

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
February 6, 2023
Commission Hearing Room 2115, 10:00 a.m.**

ELECTRIC

*CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT A
SOLAR FACILITY*

Duke Energy Progress, LLC

1. Docket No. SP-8056, Sub 0 – Application of Homer Solar, LLC, for an amended certificate of public convenience and necessity to construct a 75-MW solar photovoltaic facility in Richmond and Montgomery Counties, North Carolina (*Metz /Keyworth*)

PURCHASED POWER ADJUSTMENT

Western Carolina University

2. Docket No. E-35, Sub 56 – Motion of Western Carolina University for approval of a purchased power adjustment (*Brown/Saillor/Creech*)

NATURAL GAS

INTER-COMPANY CREDIT AGREEMENT AMENDMENT AND RESTATEMENT

Public Service Company of North Carolina, Inc.

3. Docket No. G-5, Sub 601 – Amendment and restatement of the inter-company credit agreement with Dominion Energy, Inc. (*Hinton/Holt*)

COMMUNICATIONS

INTERCONNECTION AMENDMENT

BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina (AT&T)

4. Docket No. P-55, Sub 1911 – Amendment to the interconnection agreement with Big River Telephone Company, LLC (*Proffitt/Coxton*)

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

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-8056, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

| | | |
|--|---|-----------------------|
| In the Matter of |) | |
| Application of Homer Solar, LLC, for a |) | |
| Certificate of Public Convenience and |) | ORDER ISSUING AMENDED |
| Necessity to Construct a 70.2-MW Solar |) | CERTIFICATE |
| Facility in Richmond and Montgomery |) | |
| Counties, North Carolina |) | |

BY THE COMMISSION: On December 22, 2021, the Commission issued an order granting Homer Solar, LLC (Applicant), a renewed certificate of public convenience and necessity (CPCN) pursuant to N.C. Gen. Stat. § 62-110.1 for construction of a 70.2-MW_{AC} solar photovoltaic generating facility to be located at 318 Homer Andrews Road, Mt. Gilead, and 926 NC Highway 109, Mt. Gilead, in Richmond and Montgomery Counties, North Carolina. The Commission previously accepted registration of the facility as a new renewable energy facility.

On August 29, 2022, the Applicant filed an amendment to its application with a revised FERC Form 556 and indicated that the capacity of the facility has increased to 75-MW with no changes to the site plan.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on February 6, 2023. The Public Staff stated that it had reviewed the amendment and determined it to be in compliance with the requirements of N.C.G.S. § 62-110.1(a) and Commission Rule R8-64. Therefore, the Public Staff recommended that the Commission issue an amended CPCN to the Applicant.

After careful consideration, the Commission finds good cause to approve the amended application and issue the attached amended certificate for the solar photovoltaic generating facility.

IT IS, THEREFORE, ORDERED as follows:

1. That the application of Homer Solar, LLC, for an amended 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 Homer Solar, LLC, for the 75-MW_{AC} solar photovoltaic generating

facility to be located at 318 Homer Andrews Road, Mt. Gilead, and 926 NC Highway 109, Mt. Gilead, in Richmond and Montgomery Counties, North Carolina; and

3. That the amended certificate of public convenience and necessity shall expire five years following the date of the issuance of the original or renewal Order if construction has not begun, unless it is revoked pursuant to Commission Rule R8-64(d)(1).

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of February, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-8056, SUB 0

Homer Solar, LLC
880 Apollo Street, Suite 333
El Segundo, California 90245

is hereby issued this

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

for a 75-MW_{AC} solar photovoltaic generating facility

located at

318 Homer Andrews Road, Mt. Gilead, and 926 NC Highway 109, Mt. Gilead, in
Richmond and Montgomery Counties, 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 February, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-35, SUB 56

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

| | |
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| In the Matter of | |
| Application by Western Carolina University for) | ORDER APPROVING |
| Approval of Purchased Power Adjustment) | PURCHASED POWER COST |
| Factor) | RIDER |

BY THE COMMISSION: On December 14, 2022, in compliance with Commission orders in Docket No. E-35, Subs 17, 19, 49, 51, and 55, Western Carolina University (WCU) filed an application for a change in its Schedule CP Purchased Power Cost Rider (Rider) to be effective for the twelve-monthly billings, beginning with the bills rendered in February 2023. This filing includes actual purchased power cost and recovery information only for the period January 2022 through October 2022.

On January 30, 2023, WCU filed its final rates for the Rider, incorporating actual purchased power costs and revenues through December 2022.

The net PPA factor requested by WCU for use in Schedule CP is an increment of \$0.024081 per kilowatt (kWh). This proposed factor would replace the currently expiring factor of \$0.015250 and would increase a 1,000 kilowatt-hour (kWh) monthly bill for a residential customer by 6.3%. The requested factor is made up of three elements. The first is an increment of \$0.001262 per kWh to recover estimated purchased power costs for the period January 2023 through December 2023. The second element is a Mid-Year Experience Modification Factor (EMF) increment of \$0.008463 per kWh for under-collection of purchased power costs during the period of January 2022 through June 2022, as approved in the August 16, 2022 Commission order in Docket No. E-35, Sub 55. The third element is an EMF increment of \$0.014356 per kWh resulting from the under-collection of purchased power costs from July 2022 through December 2022.

The Public Staff presented this item at the Commission's Regular Staff Conference on February 6, 2023. The Public Staff stated that it had completed its review of the calculations and documentation supporting the Rider requested by WCU and found them to be accurate. The Public Staff recommended that the proposed Rider increment be approved effective for the twelve-monthly bills rendered on and after February 1, 2023, and before February 1, 2024. The Public Staff further stated that the approval of this Rider should be without prejudice to the right of any party to take issue with it in a general rate case.

After careful review of WCU's proposal and upon the recommendation of the Public Staff, the Commission concludes that the adjustment factor increment of \$0.024081 per kWh proposed by WCU should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That WCU's Purchased Power Cost Rider, Schedule CP, attached to this Order as Appendix A, is allowed to become effective for the twelve-monthly bills rendered on and after February 1, 2023, and before February 1, 2024;
2. That the Purchased Power Cost Rider is approved without prejudice to the right of any party to take issue with the Rider in a general rate case;
3. That the Notice to the Public attached as Appendix B shall be delivered by bill insert in the bills issued in February 2023; and
4. That WCU shall file appropriate rate schedules and riders with the Commission in order to implement the approved purchased power adjustment no later than ten working days from the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of February, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

WESTERN CAROLINA UNIVERSITY
DOCKET NO. E-35, SUB 56SCHEDULE "CP"
PURCHASED POWER COST RIDER

Each residential and commercial customer's twelve-monthly bills rendered on and after February 1, 2023, for each month between February 1, 2023, and January 31, 2024, shall be adjusted by an incremental charge of \$0.024081 per kWh as determined to be appropriate by the North Carolina Utilities Commission.

This rate is determined as follows:

| | <u>\$/kWh</u> |
|---|-------------------|
| Factor for estimated purchased power costs for the period January 2023 through December 2023 | \$0.001262 |
| Mid-Year Experience Modification Factor to reflect actual results for the period January 2022 through June 2022 | \$0.008463 |
| Experience Modification Factor to reflect actual results for the period July 2022 through December 2022 | <u>\$0.014356</u> |
| TOTAL RATE | \$0.024081 |

Effective for bills rendered on and after February 1, 2023, and before February 1, 2024.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

NOTICE TO THE PUBLIC

**DOCKET NO. E-35, SUB 56
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that Western Carolina University (WCU or the Company) has requested the North Carolina Utilities Commission (Commission) to approve an adjustment to its purchased power adjustment (PPA) factor, to be effective for the twelve-monthly billings in the 2023 PPA billing cycle, beginning with the bills rendered in February 2023, to pass through to its customers the cost of purchased power from its wholesale power supplier.

The amount of the increase to WCU's customers resulting from the new PPA factor will be approximately \$425,312. The increase will be applied to WCU's customers as uniform increases to the kilowatt-hour (kWh) energy charge. The proposed increase of \$0.008831 per kWh will result in an increase in the monthly bill of a residential customer using 1,000 kWh from \$140.29 to \$149.11. The approximate percentage increases in customers' bills, by rate schedule, are as follows (actual percentages may differ depending on specific customers' usage amounts):

| | |
|-------------|------|
| Residential | 6.3% |
| Commercial | 5.9% |

The Commission has concluded that the PPA factor requested by WCU is reasonable, in that it is based solely on the level of purchased power that has been incurred and is expected to be incurred by the Company.

Therefore, the Commission has approved WCU's request without public hearing, subject to refund of any amounts which should subsequently be found to be unjust or unreasonable after any public hearing in this matter that may subsequently be held by the Commission, as described below.

Persons desiring to intervene in this matter as formal parties of record should file a motion under Commission Rules R1-6, R1-7, and R1-19 not later than 45 days after the date of this notice. Persons desiring to present testimony or evidence at a hearing should so advise the Commission. Persons desiring to send written statements to inform the Commission of their position in the matter should address their statements to the Chief Clerk, North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. However, such written statements cannot be considered competent evidence unless those persons appear at a public hearing and testify concerning the information contained in their written statements. If a significant number of requests for a public hearing are received within 45 days after the date of this notice, the Commission may schedule a public hearing.

The Public Staff – North Carolina Utilities Commission is authorized by statute to represent the using and consuming public in proceedings before the Commission. Written statements to the Public Staff should include any information which the writer wishes to be considered by the Public Staff in its investigation of the matter, and such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of February, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
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RALEIGH**

DOCKET NO. G-5, SUB 601

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

| | | |
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| In the Matter of | | |
| Application of Public Service Company of |) | ORDER ACCEPTING |
| North Carolina, Inc. for Approval of an |) | AMENDED AND RESTATED |
| Amended and Restated Inter-Company Credit |) | INTER-COMPANY CREDIT |
| Agreement between PSNC and Dominion |) | AGREEMENT |
| Energy, Inc. |) | |

BY THE COMMISSION: On January 11, 2023, pursuant to N.C. Gen. Stat. § 62-153, Public Service Company of North Carolina, Inc. (PSNC) filed an Amended and Restated Inter-Company Credit Agreement (Revised Agreement) for Commission approval. The Revised Agreement would amend and restate the Inter-Company Agreement between Dominion Energy, Inc. (Dominion Energy) and PSNC accepted by the Commission in its March 26, 2019 Order Accepting Inter-Company Credit Agreement in this docket. The Revised Agreement allows PSNC to request short-term loans from Dominion Energy and Dominion Energy to make short-term loans to PSNC in an aggregate principal amount not to exceed \$400,000,000. The term of the subject loans may not exceed one year unless the Commission approves a longer term. The revision to the Agreement would raise the loan limit to \$550,000,000 and replace the London Interbank Offered Rate with the Secured Overnight Financing Rate.

This matter was presented by the Public Staff at the Commission's Regular Staff Conference on February 6, 2023. Based on its review, the Public Staff recommended that the Commission issue an order: (1) accepting the Revised Agreement for filing and allowing PSNC to operate pursuant to its terms; (2) finding that the terms of the Revised Agreement and the activities conducted pursuant thereto remain subject to ongoing review as to their appropriateness and reasonableness and to modification by Commission Order upon its own motion or upon the motion of any party; and (3) stating in its Order that: (a) for ratemaking purposes, its action does not constitute approval of the amount of fees or compensation paid under the Revised Agreement; (b) the authority granted by its Order is without prejudice to the right of any party to take issue with any provision of the Revised Agreement in a future proceeding; and (c) PSNC is required to file monthly reports for months that it initiates any transaction under the Revised Agreement to include the following information for each transaction: date of transaction; borrowing or lending activity; counterparty; amount; date of maturity; interest rate; brief explanation for interest rate; and associated costs.

After careful consideration, the Commission concludes that the Revised Agreement should be accepted for filing and that PSNC should be authorized to operate pursuant to its

terms. The Commission further concludes that the Revised Agreement should be subject to ongoing review as to the appropriateness and reasonableness of its terms and to the provisions recommended by the Public Staff.

IT IS, THEREFORE, ORDERED as follows:

1. That the Revised Agreement filed by PSNC on January 11, 2023, is accepted for filing, and that PSNC is authorized to operate pursuant to its terms.

2. That all terms of the Revised Agreement and the activities conducted pursuant thereto remain subject to ongoing review as to their appropriateness and reasonableness and to modification by Commission Order upon its own motion or upon the motion of any party.

3. That for ratemaking purposes, this Order does not constitute approval of the amount of fees or other compensation paid under the Revised Agreement, and that the authority granted herein is without prejudice to the right of any party to take issue with any provision of the Revised Agreement in a future proceeding.

4. That PSNC shall file monthly reports for the months during which it initiates any transaction under the Revised Agreement to include the following for each transaction: date of transaction, borrowing or lending activity, counterparty, amount, date of maturity, interest rate, brief explanation for interest rate, and associated costs.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of February 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
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RALEIGH**

DOCKET NO. P-55, SUB 1911

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

| | | |
|---|---|-----------------|
| In the Matter of | | |
| Interconnection Agreement between BellSouth |) | |
| Telecommunications, LLC, d/b/a AT&T North |) | ORDER APPROVING |
| Carolina, and Big River Telephone Company, |) | AMENDMENT |
| LLC |) | |

BY THE COMMISSION: On October 28, 2022, BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina, and Big River Telephone Company, LLC (collectively, the Parties) filed, for Commission approval, an amendment to their existing interconnection agreement approved on February 24, 2016.

The amendment modifies the specified rates, terms, and conditions related to DS1 and DS3 transport service.

The filing was made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Commission considered the matter at its Regular Staff Conference on February 6, 2023. The Public Staff recommended that the amendment be approved, and the Commission approved the recommendation.

IT IS, THEREFORE, ORDERED that the amendment, filed on October 28, 2022, to the existing agreement between the Parties is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of February, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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