

1 STAFF CONFERENCE

March 29, 2021

2 CHAIR MITCHELL: Good morning. Let's come  
3 to order, please, and go on the record. I'm Charlotte  
4 Mitchell, Chair of the Utilities Commission, and with  
5 me this morning are the following Commissioners. When  
6 I call your name, please announce your presence.  
7 Commissioner Brown-Bland.

8 COMMISSIONER BROWN-BLAND: Present.

9 CHAIR MITCHELL: Commissioner Gray.

10 COMMISSIONER GRAY: Good morning.

11 CHAIR MITCHELL: Commissioner Clodfelter.

12 COMMISSIONER CLODFELTER: Yes, good morning.

13 CHAIR MITCHELL: Commissioner Duffley.

14 COMMISSIONER DUFFLEY: Good morning.

15 CHAIR MITCHELL: And Commissioner McKissick.

16 COMMISSIONER MCKISSICK: Good morning.

17 Present.

18 CHAIR MITCHELL: In compliance with the  
19 State Government Ethics Act, I remind members of the  
20 Commission of their duty to avoid conflicts of  
21 interest, and inquire as to whether any member of the  
22 Commission has a known conflict of interest with  
23 respect to matters coming before us this morning?

24 (No response)

NORTH CAROLINA UTILITIES COMMISSION

1           The record will reflect that no conflicts  
2 have been identified, so we will proceed with Public  
3 Staff, Natural Gas Item P1. Ms. Naba, you're up.

4           MS. NABA: Good morning. Good morning. My  
5 name is Zarka Naba with the Public Staff's Energy  
6 Division. Item P1, Docket G-5, Sub 633 is an  
7 Application filed by Public Service Company of North  
8 Carolina on March 18th, 2021, requesting authority to  
9 adjust its rates under Rider C of the Company's tariff  
10 pursuant to its Customer Usage Tracker Mechanism.  
11 PSNC stated that its Application is based on the  
12 Customer Usage Deferred Account balances as of  
13 January 31st, 2021.

14           We would like to make a correction to the  
15 existing CUT temporary rate under Rate Schedule 127  
16 for the Small General Service High-Efficiency Class  
17 Customer. It should read as negative \$0.0894 and not  
18 a positive \$0.0894. And a revised proposed order has  
19 been provided to the staff.

20           The Public Staff has reviewed the proposed  
21 rate adjustments and recommends approval as filed.  
22 And a proposed order is attached as Exhibit Number  
23 P-1. Thank you.

24           COMMISSIONER BROWN-BLAND: Move approval of

1 the recommendation.

2 COMMISSIONER GRAY: Seconded.

3 CHAIR MITCHELL: We've got a motion that the  
4 item be approved as recommended by the Public Staff  
5 with a second on the motion. Any questions or  
6 discussion?

7 (No response)

8 Hearing none, I'll call the roll for a vote.  
9 Indicate your support for the motion with an aye and  
10 your opposition to the motion with a no. Commissioner  
11 Brown-Bland.

12 COMMISSIONER BROWN-BLAND: Aye.

13 CHAIR MITCHELL: Commissioner Gray.

14 COMMISSIONER GRAY: Aye.

15 CHAIR MITCHELL: Commissioner Clodfelter.

16 COMMISSIONER CLODFELTER: Aye.

17 CHAIR MITCHELL: Commissioner Duffley.

18 COMMISSIONER DUFFLEY: Aye.

19 CHAIR MITCHELL: Commissioner Hughes. I  
20 believe Commissioner Hughes is an aye, for the record.

21 And Commissioner McKissick.

22 COMMISSIONER MCKISSICK: Aye.

23 CHAIR MITCHELL: And for the record I  
24 support the motion as well and the motion carries.

1 (MOTION PASSES)

2 CHAIR MITCHELL: Thank you, Ms. Naba. We  
3 will now proceed to Public Staff, Natural Gas Item P2.  
4 Mr. Gilbert.

5 MR. GILBERT: Yes. Good morning. My name  
6 is Geoff Gilbert with the Public Staff, Energy  
7 Division. Item P2 is Docket Number G-9, Sub 785. On  
8 March 18th, 2021, Piedmont filed an Application  
9 requesting approval to adjust its rates effective  
10 April 1st, 2021, pursuant to its Margin Decoupling  
11 Tracker or MDT mechanism, and these adjustments are  
12 based on the Margin Decoupling Deferred Account  
13 balances as of January 31st, 2021. The bi-annual  
14 allows Piedmont to implement rate increments and/or  
15 decrements, which we call temporaries, to collect or  
16 refund any difference in the MDT Deferred Account.

17 The Public Staff has reviewed these proposed  
18 rate adjustments and recommends approval as filed.

19 A proposed order is attached as Exhibit  
20 Number P-2. Thank you.

21 COMMISSIONER GRAY: Move approval.

22 COMMISSIONER BROWN-BLAND: Second.

23 CHAIR MITCHELL: We've got a motion that the  
24 item be approved as recommended by the Public Staff

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1 that's been seconded. Any questions or discussion on  
2 the motion?

3 (No response)

4 Hearing none, I'll call the roll for a vote.  
5 Indicate your support with an aye and your opposition  
6 with a no. Commissioner Brown-Bland.

7 COMMISSIONER BROWN-BLAND: Aye.

8 CHAIR MITCHELL: Commissioner Gray.

9 COMMISSIONER GRAY: Aye.

10 CHAIR MITCHELL: Commissioner Clodfelter.

11 COMMISSIONER CLODFELTER: Aye.

12 CHAIR MITCHELL: Commissioner Duffley.

13 COMMISSIONER DUFFLEY: Aye.

14 CHAIR MITCHELL: Commissioner Hughes.

15 COMMISSIONER HUGHES: Aye.

16 CHAIR MITCHELL: Commissioner McKissick.

17 COMMISSIONER MCKISSICK: Aye.

18 CHAIR MITCHELL: And for the record I  
19 support the motion as well and the motion carries.

20 (MOTION PASSES)

21 CHAIR MITCHELL: We will proceed now to  
22 Public Staff, Item P3. Mr. Gilbert, you're up again.

23 MR. GILBERT: I have one more. Item P3 is  
24 Docket Number G-39, Sub 45, which on March 1st, 2021,

1 Cardinal Pipeline filed an Application requesting  
2 approval to adjust its fuel retention percentage from  
3 0.83 percent to 0.88 percent effective April 1st,  
4 2021. In addition, Cardinal is requesting approval to  
5 implement an electric power rate of \$0.01194 per  
6 dekatherm per month also effective April 1st, 2021.

7 And the Public Staff has reviewed the  
8 Application and recommends approval as filed. And a  
9 copy of the proposed order is attached as Exhibit P-3.

10 COMMISSIONER BROWN-BLAND: Move approval of  
11 the recommendation.

12 COMMISSIONER GRAY: Second.

13 CHAIR MITCHELL: It's been moved and  
14 seconded that the item be approved as recommended by  
15 the Public Staff. Any questions or discussion on the  
16 motion?

17 (No response)

18 Hearing none, I'll call the roll for a vote.  
19 Commissioner Brown-Bland.

20 COMMISSIONER BROWN-BLAND: Aye.

21 CHAIR MITCHELL: Commissioner Gray.

22 COMMISSIONER GRAY: Aye.

23 CHAIR MITCHELL: Commissioner Clodfelter.

24 COMMISSIONER CLODFELTER: Aye.

1 CHAIR MITCHELL: Commissioner Duffley.

2 COMMISSIONER DUFFLEY: Aye.

3 CHAIR MITCHELL: Commissioner Hughes.

4 COMMISSIONER HUGHES: Aye.

5 CHAIR MITCHELL: Commissioner McKissick.

6 COMMISSIONER MCKISSICK: Aye.

7 CHAIR MITCHELL: And for the record I  
8 support the motion as well and the motion carries.

9 (MOTION PASSES)

10 CHAIR MITCHELL: Thank you, Mr. Gilbert.

11 We will proceed now with Public Staff,  
12 Natural Gas Item P4. Ms. Perry.

13 MS. PERRY: Yes, thank you. And I've been  
14 having a little computer issue, so I hope it goes  
15 okay.

16 Good morning. My name is Julie Perry. I'm  
17 with the Public Staff, Accounting Division. Item P4  
18 is Docket Number G-40, Sub 160. On January 27th,  
19 Frontier Natural Gas and Ullico filed an Application  
20 for (1) approval of a transaction whereby Hearthstone  
21 Utilities and its subsidiaries including Frontier will  
22 become wholly-owned subsidiaries of UIHH; and (2)  
23 authorization and/or waiver as necessary and  
24 appropriate to effect the proposed transaction.

1           The Commission's Order Requiring Filing of  
2     Analyses issued November 2nd, 2000, in docket Number  
3     M-100, Sub 129 requires that the merger applications  
4     be accompanied by a market power analysis and a  
5     cost-benefit analysis. The Applicants submitted a  
6     cost-benefit analysis. Frontier requested a waiver of  
7     the requirement to file a market power analysis.

8           The Public Staff has reviewed the  
9     Application and additional information provided by the  
10    Applicants and recommends that the scheduling order be  
11    issued. And the Public Staff further recommends that  
12    the order also grant the waiver of the requirement to  
13    file a market power analysis and state that the  
14    Application satisfies the requirement of the M-100,  
15    Sub 129 Order.

16           A proposed order is attached as Exhibit  
17    Number P-4.

18           COMMISSIONER BROWN-BLAND: Move approval of  
19    the recommendation.

20           COMMISSIONER GRAY: Second.

21           CHAIR MITCHELL: It's been moved and  
22    seconded that the item be approved as recommended by  
23    the Public Staff. Any questions or discussion on the  
24    motion?



1 (No response)

2 Hearing none, I'll call the roll for a vote.  
3 Indicate your support with an aye and your opposition  
4 with a no. Commissioner Brown-Bland.

5 COMMISSIONER BROWN-BLAND: Aye.

6 CHAIR MITCHELL: Commissioner Gray.

7 COMMISSIONER GRAY: Aye.

8 CHAIR MITCHELL: Commissioner Clodfelter.

9 COMMISSIONER CLODFELTER: Aye.

10 CHAIR MITCHELL: Commissioner Duffley.

11 COMMISSIONER DUFFLEY: Aye.

12 CHAIR MITCHELL: Commissioner Hughes.

13 COMMISSIONER HUGHES: Aye.

14 CHAIR MITCHELL: Commissioner McKissick.

15 COMMISSIONER MCKISSICK: Aye.

16 CHAIR MITCHELL: And for the record I  
17 support the motion as well and the motion carries.

18 (MOTION PASSES)

19 CHAIR MITCHELL: Thank you, Ms. Perry.

20 We'll proceed now to Public Staff, Electric  
21 Item P1. Mr. Saillor, we're with you.

22 MR. SAILLOR: I'm Scott Saillor with the  
23 Public Staff, Energy Division. Item P1 is an  
24 Application for an Amended Registration and an Amended

1 Certificate of Public Convenience and Necessity for a  
2 solar PV electric generating facility.

3 The Public Staff recommends that the  
4 Commission approve the Application, issue the Amended  
5 Certificate and accept the Amended Registration.

6 COMMISSIONER BROWN-BLAND: Move approval of  
7 the recommendation.

8 COMMISSIONER GRAY: And I'll second.

9 CHAIR MITCHELL: It's been moved and  
10 seconded that the item be approved as recommended by  
11 the Public Staff. Any questions or discussion on the  
12 motion?

13 (No response)

14 Hearing none, I'll call the roll for a vote.  
15 Indicate your support with an aye and your opposition  
16 with a no. Commissioner Brown-Bland.

17 COMMISSIONER BROWN-BLAND: Aye.

18 CHAIR MITCHELL: Commissioner Gray.

19 COMMISSIONER GRAY: Aye.

20 CHAIR MITCHELL: Commissioner Clodfelter.

21 COMMISSIONER CLODFELTER: Aye.

22 CHAIR MITCHELL: Commissioner Duffley.

23 COMMISSIONER DUFFLEY: Aye.

24 CHAIR MITCHELL: Commissioner Hughes.

1 COMMISSIONER HUGHES: Aye.

2 CHAIR MITCHELL: Commissioner McKissick.

3 COMMISSIONER McKISSICK: Aye.

4 CHAIR MITCHELL: And for the record I  
5 support the motion as well and the motion carries.

6 (MOTION PASSES)

7 CHAIR MITCHELL: Thank you, Mr. Saillor.

8 We will proceed now to Public Staff,  
9 Electric Item P2. Mr. Williamson, we're with you.

10 MR. WILLIAMSON: Yes, good morning,  
11 Commissioners. I'm Tommy Williamson with the Energy  
12 Division. Item P2 is a request by Duke Energy  
13 Progress and Duke Energy Carolinas for approval of  
14 revisions to their Revert to Owner Programs.

15 On March 1st, 2021, DEP and DEC filed an  
16 Application seeking approval to revise the Companies'  
17 Landlord Agreement Revert to Owner Programs. These  
18 programs allow a landlord to avoid a lapse in service  
19 by automatically placing electric service in the  
20 landlord's name in the event a tenant voluntarily  
21 vacates the property.

22 In 1995, the Commission approved the  
23 original Landlord Revert to Owner Agreement to DEP's  
24 predecessor's service regulations in Docket E-2, Sub

1 671. DEC has had a landlord reversion program similar  
2 to that of DEP since at least 2003.

3 In the current Application, the Companies  
4 state that they are revising and aligning their  
5 respective programs as part of the rollout of Customer  
6 Connect to provide uniform rules for their customers.

7 A chart comparing the changes of the  
8 programs is in the agenda item.

9 DEC will deploy Customer Connect in April of  
10 2021 and DEP in November 2021.

11 The Public Staff has reviewed this request  
12 and recommends that the Commission approve the  
13 modifications as filed.

14 COMMISSIONER BROWN-BLAND: Move approval of  
15 the recommendation.

16 COMMISSIONER GRAY: Second.

17 CHAIR MITCHELL: It's been moved and  
18 seconded that the item be approved as recommended by  
19 the Public Staff. Any questions or discussion on the  
20 motion?

21 (No response)

22 Hearing none, I'll call the roll for a vote.  
23 Indicate your support for the motion with an aye and  
24 your opposition with a no. Commissioner Brown-Bland.

1 COMMISSIONER BROWN-BLAND: Aye.

2 CHAIR MITCHELL: Commissioner Gray.

3 COMMISSIONER GRAY: Aye.

4 CHAIR MITCHELL: Commissioner Clodfelter.

5 COMMISSIONER CLODFELTER: Aye.

6 CHAIR MITCHELL: Commissioner Duffley.

7 COMMISSIONER DUFFLEY: Aye.

8 CHAIR MITCHELL: Commissioner Hughes.

9 COMMISSIONER HUGHES: Aye.

10 CHAIR MITCHELL: Commissioner McKissick.

11 COMMISSIONER MCKISSICK: Aye.

12 CHAIR MITCHELL: And for the record I  
13 support the motion as well and the motion carries.

14 (MOTION PASSES)

15 CHAIR MITCHELL: Thank you, Mr. Williamson.

16 We will proceed now to Public Staff,  
17 Electric Item P3. Mr. Floyd, we're with you.

18 MR. FLOYD: Good morning. I'm Jack Floyd  
19 with the Energy Division. Item three is a request by  
20 Duke Energy Carolinas to modify their Residential  
21 Power Manager Load Control Service Program to allow  
22 net metering customers to participate. The original  
23 prohibition was consistent with other programs  
24 involving customer-owned supplemental and standby

1 generation resources.

2 Duke Carolinas indicates that the future  
3 growth of the Program is now winter focused making the  
4 prohibition unnecessary.

5 The Public Staff notes that each of Duke  
6 Carolinas' DSM Programs and other load curtailable or  
7 interruptible riders have historically focused on  
8 summer-peaking load reductions. The shift to  
9 winter-focused load control reduces any concern that  
10 customers on Riders SCG which is a small customer  
11 generator, and net meter customers would adversely  
12 affect such load reducing resources.

13 The Company did not qualify, or excuse me,  
14 quantify changes in the participation load reduction  
15 potential and cost effectiveness as part of its  
16 request. This information can be observed in the  
17 recent DSM/EE Rider filing in Sub 1249.

18 The Public Staff does not expect any  
19 significant differences in the expected load reduction  
20 potential on a per-participant basis or in the cost  
21 effectiveness of the Program that is not already being  
22 observed as a result from the shift from a  
23 summer-peaking to a winter-peaking utility. Duke  
24 Carolinas also indicated that approximately 1700 Rider

1 SCG and net metering customers had requested to  
2 participate in the Program highlighting the need for  
3 the change.

4 The Public Staff is interested in  
5 understanding any differences in the load reduction  
6 potential from Rider SCG and net metering participants  
7 as opposed to other participants and will work with  
8 Duke Carolinas to address this issue in future  
9 evaluation, measurement and verification of the  
10 Program.

11 Based upon our review, the Public Staff  
12 recommends that the Commission issue our proposed  
13 order approving the modifications as filed. The  
14 Public Staff is also recommending that Duke Carolinas  
15 remove similar language from its Riders SCG and NM  
16 that similarly excludes Power Manager participants  
17 from participating in those riders and refile amended  
18 versions of Riders SCG and NM in its compliance  
19 filing. Thank you.

20 COMMISSIONER BROWN-BLAND: I'll move  
21 approval of the recommendation with the modifications  
22 that have been requested by Commission staff.

23 COMMISSIONER GRAY: Second.

24 CHAIR MITCHELL: We've got a motion that's

1 been seconded that the item be approved as modified by  
2 the recommendations of the Commission staff. Any  
3 questions or discussion on the motion?

4 (No response)

5 Hearing none, I'll call the roll for a vote.  
6 Indicate your support with an aye and your opposition  
7 with a no. Commissioner Brown-Bland.

8 COMMISSIONER BROWN-BLAND: Aye.

9 CHAIR MITCHELL: Commissioner Gray.

10 COMMISSIONER GRAY: Aye.

11 CHAIR MITCHELL: Commissioner Clodfelter.

12 COMMISSIONER CLODFELTER: Aye.

13 CHAIR MITCHELL: Commissioner Duffley.

14 COMMISSIONER DUFFLEY: Aye.

15 CHAIR MITCHELL: Commissioner Hughes.

16 COMMISSIONER HUGHES: Aye.

17 CHAIR MITCHELL: Commissioner McKissick.

18 COMMISSIONER MCKISSICK: Aye.

19 CHAIR MITCHELL: And for the record I  
20 support the motion as well and the motion carries.

21 (MOTION PASSES)

22 CHAIR MITCHELL: We will proceed now to  
23 Public Staff, Electric Item P4. Mr. Floyd, I believe  
24 we're still with you.



1 MR. FLOYD: Yes, you are. Item four is a  
2 request by Dominion Energy North Carolina to modify  
3 its Air Conditioning Cycling Program to reduce the  
4 participant incentive from \$40 to \$35 per participant  
5 per season, aligning that incentive with a similar  
6 offering by Dominion's affiliate company in Virginia.

7 The Company -- the Program was originally  
8 approved in February 2011 as a DSM Program and  
9 currently has about 71,000 participants. About 2800  
10 of those in North Carolina as of January of this year.

11 The Program gets lots of use during the  
12 summer peak demand season; however, Dominion's shift  
13 from a summer to a winter-peaking utility has resulted  
14 in a degradation of the Program's cost effectiveness.  
15 The proposed modifications marginally improves the  
16 cost effectiveness, though the Program is still not  
17 cost effective. The Company's analysis also assumes  
18 no new participation in this program.

19 The Public Staff continues to be concerned  
20 with programs that are not cost effective and do not  
21 seem capable of achieving cost effectiveness in the  
22 future; however, the Public Staff is reluctant to  
23 suggest ending a program that obviously provides  
24 reliable capacity benefits. The Program continues to

1 provide valuable capacity benefits during the summer  
2 season even though the value of those benefits is  
3 diminished by the shift in system planning to a  
4 winter-peaking utility. If the Program were not  
5 available, other summer capacity resources would be  
6 needed in its place to sustain adequate reserves.

7 I will also note that the Company recently  
8 received approval of a Smart Thermostat Demand-Side  
9 Management Program in Sub 594. That was done in  
10 February of this year. That program will pay a \$35  
11 incentive to participants for year-round demand  
12 reductions. And the Company has stated to the Public  
13 Staff that it is evaluating the future of the AC  
14 Cycling Program given the recent approval of the new  
15 Smart Thermostat Program.

16 Based upon our review, the Public Staff  
17 recommends that the Commission issue our proposed  
18 orders approving the modifications as filed. Thank  
19 you.

20 COMMISSIONER BROWN-BLAND: I'll move  
21 approval of the recommendation also as modified at the  
22 request of the Commission staff.

23 COMMISSIONER GRAY: Second.

24 CHAIR MITCHELL: It's been moved and

1 seconded that the item be approved as recommended by  
2 the Public Staff including the modifications requested  
3 by the Commission staff. Any questions or discussion  
4 on the motion?

5 (No response)

6 Hearing none, I'll call the roll for a vote.  
7 Indicate your support with an aye and your opposition  
8 with a no. Commissioner Brown-Bland.

9 COMMISSIONER BROWN-BLAND: Aye.

10 CHAIR MITCHELL: Commissioner Gray.

11 COMMISSIONER GRAY: Aye.

12 CHAIR MITCHELL: Commissioner Clodfelter.

13 COMMISSIONER CLODFELTER: Aye.

14 CHAIR MITCHELL: Commissioner Duffley.

15 COMMISSIONER DUFFLEY: Aye.

16 CHAIR MITCHELL: Commissioner Hughes.

17 COMMISSIONER HUGHES: Aye.

18 CHAIR MITCHELL: Commissioner McKissick.

19 COMMISSIONER MCKISSICK: Aye.

20 CHAIR MITCHELL: And for the record I  
21 support the motion as well and the motion carries.

22 (MOTION PASSES)

23 CHAIR MITCHELL: Thank you, Mr. Floyd.

24 We'll proceed now to Public Staff, Electric

1 Item P5. Mr. Lucas, you're up.

2 MR. LUCAS: Good morning. This is Jay Lucas  
3 with the Public Staff's Energy Division. Item P5  
4 consists of a request to waive the Master Metering  
5 Prohibition in General Statute 143-151.42.

6 The Public Staff recommends that the  
7 Commission issue the Public Staff's proposed order  
8 allowing a waiver of the Master Metering Prohibition.

9 COMMISSIONER BROWN-BLAND: Madam Chair, do  
10 you have questions for --

11 CHAIR MITCHELL: Well Mr. Lucas, yes, we do  
12 have -- the Commission staff does have questions for  
13 the Public Staff on this item. Specifically, whether  
14 the electric load beyond that provided by the central  
15 systems will be de minimus; the electric load of each  
16 of the individual units?

17 MR. LUCAS: I can't guarantee that it will  
18 be de minimus, but each unit will have its own stove  
19 and oven. That will be probably the largest load.  
20 Heating and air conditioning loads would be de minimus  
21 and typically those are the largest loads in the home.  
22 I can say it would be reduced. This particular  
23 development will have a centralized kitchen that would  
24 reduce some of the stove and oven loads. Lighting

1 loads are typically very small these days. So I can  
2 tell you it will be greatly reduced.

3 CHAIR MITCHELL: Okay. So, just so I'm  
4 clear, your testimony is that the load of the  
5 individual units will be reduced.

6 MR. LUCAS: Oh yes, greatly by a system  
7 that's got a ground source heat pump, or excuse me, a  
8 water source heat pump.

9 CHAIR MITCHELL: Okay. Thank you,  
10 Mr. Lucas.

11 Any additional questions for Mr. Lucas?

12 COMMISSIONER BROWN-BLAND: Madam Chair --  
13 and, Mr. Lucas, could you take that any further and  
14 just say as compared to the total load that the usage  
15 for the individual units would at least be small or  
16 are you reluctant to say?

17 MR. LUCAS: I think it will be smaller  
18 because the total load for the entire development will  
19 be -- is -- some are reduced because that ground  
20 source heat pump system will heat and cool all the  
21 common areas as well. This entire development is  
22 planned for great energy efficiency. But I can say  
23 the common area loads will also be small. I don't  
24 have the data on percentages of common area load

1 versus individual household load. I can ask questions  
2 of the engineer. But I really can't testify the exact  
3 ratio.

4 COMMISSIONER BROWN-BLAND: Thank you,  
5 Mr. Lucas.

6 Madam Chair, I would move -- well, first of  
7 all, I would move to withdraw my prior motion to  
8 approve this recommendation in this matter and -- or I  
9 withdraw it is what I'm saying, and I would move that  
10 we take this matter to executive conference.

11 COMMISSIONER McKISSICK: I'll second that,  
12 Madam Chair.

13 CHAIR MITCHELL: Commissioner Brown-Bland  
14 has withdrawn her motion made at previous staff  
15 conference to approve the item and has now moved that  
16 the item be taken into executive session. That motion  
17 has been seconded. Any questions or discussion on the  
18 motion?

19 (No response)

20 All in favor of Commissioner Brown-Bland's  
21 motion to take this item into executive session please  
22 indicate your support for the motion with an aye and  
23 your opposition with a no. Commissioner Brown-Bland.

24 COMMISSIONER BROWN-BLAND: Aye.

1 CHAIR MITCHELL: Commissioner Gray.

2 COMMISSIONER GRAY: Aye.

3 CHAIR MITCHELL: Commissioner Clodfelter.

4 COMMISSIONER CLODFELTER: Aye.

5 CHAIR MITCHELL: Commissioner Duffley.

6 COMMISSIONER DUFFLEY: Aye.

7 CHAIR MITCHELL: Commissioner Hughes.

8 COMMISSIONER HUGHES: Aye.

9 CHAIR MITCHELL: Commissioner McKissick.

10 COMMISSIONER McKISSICK: Aye.

11 CHAIR MITCHELL: For the record I support  
12 the motion as well and the motion carries.

13 (MOTION PASSES)

14 CHAIR MITCHELL: Thank you, Mr. Lucas.

15 We will proceed now to Public Staff, Water  
16 Item P1.

17 MR. HENRY: Good morning. I'm Windley  
18 Henry.

19 CHAIR MITCHELL: Please proceed, Mr. Henry.

20 MR. HENRY: Good morning. I'm Windley Henry  
21 with the Public Staff, Accounting Division. Item P1  
22 is Docket Number W-354, Sub 364A. On January 29th,  
23 2021, Carolina Water filed an Application requesting  
24 authority to adjust its Water System Improvement

1 Charges and Sewer System Improvement Charges effective  
2 April 1st, 2021.

3 Carolina Water's WSIC and SSIC percentages  
4 were reset to zero as of March 31st, 2020, the  
5 effective date of Carolina Water's new base rates in  
6 its general rate case Sub 364. This is Carolina  
7 Water's second filing to implement charges under the  
8 WSIC and SSIC mechanism since the Sub 364 rate case.

9 Carolina Water's proposed WSIC and SSIC  
10 projects revenue requirement and percentages are  
11 listed in the agenda item.

12 The Public Staff has carefully reviewed  
13 Carolina Water's stated WSIC and SSIC improvements  
14 and, based on this review, the Public Staff is  
15 recommending removal of non-eligible water and sewer  
16 system improvement projects from Carolina Water's  
17 proposed WSIC and SSIC revenue requirements and  
18 percentages that are discussed in the agenda item.

19 The Public Staff recommended WSIC and SSIC  
20 revenue requirement and percentages based on these  
21 adjustments are also reflected in the agenda item.

22 The Public Staff has discussed this  
23 recommended adjustment with Carolina Water and, based  
24 on that discussion, Carolina Water has agreed to



1 accept the Public Staff's position to exclude from the  
2 WSIC and SSIC rate adjustment the non-eligible water  
3 and sewer system improvement projects.

4 A proposed order is attached as Exhibit P-9.

5 The Commission staff has recommended some  
6 revisions to the Public Staff's proposed order. The  
7 Public Staff has agreed to the revisions proposed by  
8 the Commission staff.

9 The Public Staff recommends that the  
10 Commission issue the revised proposed order approving  
11 the Public Staff's recommended Water and Sewer System  
12 Improvement Charges effective for service rendered on  
13 and after April 1st, 2021, subject to true-up, and  
14 requiring customer notice.

15 COMMISSIONER BROWN-BLAND: I move approval  
16 of the Public Staff's recommendation.

17 COMMISSIONER GRAY: Second.

18 CHAIR MITCHELL: It's been moved and  
19 seconded that the item be approved as recommended by  
20 the Public Staff.

21 Before I call for a vote, Mr. Henry, in  
22 your -- is it your impression that having had the  
23 opportunity to discuss with the Company the  
24 documentation, supporting documentation that the

1 Public Staff needs to conduct its audit, the Company  
2 has an understanding now of what it needs to provide  
3 going forward to the Public Staff?

4 MR. HENRY: It has gotten a lot better with  
5 this last filing.

6 CHAIR MITCHELL: Okay.

7 MR. HENRY: Prior filings, it was pretty  
8 bad. And I think they have done a better job with  
9 this filing.

10 CHAIR MITCHELL: Okay.

11 MR. HENRY: So it is improving.

12 CHAIR MITCHELL: And this most recent  
13 discussion further clarified for the Company what it  
14 needs to provide to the Public Staff?

15 MR. HENRY: Yes, it did.

16 CHAIR MITCHELL: Okay. Any additional  
17 questions for Mr. Henry or on the motion?

18 (No response)

19 Hearing none, I'll call the roll for a vote.  
20 Please indicate your support for the motion with an  
21 aye and your opposition with a no. Commissioner  
22 Brown-Bland.

23 COMMISSIONER BROWN-BLAND: Aye.

24 CHAIR MITCHELL: Commissioner Gray.

1 COMMISSIONER GRAY: Aye.

2 CHAIR MITCHELL: Commissioner Clodfelter.

3 COMMISSIONER CLODFELTER: Aye.

4 CHAIR MITCHELL: Commissioner Duffley.

5 COMMISSIONER DUFFLEY: Aye.

6 CHAIR MITCHELL: Commissioner Hughes.

7 COMMISSIONER HUGHES: Aye.

8 CHAIR MITCHELL: Commissioner McKissick.

9 COMMISSIONER MCKISSICK: Aye.

10 CHAIR MITCHELL: And for the record I  
11 support the motion as well and the motion carries.

12 (MOTION PASSES)

13 CHAIR MITCHELL: Thank you, Mr. Henry.

14 MR. HENRY: Thank you.

15 CHAIR MITCHELL: The Commission has before  
16 it its minutes of March 22nd, 2021 Staff Conference  
17 for approval.

18 COMMISSIONER GRAY: Move approval.

19 COMMISSIONER BROWN-BLAND: Second.

20 CHAIR MITCHELL: It's been moved and  
21 seconded that the minutes from March 22nd be approved.  
22 Any discussion on the motion?

23 (No response)

24 Hearing none, all those in favor of

1 approving our minutes indicate with an aye.

2 (All Commissioners say aye)

3 CHAIR MITCHELL: Any opposed?

4 (No response)

5 Our minutes of March 22nd are approved. Any  
6 additional business for the Commission this morning  
7 before we adjourn?

8 (No response)

9 Hearing none, we will be adjourned. Thank  
10 you very much everybody.

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12 WHEREUPON, this conference is adjourned.  
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## C E R T I F I C A T E

I, KIM T. MITCHELL, DO HEREBY CERTIFY that  
the Proceedings in the above-captioned matter were  
taken before me, that I did report in stenographic  
shorthand the Proceedings set forth herein, and the  
foregoing pages are a true and correct transcription  
to the best of my ability.

Kim Mitchell

Kim T. Mitchell  
Court Reporter