

September 6, 2022

VIA ELECTRONIC FILING

Ms. Antonia Dunston
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street, Dobbs Building
Raleigh, North Carolina 27603

**RE: *Reinstatement of Late Payment Fees,*
Docket Nos. G-9, Sub 767 and M-100, Sub 158**

Dear Ms. Dunston:

This letter is to notify the Commission of the plans of Piedmont Natural Gas Company, Inc. (“Piedmont” or “Company”) to resume the application of late payment charges on both residential and non-residential customer bills beginning with bills rendered in October 2022.

Background

On March 10, 2020, Governor Roy Cooper issued Executive Order No. 116 (“EO No. 116”). EO No. 116 established a State of Emergency in North Carolina in response to the Covid-19 pandemic. Soon after Governor Cooper issued EO No. 116, most of the major electric, natural gas, water, and wastewater utilities regulated by the Commission, including Piedmont, notified the Commission that they were suspending disconnection of their respective utility services for non-payment in recognition of the State of Emergency and to avoid creating additional hardships for their customers. In Piedmont’s March 19, 2020 notification to the Commission on this matter, filed jointly with Duke Energy Carolinas and Duke Energy Progress in Docket Nos. E-7, Sub 1236, E-2, Sub 1228 and G-9, Sub 767, Piedmont also requested a Commission order allowing it to suspend late payment charges to residential and non-residential customers who did not pay their bills on time to prevent the added burden of a late payment charge on these customers in light of the ongoing pandemic.

On March 19, 2020, the Commission issued its Order Suspending Utility Disconnections for Non-Payment, Allowing Reconnection, and Waiving Certain Fees, in Docket No. M-100, Sub 158 (“Public Utility Waiver Order”). In the Public Utility Waiver Order, the Commission stated, among other things, that customers shall not be charged any late fees for late payment of arrearages accrued during the State of Emergency (“Late Fee Moratorium”).

On March 31, 2020, Governor Cooper issued Executive Order No. 124 (“EO No. 124”), in which he noted it was “in the best interest of the people of North Carolina to enact, for all utilities, prohibitions and restrictions similar to and consistent with, the Commission’s [Public Utility Waiver Order].” EO No. 124 defined Utility Service Providers as including, among others, municipalities, cooperatives, and investor-

owned utilities that provide electric, natural gas, water, or wastewater services to end-use residential customers. In pertinent part, EO No. 124 suspended disconnections of residential customers based on nonpayment and also prohibited late fees on arrearages accumulated while EO No. 124 was in effect. Further, EO No. 124 stated that the moratorium on disconnections would expire in 60 days unless suspended or rescinded by a subsequent EO. On May 30, 2020, through Executive Order No. 142 (“EO No. 142”), Governor Cooper extended the May 30, 2020 expiration date of EO No. 124 to midnight July 29, 2020. In addition, EO No. 142 clarified, among other things, that no late fees should be imposed on arrearages accumulated during the effective period of EO No. 142.

On July 29, 2020, the Commission issued its Order Lifting Disconnection Moratorium and Allowing Collection of Arrearages Pursuant to Special Repayment Plans, in the above-captioned dockets. In that order, the Commission clarified that the Late Fee Moratorium shall continue in effect “through the end of the State of Emergency or until further order of the Commission.” In 2021, the Commission reiterated the same in its Order Suspending Disconnections and Providing for Extended Special Repayment Plans for Certain Vulnerable Customers and Requiring Door Hanger Notices. The Commission has issued no other order either terminating or modifying the Late Fee Moratorium since that time.

On August 15, 2022, Governor Cooper issued Executive Order No. 267 (“EO No. 267”), Termination of the COVID -19 State of Emergency. EO No. 267 rescinded the State of Emergency declared by EO No. 116 effective as of the end of the day on August 15, 2022. Page 2 of EO No. 267 specifically states that “All other provisions of [EO No. 116] and all other Executive Orders conditioned upon the State of Emergency declared in [EO No. 116] are also rescinded as of that date and time.”

Resumption of Late Payment Fees

Based on the foregoing, and as noted above, Piedmont intends to resume late payment charges as allowed by Commission Rule R12-9¹ and the Company’s Commission-approved tariff which states that “A late payment charge of 1% per month will be applied to all balances not paid prior to the next month’s billing date.”² Consistent with the Governor’s EOs and the Commission’s orders, no late payment charges will be applied to arrearages incurred during the State of Emergency. Furthermore, due to the framework of Piedmont’s legacy customer billing system which cannot accommodate a bifurcation of the application of the late payment charges by age of customer arrearages, no late payment charges will be applied to any customer account that carries any arrearage covered by the State of Emergency. The Company will notify customers of the general resumption of late payment charges through a message on customers’ September 2022 cycle bills. Customers may first see the late payment charge applied to their October 2022 cycle bills, as applicable.

Piedmont remains committed to working with its customers and to maintaining the best practices for providing customer assistance that it adopted during the State of Emergency.

¹ Commission Rule R12-9(d) provides in pertinent part that “[n]o interest, finance, or service charge for the extension of credit shall be imposed upon the consumer or creditor if the account is paid within twenty-five (25) days from the billing date. No utility shall apply a late payment, interest, or finance charge to the balance in arrears at the rate of more than 1% per month. The bill shall clearly state the interest rate or the amount that would be due if not paid within the allowed amount of time, including the interest, finance or service charge. All utilities must apply the appropriate interest, finance, or service charge on a uniform basis.”

² This tariff provision is included in the following Rate Schedules for Piedmont: 101 (Residential Sales Service), 102 (Small General Sales Service), 103 (Large General Sales Service), 104 (Large General Interruptible Sales Service), 105 (Outdoor Gaslight Service), 106 (Schedule for Limiting and Curtailing Service), 108 (Negotiated Service), 113 (Large General Transportation Service), 114 (Large General Interruptible Transportation Service), 144 (Experimental Medium General Motor Vehicle Transportation Service), 152 (Medium General Service), and T-10 (Transportation Service to Military Installations with Contract Demand in Excess of 5,000 DT Per Day).

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Please do not hesitate to contact me if you have any questions.

Sincerely,

/s/ James H. Jeffries, IV
James H. Jeffries, IV

cc: Beth Culpepper
Lucy Edmondson
Gina Holt
Parties of Record