

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

**December 18, 2023**

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, December 18, 2023, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

**COMMISSIONERS:**

Commissioner Duffley  
Commissioner Hughes  
Commissioner McKissick  
Commissioner Brawley  
Commissioner Tucker

**COMMISSION STAFF:** Mr. Watson, Ms. Fennell, Ms. Hicks, Ms. Webb-Shackleford, Ms. Hilburn, Mr. Barber, Mr. Keshar; Ms. Winstead; Mr. McCoy

**PUBLIC STAFF:** Mr. Ayers, Ms. Edmondson, Ms. Holt, Mr. Creech, Mr. Josey, Mr. Freeman, Mr. Bernier, Ms. Boswell, Ms. Johnson, Ms. Zhang, Mr. Brown, Mr. McLawhorn, Mr. Lucas, Mr. T. Williamson, Ms. Patel, Mr. Reger

**ATTORNEY GENERAL:**

**COURT REPORTER:** Ms. Clayton

**ELECTRIC***ENERGY EFFICIENCY PROGRAMS***Dominion Energy North Carolina**

1. Docket No. E-22, Sub 569 – Closure of the Residential Appliance Recycling Program (T. Williamson/Feeman)

On November 13, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) seeking approval to close its Residential Appliance Recycling Program (Program) and requesting that the Program be closed to participation as of January 1, 2024, and to withdraw its rate schedule RAR as of the closure date of the Program. This Phase VII Program was originally approved as an energy efficiency program on November 13, 2019, pursuant to N.C. Gen. Stat. § 62-133.9 and Commission Rule R8-68.

The Public Staff stated that it had reviewed the Company's request and agreed with the Company's conclusion that a North Carolina-only version of the Program would likely not be cost-effective.

The Public Staff recommends that the Commission issue its proposed order approving the Company's Application.

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

2. Docket No. E-22, Sub 572 – Closure of the Non-Residential Office Program (T. Williamson/Freeman)

On November 13, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) seeking approval to close its Non-Residential Office Program (Program) and requesting that the Program be closed to participation as of January 1, 2024, and to withdraw its rate schedule NROP as of the closure date of the Program. The Program was originally approved as an energy efficiency program on November 13, 2019, pursuant to N.C. Gen. Stat. § 62-133.9 and Commission Rule R8-68.

The Public Staff stated that it had reviewed the Company's request and agrees with the Company's proposal to streamline the Program with existing Phase IX Non-Residential Building Optimization Program.

The Public Staff recommends that the Commission issue its proposed order approving the Company's Application.

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

3. Docket No. E-22, Sub 573 – Closure of the Non-Residential Lighting Systems and Controls Program (T. Williamson/Freeman)

On November 13, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) seeking approval to close its Phase VII Non-Residential Lighting Systems and Controls Program (Program) and requesting that the Program be closed to participation as of June 1, 2023, and to withdraw its rate schedule NRLSC2 as of the closure date of the Program. The Program was originally approved as a demand response program on November 13, 2019, pursuant to N.C. Gen. Stat. § 62-133.9 and Commission Rule R8-68.

The Public Staff stated that it had reviewed the Company's request and agrees with the Company's proposal to replace the Program with the existing Phase X Non-Residential Lighting Systems and Controls Program.

The Public Staff recommends that the Commission issue its proposed order approving the Company's Application.

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

#### *AFFILIATE AGREEMENTS*

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

4. Docket No. E-22, Sub 476 – Application for Approval of Revised Affiliate Services Agreement with Dominion Energy Services, Inc. (*Brown/Zhang/Freeman*)

On October 20, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed a petition pursuant to North Carolina General Statute § 62-153(b) and Condition (3) of the North Carolina Utilities Commission's (Commission) January 26, 2021 Order Accepting Affiliate Agreements for Filing and Allowing Payment of Compensation issued in the above-captioned proceeding requesting approval of an amended revised service agreement for a three year term effective January 1, 2024. DENC requested that the Commission approve the Revised Services Agreement (Revised DES Services Agreement) under which Dominion Energy Services, Inc. (DES) would continue to provide accounting, legal, human resources, information technology, management, and other centralized services to DENC. Further, DENC requested services previously provided by Dominion Energy Fuel Services, Inc. (DE Fuels), to DENC under the DE Fuels affiliate agreement to be provided by DES going forward as part of the Revised DES Services Agreement.

The Public Staff stated it had completed its review.

The Public Staff recommends the Commission approve the Revised DES Services Agreement subject to conditions.

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

5. Docket No. E-22, Sub 477 – Application for Approval of Revised Affiliate Services Agreement with Dominion Energy Technical Solutions, Inc. (*Brown/Zhang/Freeman*)

On October 20, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application in the above-captioned docket for approval of a revised affiliate agreement (Revised Agreement) pursuant to N.C. Gen. Stat. § 62-153(b) and Condition (3) of the North Carolina Utilities Commission's January 26, 2021 Order Accepting Affiliate Agreements for Filing and Allowing Payment of Compensation issued in the above-captioned proceeding (Commission 2021 Order) governing the provision by Dominion Energy Technical Solutions, Inc. (DTECH) of needed services to DENC at DENC's election (Application). The Company also requested continuation of previously granted exemptions allowing future affiliates, not identified in the Application, that would annually bill to DENC less than \$500,000 for any one service and less than \$2 million in total services to provide limited services to the Company subject to these caps, if such future affiliates execute the Revised Form Affiliate Services Agreement also submitted with the Application.

The Public Staff stated that it is diligently working on its evaluation of the Revised Agreement but needs more time to complete its review, and that it does not oppose the Commission granting DENC interim authority to operate under the Revised Agreement, subject to the same conditions as originally approved in the Commission's 2021 Order, until the Public Staff can complete its review. The Public Staff further stated that, once its review is complete, it will present its final recommendations to the Commission through a filing or by presenting the matter at a future Commission Regular Staff Conference.

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

## **NATURAL GAS**

### *BUSINESS COMBINATION TRANSACTION*

#### **Public Service Company of North Carolina, Inc.**

6. Docket No. G-5, Sub 667 – Joint Application of Public Service Company of North Carolina, Inc. and Enbridge Parrot Holdings, LLC to Engage in a Business Combination Transaction (*Johnson/Boswell/Culpepper*)

On October 20, 2023, Public Service Company of North Carolina, Inc., d/b/a Dominion Energy North Carolina (PSNC) and Enbridge Parrot Holdings, LLC (EP Holdings) (together, Joint Applicants) filed a joint application pursuant to N.C. Gen. Stat. § 62-111(a) and Commission Rule R1-5 for authorization to engage in a business combination transaction.

The Public Staff recommends that an order be issued setting the Joint Application for hearing, establishing deadlines for petitions to intervene and the filing of testimony, establishing appropriate discovery rules, and requiring public notice. The Public Staff further recommends that the procedural order state that the Joint Application satisfies the

requirements of the Commission's Order Requiring Filing of Analyses issued November 2, 2000, in Docket No. M-100, Sub 129.

It was moved and passed that the Public Staff's recommendation be adopted subject to the Commission finalizing dates in the scheduling order.

#### *TAX RIDER BALANCE*

#### **Public Service Company of North Carolina, Inc.**

7. Docket No. G-5, Sub 669 – Application for Authorization to Transfer the Tax Rider Balance to the All Customers' Gas Deferred Account (*Johnson/Holt*)

On October 18, 2023, Public Service Company of North Carolina, Inc. (PSNC or Company), filed a petition in the present docket requesting authorization to transfer the balance in the Company's State Excess Deferred Income Taxes Rider (State EDIT Rider) deferred account to the Company's All Customers' Gas Deferred Account. The State EDIT Rider was originally approved by the North Carolina Utilities Commission in its Order Approving Stipulation, Granting Rate Increase, and Requiring Customer Notice (Rate Case Order) on January 21, 2022, in Docket No. G-5, Subs 632 and 634. Ordering Paragraph No. 12 of the Rate Case Order states that PSNC's excess State EDIT income taxes, which have been recorded in a deferred tax regulatory liability account pursuant to Docket No. M-100, Sub 138 (May 13, 2014), shall be returned to PSNC's customers through the State EDIT Rider over a two-year period, beginning on the effective date of the rates approved in the Rate Case Order, which was November 1, 2021.

The Public Staff stated it had reviewed the application and the Company's responses to the Public Staff's data request.

The Public Staff recommends approval as filed, subject to the Company's informational filing regarding the transfer to the All Customers' Deferred Account from the State EDIT Rider deferred account.

It was moved and passed that the Public Staff's recommendation be adopted, noting modification to the amount of \$283,338.

The Minutes of the Regular Commission Staff Conference of December 11, 2023, were approved.

Minutes prepared by Le Anne Ackerman.