STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. G-40, SUB 171

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Frontier Natural Gas Company for Annual Review of Gas Costs Pursuant to N.C.G.S. § 62-133.4(c) and Commission Rule R1-17(k)(6)	)))))	ORDER SCHEDULING HEARING, REQUIRING FILING OF TESTIMONY, ESTABLISHING DISCOVERY GUIDELINES AND REQUIRING PUBLIC NOTICE

BY THE COMMISSION: North Carolina General Statutes Section 62-133.4 authorizes gas cost adjustment proceedings for natural gas local distribution companies. Pursuant to N.C. Gen. Stat. § 62-133.4(c), the North Carolina Utilities Commission shall conduct annual review proceedings to compare each natural gas utility's prudently incurred costs with costs recovered from all the utility's customers served during the test period. Commission Rule R1-17(k)(6) prescribes the procedures for such annual reviews of natural gas costs.

On December 1, 2022, Frontier Natural Gas Company (Frontier or Applicant), filed testimony in support of its test period gas costs pursuant to N.C.G.S. § 62-133.4(c) and Commission Rule R1-17(k)(6).

The Commission finds good cause to issue the present Order scheduling this matter for a public hearing, establishing discovery guidelines, and providing for public notice of the hearing. The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition which a party desires to take shall be taken before the deadline for filing of Public Staff and intervenor testimony. Notice of deposition shall be served on all parties at least seven days prior to the taking of the deposition. Notice of deposition and all other discovery notices, requests and motions shall be served on the appropriate parties by hand delivery, facsimile, or by electronic delivery if the receiving party has agreed to receipt by electronic delivery.

2. Any motion for subpoena of a witness to appear at the expert witness hearing shall be filed with the Commission before the deadline for filing of Public Staff and intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. *See* N.C. Gen. Stat. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena 24 hours after such motion is filed.

3. Formal discovery requests related to the application and the Applicant's prefiled direct testimony shall be served on the Applicant not later than fourteen days prior to the deadline for filing of Public Staff and intervenor testimony. The party served shall have up to ten calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten days prior to the deadline for filing of Public Staff and intervenor testimony.

4. Formal discovery requests of the Public Staff or intervenors shall be served not later than three days after such testimony is filed. The party served shall have up to three calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than five days after that party's testimony was filed.

5. Formal discovery requests related to the Applicant's prefiled rebuttal testimony shall be served on the Applicant not later than two days after such testimony is filed. The party served shall have up to two calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three days after the rebuttal testimony was filed. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery from the Applicant.

6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two days to file a motion to compel with the Commission, and the party objecting to discovery shall have one day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery because of that party's late intervention or other delay in initiating discovery.

The Commission recognizes that in the past most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

Further, the Commission finds good cause to require Frontier to file testimony and supporting schedules that enable the Public Staff and Commission to review the interest rate presently being applied to Frontier’s deferred accounts, including deferred income tax accounts, and to determine whether a change in the interest rate is warranted.

Finally, the Commission finds good cause to require that Frontier, the Public Staff, and other parties who file supporting exhibits in Excel format shall provide electronic versions of the exhibits filed in native Excel format, including all supporting tabs/worksheets and formulas, to the Commission Staff within three business days of the filing of such exhibits.

IT IS, THEREFORE, ORDERED as follows:

1. That a public hearing shall be, and is hereby, scheduled for Tuesday, March 7, 2023, at 10:00 a.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering the testimony filed in this proceeding by Frontier;

2. That on or before Tuesday, January 10, 2023, Frontier shall file supplemental testimony and supporting schedules that provide sufficient information for the Public Staff and Commission to review the interest rate presently being applied to Frontier's deferred accounts, including deferred income tax accounts, and to determine whether a change in the interest rate is warranted;

3. That any person having an interest in this proceeding may file a petition to intervene stating such interest on or before Monday, February 20, 2023;

4. That the direct testimony and exhibits of the Public Staff and other intervenors shall be filed on or before Monday, February 20, 2023;

5. That Frontier shall file its rebuttal testimony and exhibits within 10 days of the actual receipt of the testimony of the party to whom the rebuttal testimony is addressed;

6. That all parties filing supporting exhibits in either PDF or Excel format shall provide the Commission Staff electronic versions of the exhibits filed in native Excel format via email at NCUCexhibits@ncuc.net, including all of the supporting tabs and formulas, within three days of the filing of such exhibits (or within three business days of the issuance of this order if already filed with the Commission); and that Frontier and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact;

6. That Frontier shall publish the Public Notice attached hereto as Appendix A in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks beginning at least 30 days prior to the hearing;

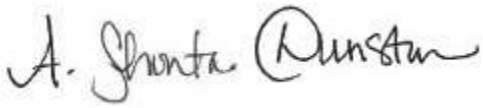
7. That Frontier shall file an affidavit of publication on or before the date of the hearing; and

8. That the parties shall comply with the discovery guidelines established herein and shall work in a cooperative manner as to discovery.

ISSUED BY ORDER OF THE COMMISSION.

This the 6th day of December, 2022.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Chief Clerk

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

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NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing to conduct an annual review of the cost of natural gas supply, storage and transportation for Frontier Natural Gas Company (Frontier). The public hearing has been scheduled for Tuesday, March 7, 2023, at 10:00 a.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering the testimony filed in this proceeding by Frontier.

The hearing is being held pursuant to the provisions of N.C. Gen. Stat. § 62-133.4(c) and Commission Rule R1-17(k)(6) for the purpose of comparing Frontier's prudently incurred gas costs with costs recovered from all the utility's customers served during the test period. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

Frontier filed testimony relating to the subject matter of this hearing on December 1, 2022. Further information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Dobbs Building, 5th Floor, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of Frontier's testimony is available for review by the public, or on the Commission's website at www.ncuc.net.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Correspondence regarding the annual review proceeding and the hearing thereon should be directed to the Public Staff and should include any information which the writer wishes to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

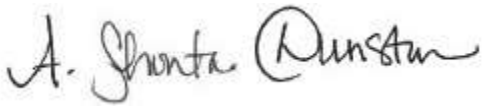
The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Consumer Protection-Utilities, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001. Written statements may be emailed to utilityAGO@ncdoj.gov.

Written statements are not evidence unless the writers appear at a public hearing and testify concerning the information contained in their written statements.

Persons desiring to intervene in this proceeding as formal parties should file a petition to intervene pursuant to Commission Rules R1-5 and R1-19 on or before Monday, February 20, 2023. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before Monday, February 20, 2023.

This the 6th day of December, 2022.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Chief Clerk