

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH  
STAFF CONFERENCE AGENDA  
April 22, 2024  
Commission Hearing Room 2115, 10:00 a.m.**

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**ELECTRIC**

*ENERGY EFFICIENCY PROGRAM*

**Dominion Energy North Carolina**

1. Docket No. E-22, Sub 693 – Application for Approval of Residential Efficient Products Marketplace Program (*T. Williamson/Freeman*)

**NATURAL GAS**

*GENERAL RATE CASE*

**Piedmont Natural Gas Company, Inc.**

2. Docket No. G-9, Sub 837 – Order Establishing General Rate Case and Suspending Rates (*Patel/Jost*)

The Public Staff recommends approval of these agenda items as described above and reflected in proposed orders provided to the Commission Staff.

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-22, SUB 693

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application by Virginia Electric and Power )  
Company, d/b/a Dominion Energy North ) ORDER APPROVING  
Carolina for Approval of the Residential ) PROGRAM  
Efficient Products Marketplace Program )

BY THE COMMISSION: On March 4, 2024, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) seeking approval of its Phase XI Residential Efficient Products Marketplace Program (Program) and requesting that the Program become effective in the second quarter of 2024. 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) programs, as most recently approved by the Commission on March 22, 2022, in Docket No. E-22, Sub 464 (Mechanism).

In its Application, DENC states that the Program will provide residential customers with an incentive to install various energy efficiency measures. The Program incorporates key program measures from the Company's Phase VII Residential Efficient Products Marketplace Program and introduces an updated measure set that removes lighting measures to maintain compliance with the Energy Independence and Security Act (EISA) legislation<sup>1</sup>. The Application states that participation in the Program will reduce participants' total energy bills as well as the amount of energy required throughout the year on the Company's system and will provide capacity reductions during the Company's peak demand periods.

The Company states that if approved, it will utilize a program implementation vendor to promote the Program on the Company's website, social media outlets, bill inserts, and through in-store promotions. The vendor will utilize field representatives and retail employees in retail stores to promote sales of qualified products.

DENC states that the Program will have a dedicated website which will contain approved products for sale to customers.

<sup>1</sup> Due to EISA standard changes, LED lights are no longer part of the program design.

DENC is requesting recovery of a Program Performance Incentive and net lost revenues associated with the Program, to be determined in accordance with the provisions of the Mechanism.

The Application states that there are no capital costs associated with the Program and that the operating and maintenance costs associated with the Program include administrative costs, implementation costs, and operating and maintenance costs. The Company proposes that these costs be funded by deferral and cost recovery through the Company's annual DSM/EE cost-recovery riders, Rider C and Rider CE, consistent with Commission Rule R8-69 and the Mechanism.

Customers electing to opt out of the DSM/EE Riders pursuant to N.C. Gen. Stat. § 62-133.9(f) cannot participate in the Program.

The Company performed cost-benefit analysis testing for the Program, and three of the four industry-standard cost-benefit tests (Participant, Utility Cost, Total Resource Cost (TRC)) indicated that the Program is likely to be cost effective, while the Program did not appear cost effective under the Ratepayer Impact Measure (RIM).

DENC states that it has contracted with an evaluation, measurement, and verification (EM&V) consultant, DNV Energy Insights USA Inc. (DNV), to develop, execute, and report the EM&V results for the Company's approved DSM/EE programs, and that DENC will work with DNV to develop a comprehensive, system-level EM&V plan for the Program to be filed in the Company's 2024 EM&V Report.

The Company noted that on August 4, 2023, a program analogous to the Program was approved by the Virginia State Corporation Commission in Case No. PUR-2022-00210, which will be deployed in Virginia during the first quarter of 2024. If approved by the Commission, the Program will be deployed in North Carolina during the second quarter of 2024.

The Public Staff presented this matter at the Commission's Regular Staff Conference on April 22, 2024. The Public Staff stated that based on its investigation and review of the Application, it recommended that the Commission approve the Residential Efficient Products Marketplace Program for implementation in the second quarter of 2024 in North Carolina, find that the Program meets the requirements of a "new" DSM/EE program consistent with Rule R8-68, find that all costs incurred by the Company associated with the Program will be eligible for consideration for cost recovery through the Company's annual DSM/EE Riders filed in accordance with Rule R8-69 and the Mechanism, and authorize the Company to receive utility incentives associated with implementation of the Program through the Company's annual DSM/EE Riders in accordance with Rule R8-69 and the Mechanism. The Public Staff recommended that the Commission issue its proposed order concerning the Company's Application.

Based on the foregoing, the Commission is of the opinion that the proposed Program should be approved.

IT IS, THEREFORE, ORDERED:

1. That DENC's Residential Efficient Products Marketplace Program is hereby approved;
2. That DENC's Residential Efficient Products Marketplace Program is eligible for recovery of program costs and incentives, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69;
3. That the proposed utility incentives be included in the Company's annual DSM/EE rider in accordance with Commission Rule R8-69;
4. That the Commission shall determine the appropriate ratemaking treatment for DENC's Residential Efficient Products Marketplace Program, including program costs and utility incentives, in the Company's respective annual cost recovery riders, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69; and
5. That DENC shall file a tariff within ten days of the date of this Order that includes the effective date of the Residential Efficient Products Marketplace Program.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_ day of April, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA  
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DOCKET NO. G-9, SUB 837

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Piedmont Natural Gas Company, )	
Inc., for an Adjustment of Rates, Charges, and )	
Tariffs Applicable to Service in North Carolina, )	ORDER ESTABLISHING
Continuation of its IMR Mechanism, Adoption )	GENERAL RATE CASE AND
of New Depreciation Rates for its Utility )	SUSPENDING RATES
Property, Regulatory Asset Accounting )	
Treatment for Certain Operating Expenses, )	
and Other Relief )	

BY THE COMMISSION: On April 1, 2024, Piedmont Natural Gas Company, Inc. (Piedmont or the Company), filed an application with the Commission requesting authority to adjust and increase its rates for customers in North Carolina effective May 1, 2024, and other relief. Piedmont stated that it intends to make supplemental filings to update its application with actual amounts as of June 30, 2024, and with actual amounts for the new primary customer information system that will be placed into service in July 2024 and two energy reliability centers that will be placed into service in August 2024 as part of the Company's Eastern Carolina Economic Expansion Project.

The Commission finds that the application constitutes a general rate case and that the proposed new rates should be suspended pending investigation.

IT IS, THEREFORE, ORDERED as follows:

1. That this proceeding is declared a general rate case pursuant to N.C. Gen. Stat. § 62-133 and Commission Rule R1-17;
2. That the proposed new rates are suspended until January 26, 2025, pursuant to N.C.G.S. § 62-134, which provides that the Commission may suspend rates for up to 270 days;
3. That the test year period is established as the 12-month period ending December 31, 2023; and
4. That the Commission shall issue an order scheduling hearings, establishing procedural and filing requirements, and requiring public notice at a later date.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of April, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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