STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH STAFF CONFERENCE AGENDA March 28, 2022

LINKS TO VIEW STAFF CONFERENCE, WILL BE POSTED ON THE COMMISSION WEBSITE, NCUC.NET

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF AGENDA

ELECTRIC

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY

Duke Energy Progress, LLC (Saillor/Creech)

 Docket No. SP-9730, Sub 1 – Application of INGENCO Wholesale Power, LLC, for transfer and amendment of a certificate of public convenience and necessity to construct a 9.7-MW Landfill Gas-Fueled Electric Generation Facility in Wake County, North Carolina.

NATURAL GAS

CUSTOMER USAGE TRACKER ADJUSTMENT/MARGIN DECOUPLING TRACKER ADJUSTMENT

Public Service Company of North Carolina, Inc. (Patel/Holt)

 Docket No. G-5, Sub 641 – Application of Public Service Company of North Carolina, Inc., for approval of a bi-annual adjustment to its rates under Rider C to its tariff.

Piedmont Natural Gas Company, Inc. (Patel/Culpepper)

 Docket No. G-9, Sub 800 – Application of Piedmont Natural Gas Company, Inc., for approval of a bi-annual adjustment to its rates under Appendix C to its service regulations.

APPROVAL OF NEW PROPOSED APPENDIX G TO SERVICE REGULATIONS

Piedmont Natural Gas Company, Inc. (Maness/Edmundson)

4. <u>Docket No. G-9, Sub 784</u> – Application of Piedmont Natural Gas Company, Inc., for approval of Appendix G to its service regulations.

DEMAND CHARGE ADJUSTMENT

Piedmont Natural Gas Company, Inc. (Patel/Culpepper)

5. <u>Docket No. G-9, Sub 801</u> - Application of Piedmont Natural Gas Company, Inc., for approval of a reduction in the demand charge component to its rates.

FUEL TRACKER AND ELECTRIC POWER COST ADJUSTMENT

Cardinal Pipeline Company, LLC (Patel/ Holt)

6. <u>Docket No. G-39</u>, <u>Sub 48</u> – Application of Cardinal Pipeline Company, LLC for approval of annual fuel tracker and electric power cost adjustment.

The Public Staff recommends approval of the following agenda items as described below and reflected in proposed orders provided to the Commission Staff.

DOCKET NO. SP-1472, SUB 0 DOCKET NO. SP-9730, SUB 1

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. SP-1472, SUB 0

In the Matter of Application of Industrial Power Generating Company, LLC, for a Certificate of Public Convenience and Necessity to Construct a 6.3-MW Landfill Gas-Fueled Facility in Wake ORDER TRANSFERRING AND County, North Carolina AMENDING CERTIFICATE OF PUBLIC CONVENIENCE AND DOCKET NO. SP-9730, SUB 1 **NECESSITY AND ACCEPTIING** REGISTRATION OF NEW In the Matter of RENEWABLE ENERGY Application of INGENCO Wholesale Power, FACILITY LLC, for Transfer and Amendment of a Certificate of Public Convenience and Necessity to Construct a 9.7-MW Landfill Gas-Fueled Facility in Wake County, North Carolina

BY THE COMMISSION: On January 24, 2012, in Docket No. SP-1472, Sub 0, the Commission issued an Order granting a certificate of public convenience and necessity (CPCN) to Industrial Power Generating Company, LLC (Industrial), pursuant to N.C. Gen. Stat. § 62-110.1, for construction of a 6.3-MW landfill gas-fueled generating facility to be located at the South Wake Landfill located on Highway 55 between Apex and Holly Springs, Wake County, North Carolina. The Commission also accepted registration of the facility as a new renewable energy facility.

On June 10, 2020, in Docket Nos. SP-1472, Sub 0 and SP-9730, Sub 1, Industrial and INGENCO Wholesale Power, LLC (Applicant) filed an application stating that the facility has been transferred to the Applicant and that the generating capacity of the facility has been increased to 9.7 MW. The application included a registration statement for a new renewable energy facility. The registration statement included certified attestations 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.G.S. § 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. In a subsequent email exchange with Commission Staff, the Applicant requested that an amended CPCN and registration order be issued to reflect these changes.

On June 19, 2020, the Commission issued an Amended Order Requiring Publication of Notice and Further Clearinghouse Review.

On July 29 and August 3, 2020, the State Clearinghouse filed comments. Because of the nature of the comments, the cover letters indicated that no further State Clearinghouse review action by the Commission was required for compliance with the North Carolina Environmental Policy Act.

On February 17, 2022, the Applicant filed supplemental maps and updated drawings showing the site layout of all major equipment, including the generator, plant distribution system, startup equipment, and provisions for transmission interconnection.

Also on February 17, 2022, the Applicant filed a verified certificate of service stating that the application and the related public notice were provided to Duke Energy Progress, LLC on February 9, 2022.

On March 11, 2022, the Applicant filed an affidavit of publication from The News & Observer (Raleigh, North Carolina) stating that the publication of notice was completed on March 4, 2022. No complaints have been received.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on March 28, 2022. The Public Staff stated that it had reviewed the application and determined it to be in compliance with the requirements of N.C.G.S. § 62-110.1(a) and Commission Rule R8-64. The Public Staff further stated that the registration statement contains the certified attestations required by Commission Rule R8-66(b). Therefore, the Public Staff recommended approval of the certificate and registration for the facility.

After careful consideration, the Commission finds good cause to transfer the CPCN for the facility to the Applicant, issue an amended CPCN to the Applicant for a 9.7-MW landfill gas-fueled generating facility, accept registration of the facility as a new renewable energy facility, cancel the registration and CPCN issued to Industrial, and close Docket No. SP-1472, Sub 0.

IT IS, THEREFORE, ORDERED as follows:

1. That the application filed by Industrial Power Generating Company, LLC and INGENCO Wholesale Power, LLC to transfer and amend the certificate of public convenience and necessity shall be, and is hereby, approved.

- 2. That Appendix A shall constitute the certificate of public convenience and necessity issued to INGENCO Wholesale Power, LLC for the 9.7-MWAC landfill gasfueled generating facility to be located at the South Wake Landfill located on Highway 55 between Apex and Holly Springs, Wake County, North Carolina.
- 3. That the registration statement filed by INGENCO Wholesale Power, LLC, for its landfill gas-fueled generating facility to be located in Wake County, North Carolina as a new renewable energy facility shall be, and is hereby, accepted.
- 4. That INGENCO Wholesale Power, LLC, shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year.
- 5. That the CPCN and registration issued to Industrial Power Generating Company, LLC in Docket No. SP-1472, Sub 0 shall be, and are hereby, cancelled.
 - 6. That the Chief Clerk shall close Docket No. SP-1472, Sub 0.
- 7. That the Chief Clerk shall send a copy of this Order to the NC-RETS Administrator.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

DOCKET NO. SP-9730, Sub 1

INGENCO Wholesale Power, LLC 2250 Dabney Road Richmond, Virginia 23230

is hereby issued this

AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY PURSUANT TO N.C. Gen. Stat. § 62-110.1

for a 9.7-MWAC landfill gas-fueled generating facility

located

at the South Wake Landfill located on Highway 55 between Apex and Holly Springs, Wake County, North Carolina,

subject to all orders, rules, regulations, and conditions as are now or may hereafter be lawfully made by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

DOCKET NO. G-5, SUB 641

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application of Public Service Company of North) ORDER APPROVING Carolina, Inc., for Approval of Bi-Annual) RATE ADJUSTMENTS Adjustment of Rates Under Rider C to Its Tariff) EFFECTIVE APRIL 1, 2022

BY THE COMMISSION: On March 18, 2022, Public Service Company of North Carolina, Inc. (PSNC or Company) filed an application requesting approval to implement temporary increments and decrements in its rates for residential, small general service and medium general service customers, effective April 1, 2022, pursuant to N.C. Gen. Stat. § 62-133.7 and Rider C of the Company's Tariff. Rider C is PSNC's Customer Usage Tracker (CUT) mechanism. PSNC stated that its application is based on the Customer Usage Deferred Account balances as of January 31, 2022.

According to the CUT, PSNC is required to compare actual residential and small and medium general service margins with the margins contained in the most recent Commission-approved rates. PSNC is to then apply, on a bi-annual basis, for authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the Customer Usage Deferred Account.

The proposed CUT temporaries, as well as the existing CUT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

Rate Class and Schedule	Customer Usage Defferred Account Balance at 1/31/2022 (\$)	Rate Case Volumes (dts)	Proposed CUT Temporaries (\$/dts)	Existing CUT Temporaries (\$/dts)	Change in CUT Temporaries (\$/dts)
Residential (101)	(\$7,282,142)	32,508,084	(\$0.2240)	\$0.3747	(\$0.5987)
Residential Hi-Efficiency (102)	(\$392,570)	729,308	(\$0.5383)	(\$0.0889)	(\$0.4494)
Sm Gen Service (125)	(\$113,277)	13,582,178	(\$0.0083)	\$0.2530	(\$0.2613)
Sm Gen Service Hi-Efficiency (127)	(\$33,936)	121,304	(\$0.2798)	(\$0.2497)	(\$0.0301)
Med.Gen. Service(140)	(\$406,079)	3,582,856	(\$0.1133)	\$0.1580	(\$0.2713)

The Public Staff presented this matter to the Commission at its March 28, 2022 Staff Conference. The Public Staff stated it had reviewed the application and proposed rate adjustments, found them to be in compliance with Rider C of PSNC's tariffs, and recommended approval as filed.

Based upon review of the application and the recommendation of the Public Staff, the Commission is of the opinion that the proposed rate adjustments should be allowed to become effective as filed.

IT IS, THEREFORE, ORDERED as follows:

- 1. That PSNC is authorized to implement the proposed rate changes as contained in the body of this Order based on its Customer Usage Deferred Account balances as of January 31, 2022, effective for service rendered on and after April 1, 2022.
- 2. That PSNC shall file its revised tariffs consistent with Ordering Paragraph 1 within five (5) days of the date of this Order.
- 3. That PSNC shall give notice to its customers of the rate changes authorized in this Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

DOCKET NO. G-9, SUB 800

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Piedmont Natural Gas)	ORDER APPROVING RATE
Company, Inc., for Approval of Bi-Annual)	ADJUSTMENTS EFFECTIVE
Adjustment of Rates Under Appendix C of its)	APRIL 1, 2022
Service Regulations)	

BY THE COMMISSION: On March 17, 2022, Piedmont Natural Gas Company, Inc. (Piedmont), filed an application requesting authority to adjust its rates effective April 1, 2022, pursuant to its Margin Decoupling Tracker (MDT) mechanism. These adjustments are filed in compliance with Appendix C of Piedmont's Service Regulations, which was approved in Piedmont's last general rate case in Docket No. G-9, Sub 781, and are based on the Margin Decoupling Deferred Account balance as of January 31, 2022.

According to the MDT, Piedmont is required to compare actual residential, small general and medium general commercial margins with the margins contained in the approved rates from Docket No. G-9, Sub 781. Piedmont is then to apply for, on a biannual basis, authority to implement temporary rate increments and/or decrements (temporaries) to collect or refund any differences in the Margin Decoupling Deferred Account.

The proposed MDT temporaries, as well as the existing MDT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

Rate Description and Schedule	Margin Decoupling Deferred Account Balance at 1/31/2022 (\$)	Proposed MDT Temporaries (\$/dt)	Existing MDT Temporaries (\$/dt)	Change In MDT Temporaries (\$/dt)
Residential	\$39,099,552	\$0.9958	\$0.3569	\$0.6389
(Rate Schedule 101)				
Small Commercial	\$15,592,653	\$0.6244	\$0.3933	\$0.2311
(Rate Schedule 102)				
Medium Commercial	\$1,735,395	\$0.3446	\$0.4123	(\$0.0677)
(Rate Schedule 152)				

The Public Staff presented this matter to the Commission at its March 28, 2022, Staff Conference. The Public Staff stated it had reviewed the proposed rate adjustments and recommended approval as filed.

Based on the review of the application and the recommendation of the Public Staff, the Commission finds good cause to approve the proposed rate changes.

IT IS, THEREFORE, ORDERED as follows:

- 1. That Piedmont is authorized to implement the proposed rate changes as contained in the body of this Order based on its Margin Decoupling Deferred Account balance as of January 31, 2022, effective for service rendered on and after April 1, 2022.
- 2. That Piedmont shall file its revised tariffs consistent with Ordering Paragraph 1 within five (5) days of the date of this Order.
- 3. That Piedmont shall give notice to its customers of the rate changes authorized by this Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

DOCKET NO. G-9, SUB 784

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the	Matte	er of				
Application	of	Piedmont	Natural	Gas)	ORDER APPROVING
Company, In	c. for	Approval of	Appendix	G to)	APPENDIX G
its North Care	olina	Service Regu	ulations)	

BY THE COMMISSION: On March 15, 2021, pursuant to N.C. Gen. Stat. § 62-138 and Commission Rule R1-5, Piedmont Natural Gas Company, Inc. (Piedmont or Company) filed a Petition for Approval of Appendix G to its North Carolina Service Regulations (Appendix G or Rider). The Rider is designed to enable residential and certain general service customers the option to offset the carbon emissions associated with their natural gas usage through a voluntary program of direct funding of Piedmont's purchase of environmental attributes designed to offset specified levels of natural gas usage (GreenEdgeSM Program or Program).

On March 22, 2022, Piedmont filed a letter in this docket by which it advised the Commission of matters occurring in the docket since the filing of its original Petition, including discovery by and discussions with the Public Staff regarding Piedmont's proposed Rider and its related Program. According to Piedmont, the Public Staff has issued several sets of discovery to Piedmont regarding the proposed Rider and Program, to which Piedmont has responded, and the Company and the Public Staff have agreed to certain accounting and reporting requirements associated with the proposed Rider and Program, all as set forth in an Addendum to its March 22, 2022, letter filing (Addendum). Piedmont's letter filing also provided a slightly updated version of Appendix G that adds the GreenEdgeSM name to the Rider

Piedmont's letter filing also indicated that subject to the conditions set forth in the Addendum, Piedmont and the Public Staff – who are all of the parties to this docket – are in agreement that the Company's proposed Rider should be approved.

The Public Staff presented this matter to the Commission at its March 28, 2022, Staff Conference. The Public Staff stated that it had reviewed the proposed Appendix G and recommended approval.

Based upon the foregoing, and in the absence of any opposition to the Rider and Program, and recognizing the voluntary nature thereof, the Commission hereby approves implementation of Appendix G of Piedmont's North Carolina Service Regulations subject to each of the matters set forth in the Addendum to Piedmont's March 22, 2022, filing, effective April 1, 2022.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the Company's request for approval of new proposed Appendix G to Piedmont's North Carolina Service Regulations is granted subject to each of the conditions and requirements set forth in the Addendum.
- 2. That Piedmont shall file revised tariffs within five (5) days of the date of this Order, implementing the tariff changes approved herein.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

DOCKET NO. G-9, SUB 801

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Piedmont Natural Gas Company,) ORDER APPROVING
Inc., for Approval of a Reduction in the Demand) RATE ADJUSTMENTS
Charge Component of its Rates) EFFECTIVE APRIL 1, 2022

BY THE COMMISSION: On March 17, 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), requesting authority to reduce the demand charge component of its rates. Piedmont also requests a waiver of the Commission's Rules pursuant to N.C.G.S. § 62-134(a) to allow such reduction in rates to be effective April 1, 2022.

Piedmont's filing is in accordance with Appendix A – Procedure for Rate Adjustments under N.C. Gen. Stat. § 62-133.4 – to its North Carolina Service Regulations, which permits Piedmont to implement temporaries to refund or collect balances in its cost of gas deferred accounts.

Piedmont states that due to a combination of several factors, the Company projects that by the end of April 2022, it will significantly over-collect by approximately \$48.7 million in it's All Customers' Deferred Account. The Company further states that it anticipates this account will remain over-collected during the next twelve months.

Piedmont proposes to implement a downward adjustment in the demand cost component of its rates to refund the projected balance. The proposed decrements are set forth on Schedule A of the petition and vary by rate schedule and season based upon the Commission approved allocation of fixed gas cost apportionments to the various step and seasonal rates established in Piedmont's last general rate case, Docket No. G-9, Sub 781. The temporary decrements as reflected in Schedule B of the petition would replace the existing temporaries approved in the Company's most recent annual review of gas costs proceeding, Docket No. G-9, Sub 791.

The Public Staff presented this matter to the Commission at its March 28, 2022, Staff Conference. The Public Staff stated it had reviewed the proposed temporary rate decrements and recommended approval as filed.

Based on the review of the petition and the recommendation of the Public Staff, the Commission finds good cause to grant the waiver and approve the proposed rate changes.

IT IS, THEREFORE, ORDERED as follows:

- 1. That a waiver of the Commission's Rules pursuant to N.C.G.S. § 62-134(a) is granted.
- 2. That Piedmont is authorized to remove the existing temporaries that were implemented in Docket No. G-9, Sub 791, and implement temporary rate decrements contained in its Schedule A of its petition, effective for service rendered on and after April 1, 2022.
- 3. That Piedmont shall file its revised tariffs consistent with Ordering Paragraph 1 within five (5) days of the date of this Order.
- 4. That Piedmont shall give notice to its customers of the rate changes authorized in this Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

DOCKET NO. G-39, SUB 48

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Cardinal Pipeline Company,) ORDER APPROVING FUEL
LLC, for Approval of Fuel Tracker and) TRACKER AND ELECTRIC
Electric Power Cost Adjustment) POWER COST ADJUSTMENT

BY THE COMMISSION: On March 1, 2022, Cardinal Pipeline Company, LLC (Cardinal) filed an application, pursuant to Section 1 of the General Terms and Conditions in its tariffs, to seek approval to adjust its fuel retention percentage from 0.88% to 0.84% for Zones 1A, 1B, and 2 of Rate Schedule CFT, effective April 1, 2022. In addition, pursuant to Section 2 of the General Terms and Conditions of its tariffs, Cardinal filed to seek approval to implement an Electric Power (EP) rate of \$0.0145 per dekatherm (dt) per month (\$0.00048 per dt per day) for Zones 1A, 1B, and 2 of Rate Schedule CFT, effective April 1, 2022.

Cardinal stated in its application that the fuel retention percentage is designed to recover Cardinal's estimate of gas required for operations (GRO) and lost and unaccounted for gas, as adjusted by the current balance in the Deferred GRO Account. The fuel retention percentage proposed to be effective April 1, 2022, is based on the actual GRO for the period January 1, 2021, through December 31, 2021, and the balance in the Deferred GRO Account as of December 31, 2021, divided by the transportation volumes received by Cardinal during the twelve-month period ended December 31, 2021.

Cardinal further stated in its application that the EP rates are designed to recover Cardinal's estimate of electric power costs at Compressor Station No. 161, as adjusted by the current balance in the EP Deferred Account. The proposed EP rates are effective from April 1, 2022, and are based on the estimated EP power costs for the period April 1, 2022, through March 31, 2023, plus the balance in the EP Deferred Account as of January 31, 2022.

The Public Staff presented this matter to the Commission at its March 28, 2022, Regular Staff Conference. The Public Staff stated that it had reviewed the application, and other information provided by the Company, and recommended approval as filed.

The Commission, based upon the review of the application and the recommendation of the Public Staff, is of the opinion that the proposed fuel retention percentage and the EP rate should be allowed to become effective as filed.

IT IS, THEREFORE, ORDERED as follows:

- 1. That Cardinal is allowed to adjust its fuel retention percentage for Rate Schedule CFT for Zones 1A, 1B, and 2 to 0.84%, effective April 1, 2022.
- 2. That Cardinal is allowed to adjust its Electric Power rate to \$0.0145 per dt per month (\$0.00048 per dt per day) for Rate Schedule CFT for Zones 1A, 1B, and 2, effective April 1, 2022.
- 3. That Cardinal shall file revised tariffs consistent with Ordering Paragraphs 1 and 2 within five (5) days of the date of this Order.
- 4. That Cardinal shall give notice to its customers of the changes allowed in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk