

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1249
DOCKET NO. E-7, SUB 1237
DOCKET NO. E-22, SUB 585

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Petition for Expedited Approval of Temporary) ORDER JOINING NECESSARY
Adjustments to Electricity Billing Demand) PARTIES AND REQUESTING
Charges) COMMENTS

BY THE COMMISSION: On March 19, 2020, the Commission issued an Order Suspending Utility Disconnections for Non-Payment, Allowing Reconnection, and Waiving Certain Fees (Waiver Order) in Docket No. M-100, Sub 158. In summary, in response to the COVID-19 State of Emergency declared by Governor Cooper's Executive Orders 116 and 117, the Waiver Order directed all jurisdictional electric, natural gas, and water and wastewater public utilities to (1) immediately cease customer disconnections for non-payment of bills, (2) waive the application of late fees, (3) suspend individual regulations and tariff provisions that prevent or condition reconnections of disconnected customers, (4) provide appropriate notice to customers of these changes, and (5) work with customers at the end of the State of Emergency to establish reasonable payment arrangements for billing arrearages.

On March 31, 2020, Carolina Utility Customers Association, Inc. (CUCA), filed a petition in the above-captioned dockets requesting that the Commission grant expedited approval of temporary adjustments to minimum and maximum billing electricity demand charges under various commercial and industrial rate schedules of Duke Energy Carolinas, LLC, Duke Energy Progress, LLC, and Virginia Electric and Power Company, Inc., d/b/a Dominion Energy North Carolina (collectively, electric utilities). In summary, CUCA stated that certain minimum and maximum monthly electricity demand charges are causing immediate and adverse economic ramifications for industrial and commercial ratepayers who have temporarily curtailed their energy usage due to the COVID-19 State of Emergency. In addition, CUCA stated that some industries are ramping up production to meet additional needs related to COVID-19, which could cause some businesses to exceed their maximum contract demand charges. CUCA further stated that the electric utilities' demand charges are set based on a range of 50% to 80% of a customer's previous demands during prior billing months, or other tariff minimum demand levels. According to CUCA, many manufacturing and energy-intensive businesses will incur millions of dollars in liabilities due to minimum demand charges for energy and capacity that is not being used.

CUCA opined that the minimum and maximum monthly demand charges do not appear to be exempted from any waiver or force majeure provisions in the electric utilities'

tariffs and related service contracts. CUCA also cited a docket pending before the Public Utilities Commission of Ohio regarding similar charges and tariff provisions impacted by the current COVID-19 pandemic. CUCA requested that the Commission take immediate action to temporarily eliminate the monthly minimum and maximum billing demand charges, prorate the current monthly demand charges to reflect a partial month of operation for sites that have significantly curtailed or expanded consumption, and review other tariff provisions to provide as much flexibility as possible while customers' normal operations are disrupted during the State of Emergency. Moreover, CUCA requested that such actions remain in force for the duration of North Carolina's State of Emergency and for 60 days afterwards for affected commercial sectors and six months for affected industrial sectors to allow for normal operations to resume. Finally, CUCA asserted that such actions are in the public interest.

Based on the foregoing, the Commission finds good cause to establish an expedited schedule for persons having a direct interest in this matter to petition for intervention and to file comments. In addition, the Commission finds good cause to make the jurisdictional natural gas utilities and the North Carolina Attorney General's Office parties to this proceeding without the necessity for those entities to file petitions for intervention.

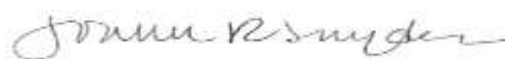
IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont Natural Gas Company, Inc., Public Service Company of North Carolina, Inc., Frontier Natural Gas Company, Toccoa Natural Gas, and the North Carolina Attorney General's Office are hereby deemed parties to this proceeding;
2. That the Chief Clerk shall send copies of this Order to the parties specified above in Ordering Paragraph No. 1;
3. That on or before April 9, 2020, persons having a direct interest in this proceeding may file petitions to intervene;
4. That on or before April 9, 2020, parties may file initial comments on CUCA's petition; and
5. That on or before April 15, 2020, parties may file reply comments.

ISSUED BY ORDER OF THE COMMISSION.

This the 2nd day of April, 2020.

NORTH CAROLINA UTILITIES COMMISSION



Joann R. Snyder, Deputy Clerk