs and services be approved as filed, effective this date.

Victoria McCann, Vice President of NC GreenPower responded to questions from the Commission on behalf of the Applicant.

This item was taken to Executive Conference for further discussion and consideration.

NATURAL GAS*ENERGY EFFICIENCY TRACKER (Johnson/Maness/Holt)***Public Service Company of North Carolina, Inc.**

2. Docket No. G-5, Sub 644 – Application for annual adjustment of rates under Rider F.

On April 14, 2022, pursuant to Section 62-140(c) of the North Carolina General Statutes, and Rule R6-95 of the Rules of Practice and Procedure of the North Carolina Utilities Commission (Commission), Public Service Company of North Carolina, Inc. (the Applicant, Company, or PSNC), filed an application for approval of the proposed Energy Efficiency (EE) Tracker – Rider F (Rider F) rates to be effective June 1, 2022 (Application).

The Public Staff stated that it had reviewed the application, and other information provided by the Company, and recommended approval as filed. The Public Staff also noted that it had informed the Company it had some concerns regarding the allocation of costs between rate classes, but that making an adjustment to address those concerns in this proceeding would not result in a change in the proposed rates. The Public Staff stated that it had proposed to the Company that the allocation methodology used in this case not be considered precedential for purposes of future Rider F proceedings, and that the Company had agreed to this proposal.

The Public Staff recommended that PSNC is authorized to implement the proposed Energy Efficiency Tracker – Rider F rates proposed in its April 14, 2022 Application, effective June 1, 2022.

Kristin Athens, attorney for Public Service Company of North Carolina, Inc., introduced Byron Hinson, Director of Regulation for Public Service Company of North Carolina, Inc., who responded to questions from the Commission on behalf of the Applicant.

It was moved and passed that the Public Staff's recommendation be adopted.

INTEGRITY MANAGEMENT (Patel/Culpepper)

Piedmont Natural Gas Company, Inc.

3. Docket No. G-9, Sub 804 – Application for biannual adjustment of rates and charges to track changes in costs related to its Integrity Management Rider IMR.

On May 13, 2022, Piedmont Natural Gas Company, Inc. (Piedmont), filed the schedule showing the computation of the proposed IM rate adjustment for each rate schedule and the revised tariffs effective June 1, 2022.

The Public Staff stated it had reviewed the application and the proposed IM rate adjustments.

The Public Staff recommended that Piedmont is authorized to implement the proposed IM rate adjustments as contained in the body of this Order, including its IM Deferred Account balance as of March 31, 2022, effective for service rendered on and after June 1, 2022.

It was moved and passed that the Public Staff's recommendation be adopted.

PURCHASED GAS ADJUSTMENT TRACKER (Nader/Pappas/Patel/Holt/Culpepper)

Public Service Company of North Carolina, Inc.

4. Docket No. G-5, Sub 646 – Application for adjustment of rates and charges to track changes in wholesale costs of gas.

On May 13, 2022, Public Service Company of North Carolina, Inc. (PSNC or Company), filed an application, pursuant to N.C. Gen. Stat. § 62-133.4, Commission Rule R1-17(k)(3), and (5)(d), requesting authority to increase its sales rates by \$1.0098 per dekatherm (dt)¹ and its transportation rates by \$0.0098 per dt, considering the effects of unaccounted-for gas and company-use gas effective June 1, 2022. The increase is a result of a change in

¹ PSNC last adjusted its Benchmark Cost of Gas by Order dated December 21, 2021, in Docket No. G-5, Sub 638.

PSNC's Benchmark Commodity Gas Cost from \$4.75 per dt to \$5.75 per dt, as well as the change in the company use and unaccounted for gas as described in PSNC's Rider D.

The Public Staff stated that it had reviewed the proposed rate changes.

The Public Staff recommended that PSNC is authorized to increase its sales rates by \$1.0098 per dt effective for service rendered on and after June 1, 2022, and is authorized to increase its transportation rates by \$0.0098 per dt effective for service rendered on and after June 1, 2022.

It was moved and passed that the Public Staff's recommendation be adopted.

Piedmont Natural Gas Company, Inc.

5. Docket No. G-9, Sub 805 – Application for adjustment of rates and charges to track changes in wholesale costs of gas.

On May 13, 2022, Piedmont Natural Gas Company, Inc. (Piedmont or Company), filed a petition, pursuant to N.C. Gen. Stat. § 62-133.4 and Commission Rule R1-17(k)(3), and Appendix A of Piedmont's North Carolina Service Regulations, seeking authority to increase its Benchmark Cost of Gas from the current rate of \$4.00 per dekatherm (dt)² to a rate of \$6.00 per dt.

The Public Staff stated it had reviewed the application and the proposed benchmark Cost of Gas adjustment on Schedule B, as well as the rate changes reflected on Schedule A.

The Public Staff recommended that Piedmont be authorized to increase its sales rates by \$2.00 per dt effective for service rendered on and after June 1, 2022.

It was moved and passed that the Public Staff's recommendation be adopted.

² Piedmont last adjusted its Benchmark Cost of Gas by Order dated December 21, 2021, in Docket No. G-9, Sub 796.

COMMUNICATIONS*INTERCONNECTION AGREEMENTS AND AMENDMENT (Proffitt/Coxton)***Carolina Telephone and Telegraph Company, LLC and Central Telephone Company, d/b/a CenturyLink**

6. Docket Nos. P-7, Sub 1301, and P-10, Sub 914 – Agreement with American Messaging Services, LLC.

On March 31, 2022, Carolina Telephone and Telegraph Company LLC and Central Telephone Company d/b/a CenturyLink, and American Messaging Services, LLC (collectively, the Parties), filed an interconnection agreement for Commission approval.

The Public Staff recommended that the agreement be approved.

It was moved and passed that the Public Staff's recommendation be adopted.

Mehtel, Inc. d/b/a CenturyLink

7. Docket No. P-35, Sub 158 – Agreement with American Messaging Services, LLC.

On March 31, 2022, Mehtel, Inc. d/b/a CenturyLink, and American Messaging Services, LLC, filed an interconnection agreement for Commission approval.

The Public Staff recommended that the agreement be approved.

It was moved and passed that the Public Staff's recommendation be adopted.

Minutes of the Regular Commission Staff Conference of May 16, 2022 were approved.

Lucy Edmondson, Interim Chief Counsel of the Public Staff - North Carolina Utilities Commission introduced the Public Staff's new Staff Attorney, William Freeman.

Minutes prepared by Le Anne Ackerman.