

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

May 17, 2021

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, May 17, 2021, at 10:00 a.m., with Chair Mitchell, presiding. The remote meeting was conducted by use of simultaneous communication (via Webex) pursuant to N.C. Gen. Stat. § 166A-19.24, streamed live online, and available to the public.

The following were present during the entirety of the remote meeting:

COMMISSIONERS

Commissioner Brown-Bland
Commissioner Gray
Commissioner Clodfelter
Commissioner Duffley
Commissioner Hughes
Commissioner McKissick

COMMISSION STAFF: Ms. Lazo, Ms. Henderson, Ms. Fennell, Ms. Hicks, Ms. Webb-Shackleford, Ms. Duffy, Ms. Condie, Ms. Swenson, Ms. Barnes, Ms. Hilburn, Ms. Paschal, Mr. Wood, Ms. Zhang, Ms. Jayasheela, Ms. Burns, Mr. Morales, Mr. Warren, Mr. Hardy, Ms. Blue, Ms. Gwyn

PUBLIC STAFF: Ms. Downey, Ms. Culpepper, Ms. Holt, Ms. Coxton, Mr. Josey, Mr. Little, Ms. Cummings, Mr. Magarira, Mr. Henry, Mr. Meda, Mr. Brown, Ms. Boswell, Mr. McLawhorn, Mr. Floyd, Mr. Saillor, Mr. Lucas, Mr. T. Williamson, Ms. Darden, Ms. Junis, Ms. Proffitt, Mr. Franklin

ATTORNEY GENERAL:

COURT REPORTER: Ms. Mitchell

C. COMMUNICATIONS**P1. DOCKET NO. P-100, SUB 133C – DESIGNATION OF CARRIER ELIGIBLE FOR UNIVERSAL SERVICE SUPPORT**

On April 14, 2021, Windstream Communications, LLC (Windstream Communications or Windstream), filed an application seeking designation as an Eligible Telecommunications Carrier (ETC) for the purpose of qualifying to receive federal Universal Service Fund support to provide voice and broadband services in certain areas defined by census blocks that lack these services and to allow it to offer discounts to qualifying low income customers through the Federal Communications Commission's Lifeline program. Under 47 U.S.C. § 214(e)(2), a provider of "universal service" must receive an ETC designation from the commission in the state for the areas in which the provider wishes to receive universal service support.

Windstream Communications seeks ETC designation for census blocks located in Anson, Cabarrus, Catawba, Cleveland, Davidson, Forsyth, Gaston, Harnett, Hoke, Lincoln, Moore, Polk, Scotland, Stokes, Surry, and Union counties specified in Exhibit A of the application. Funding for those census blocks was awarded to Windstream Services, LLC, through the Rural Digital Opportunities Fund auction, and was subsequently assigned to Windstream Communications.

Windstream Communications is a competing local provider (CLP) and was granted a certificate of public convenience and necessity to provide local exchange and exchange access service within North Carolina on June 21, 2006, in Docket No. P-1394, Sub 0.

The Public Staff reviewed the application and responses to the Public Staff's data request. The Public Staff believes that Windstream satisfies the requirements for designation as an ETC, including the provision of the supported services using its own facilities or a combination of its own facilities and the facilities of other carriers, in accordance with the requirements of 47 C.F.R. § 54.201(d)(1). Additionally, Windstream indicated that it will advertise the availability of its services using media of general distribution in the requested ETC designated service areas, as required by 47 C.F.R. § 54.201(d)(2). Lastly, the Public Staff believes that Windstream is current with all Commission filing requirements necessary to operate as a CLP in North Carolina.

The Public Staff recommended that the Commission issue an order (1) finding that Windstream Communications has met the requirements to serve as an ETC in the requested census blocks specified in Exhibit A of Windstream's application, and (2) designating Windstream Communications as an ETC for those census blocks as requested. A proposed order has been provided to the Commission Staff.

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

P2. **FILING OF INTERCONNECTION AGREEMENT AMENDMENTS BY VERIZON SOUTH**

The following interconnection agreement amendments were filed for Commission approval on February 18, 2021:

Verizon South Inc. (Verizon South)

Docket No. P-19, Sub 472 – Amendment filed on February 18, 2021, to an existing interconnection agreement with XO Communications Services, LLC, which the Commission approved on October 30, 2003. The amendment implements changes mandated by the Federal Communications Commission (FCC) in FCC 20-152, released October 28, 2020, in WC Docket No. 19-308 (the FCC 2020 UNE Order). The FCC 2020 UNE Order eliminates legacy unbundling of certain network elements, subject to certain conditions and multiyear transition periods, and resale rules where they stifle technology transitions and broadband deployment.

Docket No. P-474, Sub 13 – Amendment filed on February 18, 2021, to an existing interconnection agreement with MCI metro Access Transmission Services Corp., formerly MCI metro Access Transmission Services, LLC, which the Commission approved on July 16, 2010. The amendment implements the changes mandated by the FCC 2020 UNE Order.

These filings were made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Act provides for the filing of such agreements and amendments with the state commission and approval or rejection by the state commission within 90 days after filing. On June 18, 1996, the Commission issued an Order in Docket No. P-100, Sub 133, allowing interim operation under negotiated agreements filed as public records prior to Commission approval of the agreements.

The Public Staff has reviewed the filings and recommends Commission approval.

The Public Staff recommended that orders be issued approving the amendments effective on the date they were filed. The Public Staff has provided proposed orders to the Commission Staff.

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

D. ELECTRIC**P1. APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES**

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

Duke Energy Progress:

- Docket No. SP-28033, Sub 0 – Application of Lumber River Solar, LLC, for a certificate of public convenience and necessity to construct a 74-MW solar PV generating facility in Robeson County, North Carolina.
- Docket No. SP-30817, Sub 0 – Application of Delilah Solar, LLC, for a certificate of public convenience and necessity to construct a 72-MW solar PV generating facility in Duplin County, North Carolina.
- Docket No. SP-31184, Sub 0 – Application of Morning Dew Solar, LLC, for a certificate of public convenience and necessity to construct a 71.3-MW solar PV generating facility in Harnett County, North Carolina.

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.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.

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

The Public Staff recommended 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.

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

P2. DOCKET NO. E-22, SUB 538 – DOMINION ENERGY NORTH CAROLINA – NOTICE TO TERMINATE SMALL BUSINESS IMPROVEMENT PROGRAM

On April 5, 2021, Dominion Energy North Carolina (Company) filed a notice with the Commission that it was terminating the Small Business Improvement Program (Program).

The Program was originally approved on October 26, 2016 and offered small business customers incentives for an energy use assessment, tune-up or re-commissioning of electric heating and cooling systems, and financial incentives to install specific energy efficiency lighting, motor, refrigeration, and window film measures.

In the Company's application for the Small Business Improvement Enhanced Program in Docket No. E-22 Sub 596 (Sub 596), the Company stated that it would close the Program upon approval of the Sub 596 application. The Commission's order dated February 9, 2021, did not specifically address the closure of the Program.

The Public Staff reviewed the Company's request and agrees it is appropriate to close the Program at this time. The Public Staff also confirmed that the Company closed the Program and removed the tariff from the Company's website effective May 6, 2021. With the implementation of the Small Business Improvement Enhanced Program, the Company will offer an updated version of many of the same measures that were associated with the Program. Furthermore, the Company's request is necessary to comply with the administrative requirements of the Virginia State Corporation Commission associated with the Company's Virginia energy efficiency program portfolio.

The Public Staff recommended that the Commission issue the proposed order granting the Company's request to terminate the Small Business Improvement Program as filed.

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

E. WATER

P1. DOCKET NO. W-354, SUB 383 – CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA – REQUEST FOR TARIFF REVISION

On April 9, 2021, Carolina Water Service, Inc. of North Carolina (CWSNC or Company), filed a letter with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to sewer customers in its Fairfield Mountain and Apple Valley service area in Rutherford County an increase in the cost of purchasing bulk sewer treatment from the Town of Lake Lure. N.C.G.S. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service. The Town of Lake Lure's new rate became effective July 1, 2020.

CWSNC stated that effective July 1, 2020, the Town of Lake Lure increased its monthly bulk sewer treatment charges based on the following:

<u>Sewer Service</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Increase</u>
Residential	\$69.50	\$90.00	\$20.50
Comm. – Small User	\$78.50	\$103.00	\$24.50
Comm. – Medium User	\$139.50	\$182.00	\$42.50
Comm. – Large User	\$219.50	\$286.00	\$66.50

The Public Staff – North Carolina Utilities Commission (Public Staff) has reviewed the Town of Lake Lure's current rates and recommends that CWSNC's request for a tariff revision be approved.

The new rates will increase the average residential monthly bill from \$110.74 to \$131.24 based on the flat rate monthly sewer rate.

The Public Staff recommended that the proposed order be issued approving the recommended tariff revision.

Bob Bennink and Matthew Schellinger addressed questions and concerns from the Commission.

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

Minutes of the Regular Commission Staff Conference for May 10, 2021, were approved.

Minutes prepared by Portia Barnes.