

NORTH CAROLINA UTILITIES COMMISSION

MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

October 31, 2022

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, October 31, 2022, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

COMMISSIONERS:

Commissioner Brown-Bland
Commissioner Clodfelter
Commissioner Duffley
Commissioner Hughes
Commissioner Kemerait

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

PUBLIC STAFF: Ms. Edmondson, Ms. Holt, Ms. Jost, Mr. Creech, Mr. Josey, Mr. Felling, Ms. Johnson, Mr. McLawhorn, Mr. D. Williamson, Mr. Metz, Mr. Nader, Mr. Michna, Ms. Patel, Mr. Thomas

ATTORNEY GENERAL:

COURT REPORTER: Ms. Mitchell

ELECTRIC*GENERAL RATE CASE SUSPENSION OF PROPOSED RATES AND CHARGES***Duke Energy Progress, LLC**

1. Docket No. E-2, Sub 1300 – Application of Duke Energy Progress, LLC for adjustment of rates and charges applicable to electric service in North Carolina and performance-based regulation (*Metz/Josey/Luhr*)

On October 6, 2022, Duke Energy Progress, LLC (DEP or Company) filed an application with the Commission requesting authority to adjust and increase its rates for retail electric service in North Carolina effective November 5, 2022. DEP indicates that it intends to update its filing with estimates of changes to revenues, expenses, rate base, and cost of capital up to the time of the evidentiary hearing. The Company also requests approval of a Performance Based Regulation application and an accounting order approving the establishment of certain regulatory assets/liabilities.

The Public Staff stated that it had reviewed the Companies' Application.

The Public Staff recommended the Companies' Application be approved.

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

*NEW TARIFF PROPOSAL***Duke Energy Carolinas, LLC and Duke Energy Progress, LLC**

2. Docket Nos. E-7, Sub 1277 and E-2, Sub 1306 – Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for approval of Green Source Advantage Bridge Program and Rider GAS-B (*Thomas/Josey*)

On September 28, 2022, Duke filed an application (Application) in the above-captioned dockets to create a new GSA Bridge Program, which would make available 250 MW of capacity to eligible GSA Bridge customers on a first-come, first-served basis, effective October 1, 2022. Duke states in its Application that this GSA Bridge Program is designed to offer eligible GSA customers the opportunity to contract with renewable energy suppliers under the same paradigm as the GSA Program until such time as new renewable energy customer programs are made available that comply with the requirements of Session Law 2021-165 (HB 951). Duke states that stakeholder development of these projects is ongoing, but they have not yet been filed with or approved by the Commission. Duke states the GSA Bridge Program has been proposed in response to stakeholder feedback, including a recent filing by the Department of Defense (DOD) and all other Federal Executive Agencies (FEA) requesting that the Commission extend the military eligibility period by another 12 months in response to requirements enacted by Section 203 of Executive Order 14057, issued December 8, 2021.

The Public Staff stated that it had reviewed the Companies' Application.

The Public Staff recommended the Companies' Application be approved.

Kendrick Fentress, Associate General Counsel at Duke Energy Corporation introduced Leland Snook, Managing Director, Rate Design & Regulatory Solutions at Duke Energy Corporation, and Layla Cummings State Energy Policy Director-NC, Duke Energy Corporation 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

MARGIN DECOUPLING TRACKER

Piedmont Natural Gas Company, Inc.

3. Docket No. G-9, Sub 817 – Application of Piedmont Natural Gas Company, Inc. for approval of bi-annual adjustment of rates under Appendix C of its service regulations (*Patel/Johnson/Jost*)

On October 17, 2022, Piedmont Natural Gas Company, Inc. (Piedmont) filed an application requesting authority to adjust its rates effective November 1, 2022, pursuant to Appendix C of its North Carolina Service Regulations, the Company's Margin Decoupling Tracker (MDT) mechanism, to (1) decrease its rates for Residential Service and Small General Service by decreasing the existing increment in its rates, and (2) decrease its rates for Medium General Service by replacing the existing increment in its rates with a decrement. These adjustments are based on the Margin Decoupling Deferred Account balances as of August 31, 2022, as reflected in Schedule B of the application. Schedule A shows the billing rates for the MDT adjustments and reflects the October 31, 2022 expiration and removal of the decrement rate, approved for a three-year period in Docket No. G-9, Sub 743, used to return North Carolina excess deferred income taxes to customers.

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

The Public Staff recommended approval as filed.

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

Minutes of the Regular Commission Staff Conference of October 24, 2022 were approved.

Minutes prepared by Le Anne Ackerman.