

**NORTH CAROLINA UTILITIES COMMISSION**  
**MINUTES OF REGULAR COMMISSION STAFF CONFERENCE**

**January 22, 2024**

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, January 22, 2024, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

**COMMISSIONERS:**

Commissioner Duffley  
Commissioner Hughes  
Commissioner McKissick  
Commissioner Kemerait  
Commissioner Brawley  
Commissioner Tucker

**COMMISSION STAFF:** Mr. Watson, Ms. Fennell, Ms. Hicks, Ms. Murrell, Ms. Hilburn, Mr. Barber, Ms. Winstead; Mr. McCoy

**PUBLIC STAFF:** Mr. Ayers, Ms. Edmondson, Ms. Holt, Mr. Creech, Ms. Luhr, Ms. Coxtton, Mr. Freeman, Ms. Keyworth, Mr. Akpom, Mr. McLawhorn, Mr. D. Williamson, Mr. Lucas, Mr. Metz, Mr. T. Williamson, Mr. Lawrence, Mr. Thomas, Mr. Junis, Ms. Bhatta, Ms. Wade, Mr. Hinton, Mr. Reger, Mr. Fahey

**ATTORNEY GENERAL:**

**COURT REPORTER:** Ms. Mitchell

**ELECTRIC*****CERTIFICATES OF ENVIRONMENTAL COMPATABILITY AND PUBLIC CONVENIENCE AND NECESSITY*****Duke Energy Progress, LLC**

1. Docket No. E-2, Sub 1335 – Motion of the Public Staff to approve Motion to Proceed with Initial Clearing, Excavation, and Construction for Transmission Line in Chatham County, North Carolina (*Thomas/Creech*)

On December 18, 2023, Duke Energy Progress, LLC (DEP), prefiled with the Public Staff an unsigned application pursuant to N.C. Gen. Stat. §§ 62-101 and 62-102 and Commission Rule R8-62(k) for a certificate of environmental compatibility and public convenience and necessity (CEPCN) to construct approximately 0.5 miles of new 230-kV transmission line in Chatham County (the Line) to support the load needs of Wolfspeed, a domestic developer and manufacturer of semiconductor microchips at the Chatham-Siler City Advanced Manufacturing (CAM) megasite. The Line will energize a planned new substation at the CAM megasite to serve industrial load.

The Public Staff advised the Commission that DEP has made the necessary showing that circumstances require immediate action and that permitting DEP to proceed with initial clearing, excavation, and construction is justified by the public convenience and necessity.

The Public Staff recommended that the motion to proceed be granted.

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

***CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY*****Duke Energy Progress, LLC**

2. Docket No. SP-60808, Sub 0 – Application of ZNC Turkey Creek, LLC, for a certificate of public convenience and necessity and registration statement to construct a 7.2-MW swine-waste to energy generating facility in Sampson County, North Carolina (*Lawrence/Keyworth*)

On June 20, 2023, ZNC Turkey Creek, LLC (Applicant), filed an application in the above-captioned docket seeking a certificate of public convenience and necessity (CPCN) pursuant to N.C.G.S. § 62-110.1(a) for construction of a 7.2 MW biogas swine waste-to-energy electric generating facility to be located at 7401 Turkey Highway, Turkey, Sampson County, North Carolina. The Applicant plans to sell the electricity to DEP.

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).

The Public Staff recommended approval of the CPCN and registration for the facility.

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

### **North Carolina Electric Membership Corporation**

3. Docket No. SP-60373, Sub 0 – Application of Baron Solar, LLC, for a certificate of public convenience and necessity and registration statement to construct a 4.999-MW solar photovoltaic facility in Anson County, North Carolina (*Lawrence/Keyworth*)

On November 13, 2023, Baron Solar, LLC (Applicant), filed an application in the above-captioned docket seeking a certificate of public convenience and necessity (CPCN) pursuant to N.C.G.S. § 62-110.1(a) for construction of a 4.99-MWAC solar generating facility to be located east of NC Highway 109, west of Stanback Ferry Ice Plant Road, north of State Road 1715, and south of Winfree Road, Anson County, North Carolina. The Applicant plans to sell the electricity to North Carolina Electric Membership Corporation.

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).

The Public Staff recommended approval of the CPCN and registration for the facility.

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

### **ENERGY EFFICIENCY PROGRAMS**

#### **Dominion Energy North Carolina**

4. Docket No. E-22, Sub 682 – Application for Non-Residential Prescriptive Bundle Program (*T. Williamson/Freeman*)

On November 22, 2023, as updated by errata filed December 4, 2023, Virginia Electric and Power Company d/b/a Dominion Energy North Carolina (DENC) filed an application seeking approval of its Non-Residential Prescriptive Bundle Program (Program) and requesting that the Program become effective in the first quarter of 2024 (Application). The Application states that the Program was filed in accordance with Commission Rule R8-68 and the Cost Recovery and Incentive Mechanism for new demand-side management (DSM) and energy efficiency (EE, together with DSM, DSM/EE) programs, as most recently approved by the Commission on March 22, 2022, in Docket No. E-22, Sub 464 (Mechanism).

The Public Staff reiterated its conclusions and recommendations as contained within its December 21, 2023 letter stating that the Application contains the information required by Commission Rule R8-68, is consistent with N.C.G.S. § 62-133.9, and that DENC's estimates of program costs, net lost revenue, and performance incentive appear to be consistent with the requirements of the Mechanism. Since this is a new program, and has now been deemed to be consistent with the performance incentive, it is appropriate for the program to be included in the Portfolio Performance Incentive of the next DSM/EE rider for evaluation there.

The Public Staff recommended that the Commission issue its proposed order approving DENC's Application.

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

5. Docket No. E-22, Sub 683 – Application for Residential Home Retrofit Bundle Program (*T. Williamson/Freeman*)

On November 22, 2023, DENC filed an application seeking approval of its Residential Home Retrofit Bundle Program (Program) and requesting that the Program become effective in the first quarter of 2024 (Application). The Application states that the Program was filed in accordance with Commission Rule R8-68 and the Cost Recovery and Incentive Mechanism for new DSM/EE programs as most recently approved by the Commission on March 22, 2022, in Docket No. E-22, Sub 464 (Mechanism).

The Public Staff reiterated its conclusions and recommendations as contained within its December 21, 2023 letter, stating that the Application contains the information required by Commission Rule R8-68, is consistent with N.C.G.S. § 62-133.9, and that DENC's estimates of program costs, net lost revenue, and performance incentive appeared to be consistent with the requirements of the Mechanism. Since this is a new program, and has now been deemed to be consistent with the performance incentive, it is appropriate for the program to be included in the Portfolio Performance Incentive of the next DSM/EE rider for evaluation there.

The Public Staff recommended that the Commission issue the proposed order approving DENC's Application.

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

6. Docket No. E-22, Sub 684 – Residential Income and Age Qualifying Bundle Program (*T. Williamson/Freeman*)

On November 22, 2023, DENC filed an application seeking approval of its Residential Income and Age Qualifying Bundle Program (Program) and requesting that the Program become effective in the first quarter of 2024 (Application). The Application states that the Program was filed in accordance with Commission Rule R8-68 and the Cost Recovery and

Incentive Mechanism for new DSM/EE programs as most recently approved by the Commission on March 22, 2022, in Docket No. E-22, Sub 464 (Mechanism).

The Public Staff presented this matter at the Commission's Regular Staff Conference on January 22, 2024. The Public Staff reiterated its conclusions and recommendations as contained within its December 21, 2023 letter, stating that the Application contains the information required by Commission Rule R8-68, is consistent with N.C.G.S. § 62-133.9, and DENC's estimates of program costs, net lost revenue, and performance incentive appear to be consistent with the requirements of the Mechanism. Since this is a new program, and has now been deemed to be consistent with the performance incentive, it is appropriate for the program to be included in the Portfolio Performance Incentive of the next DSM/EE rider for evaluation there.

The Public Staff recommended that the Commission issue its proposed order concerning DENC's Application.

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

## **WATER AND WASTEWATER**

### *ORDER RECOGNIZING CONTIGUOUS EXTENSION AND APPROVING OF RATES*

#### **Aqua North Carolina, Inc.**

7. Docket No. W-218, Sub 550 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Wastewater Utility Service in Ardmore at Flowers Plantation in Johnston County (*Bhatta/Akpom/Jost*)

On November 11, 2022, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water and sewer utility service for Ardmore at Flowers Plantation in Johnston County, North Carolina (Ardmore). Aqua filed supplements or amendments to the Notification on May 17 and May 23, 2023. Ardmore is contiguous to Aqua's Publix at Flowers Plantation service area (Docket No. W-218, Sub 518). Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service areas.

The Public Staff stated that it had reviewed the Notification and the supplements and amendments to the Notification.

The Public Staff recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

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

8. Docket No. W-218, Sub 579 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Wastewater Utility Service in North District at Flowers Plantation in Johnston County (*Bhatta/Cofield/Jost*)

On July 12, 2022, Aqua filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water and sewer utility service in North District at Flowers Plantation in Johnston County, North Carolina (North District). North District is contiguous to Aqua's POD NE-8 (Docket No. W-218, Sub 529) and POD 2 and 5 (Docket No. W-218, Sub 454) service areas. Aqua filed supplements or amendments to the Notification on January 31, May 19, and May 23, 2023. Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service area.

The Public Staff presented this matter at the Commission's Regular Staff Conference on January 22, 2024. The Public Staff stated that it had reviewed the Notification and the supplements and amendments to the Notification.

The Public Staff recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

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

9. Docket No. W-218, Sub 581 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Wastewater Utility Service in Castlewood Subdivision at Flowers Plantation in Johnston County (*Bhatta/Lentz/Jost*)

On January 19, 2023, Aqua filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water and sewer utility service in Castlewood subdivision in Johnston County, North Carolina (Castlewood). Castlewood subdivision is contiguous to Aqua's Plantation Pointe, Phase V (Docket No. W-274, Sub 511) and Watson's Mill, Phase II (Docket No. W-274, Sub 514). Aqua filed supplements or amendments to the Notification on August 14, and September 20, 2023. Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service areas.

The Public Staff stated that it had reviewed the Notification and the supplements and amendments to the Notification.

The Public Staff recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

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

**COMMUNICATIONS***INTERCONNECTION AGREEMENT AMENDMENTS AND AGREEMENT***BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina (AT&T)**

10. Docket No. P-55, Sub 1575 – Amendment to the interconnection agreement with Charter Fiverlink NC-CCO, LLC, approved by the Commission on October 28, 2005 (*Wade/Coxton*)

On November 21, 2023, BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina, and Charter Fiberlink NC-CCO, LLC (collectively the Parties), filed for Commission approval an amendment to their existing interconnection agreement approved by the Commission on October 28, 2005.

The Public Staff recommended that the amendment be approved

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

11. Docket No. P-55, Sub 1860 – Amendment to the interconnection agreement with DukeNet Communications, LLC, approved by the Commission on June 12, 2012 (*Wade/Coxton*)

On November 21, 2023, BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina and DukeNet Communications, LLC (collectively, the Parties), filed for Commission approval an amendment to their existing interconnection agreement approved by the Commission on June 12, 2012.

The Public Staff recommended that the amendment be approved

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

**Ellerbe Telephone Company**

12. Docket No. P-21, Sub 82 – Agreement with Level 3 Communications, LLC (*Wade/Coxton*)

On December 20, 2023, Ellerbe Telephone Company and Level 3 Communications, LLC (collectively, the Parties), filed an interconnection agreement for Commission approval.

The Public Staff recommended that the agreement be approved

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

Bob Hinton, Director of the Public Staff's Economic Research Division, introduced new staff members Greg Reger, Public Utilities Regulatory Analyst and Patrick Fahey, Public Utilities Regulatory Analyst.

The Minutes of the Regular Commission Staff Conference of January 16, 2024, were approved.

Minutes prepared by Le Anne Ackerman.