

1 STAFF CONFERENCE

AUGUST 15, 2022

2 CHAIR MITCHELL: Good morning. Let's go on
3 the record. I'm Charlotte Mitchell, Chair of the
4 Utilities Commission. With me this morning are the
5 following Commissioners: Commissioner Brown-Bland,
6 Commissioner Clodfelter, Commissioner Duffley,
7 Commissioner Hughes, Commissioner McKissick, and
8 Commissioner Kemerait.

9 In the compliance with the State Government
10 Ethics Act, I remind Members of the Commission of our
11 duty to avoid conflicts of interest and inquire, at
12 this time, as to whether any member of the Commission
13 has a known conflict of interest with respect to any
14 matters coming before us this morning.

15 COMMISSIONER KEMERAIT: Chair Mitchell, I'll
16 be recusing myself from Item No. 3.

17 CHAIR MITCHELL: The record will so reflect.
18 Hearing no other conflicts, we'll proceed with Public
19 Staff, Item. 1.

20 MR. SAILLOR: I'm Scott Saillor with the
21 Public Staff Energy Division. Item 1 is a motion by
22 Western Carolina University for authorization and
23 approval to implement a mid-year supplemental
24 Purchased Power Adjustment. The Public Staff reviewed

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1 the filings and information provided by Western
2 Carolina and recommends that the Commission approve
3 Western Carolina's motion as filed.

4 COMMISSIONER BROWN-BLAND: Move approval of
5 the recommendation.

6 COMMISSIONER CLODFELTER: Second.

7 CHAIR MITCHELL: It's been moved and
8 seconded that the item be approved as recommended by
9 the Public Staff. Any questions or discussion on the
10 motion?

11 (No response)

12 CHAIR MITCHELL: Hearing none, all in favor,
13 indicate with an aye.

14 (All Commissioners say aye)

15 CHAIR MITCHELL: Is there anyone opposed?

16 (No response)

17 CHAIR MITCHELL: All right. Motion carries.
18 Thank you, Mr. Saillor. We'll proceed to Public
19 Staff, Item 2.

20 MR. LAWRENCE: Good morning. I'm Evan
21 Lawrence with the Public Staff's Energy Division.
22 Electric, Item 2 is a request by Duke Energy Carolinas
23 and Duke Energy Progress to increase the price of a
24 block of energy for the Renewable Advantage Rider.

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1 The Public Staff recommends that the Commission accept
2 the requested price increase, issue the proposed
3 order. And I will note also that the Company did
4 include in the filing a customer notice, and the
5 Public Staff is also recommending that the Commission
6 accept the public notice.

7 COMMISSIONER BROWN-BLAND: Move approval of
8 the recommendation.

9 COMMISSIONER CLODFELTER: Second.

10 CHAIR MITCHELL: It's been moved and
11 seconded that the item be approved as recommended by
12 the Public Staff. Questions or discussion on motion?
13 Commissioner McKissick.

14 COMMISSIONER MCKISSICK: Just one question.
15 Do you have any idea how many customers are actually
16 participating in this program, at this time? I know
17 it was indicated that at the onset of the pandemic,
18 there was a drop-off and they took marketing, I guess
19 it was, from an outside entity and brought it
20 in-house. So I was wondering, you know, has that
21 drop-off stabilized or how many customers were there
22 at the program's height compared to where they are
23 today?

24 MR. LAWRENCE: I don't believe I have the

1 exact numbers in front of me, but I can speak
2 generally. The enrollments for the first year were
3 about -- they were protected 8 to 10,000 customers, I
4 believe, and the numbers have remained fairly steady
5 since the onset of the program. The issue comes in
6 where the number of customers was expected to
7 increase, not remain stagnant. It was expected to
8 increase fairly substantially over that. And I can't
9 remember if -- where the enroll is, whether it's above
10 or below where the initial was, but it's still in the
11 same area, well below what was expected.

12 COMMISSIONER McKISSICK: Madam Chair, it
13 looks like somebody from Duke might have --

14 CHAIR MITCHELL: Ms. Fentress, come on up.

15 MS. FENTRESS: Good morning. My name
16 Kendrick Fentress. I'm appearing on behalf of Duke
17 Energy Carolinas and Duke Energy Progress. I
18 appreciate the Public Staff addressing that question.
19 I just have a little bit to add. Public Staff is
20 entirely correct. The numbers at the outset were in
21 the 8,000 range for customers. However, last month
22 for DEC, the number of customers participating in the
23 program was 4,644. For DEP, 4,942. That's a total of
24 9,583, if my math is right, so we have seen that

1 drop-off due to the pandemic.

2 Additionally, because our costs for
3 marketing had begun to increase, we had not been
4 marketing it as aggressively or robustly as we had
5 before. We have pulled our marketing in-house. It
6 had been done by a third-party. That has helped cut
7 cost, but it does drive the reason we came in and
8 asked for the increase. We're hoping that those
9 numbers will go up once we are able to start marketing
10 again and we get further away from the pandemic. It's
11 something we understand that our customers like, that
12 it's a revenue-neutral program. It's something we
13 give to customers. And the program itself funds
14 itself, but due to the increase in marketing and the
15 drop of customers, that's why we're here for you
16 today.

17 COMMISSIONER McKISSICK: Thank you. Just
18 one quick follow-up, if I could. What are you
19 projecting the rate of increase might be, particularly
20 since, I guess, the average cost per customer is going
21 from like \$12 a month up to \$16?

22 MS. FENTRESS: That's an excellent point.
23 We are hopeful that with renewed interest in renewable
24 energy and with the effects of the pandemic waning

1 with an additional marketing campaign, that we will
2 see an increase and get back up to the projected
3 numbers that -- that's what we hope.

4 COMMISSIONER McKISSICK: Thank you. Thank
5 you, Madam Chair.

6 CHAIR MITCHELL: Commissioner Hughes.

7 COMMISSIONER HUGHES: While you're up, do
8 you have any information on the number of blocks or
9 the average number of blocks for these customers? Are
10 they trying to offset their total use in buying
11 multiple blocks or --

12 MS. FENTRESS: The average number, at this
13 time, is two blocks, which would offset half the usage
14 of a typical monthly usage customer. Four blocks, as
15 you note, would generally offset all of the usage, but
16 we see a majority of two-block increment.

17 COMMISSIONER HUGHES: Thank you.

18 CHAIR MITCHELL: Any additional questions
19 for Ms. Fentress?

20 (No response)

21 CHAIR MITCHELL: Thank you, Ms. Fentress.
22 Any additional questions or discussion on the motion?

23 (No response)

24 CHAIR MITCHELL: Hearing none, all in favor,

1 indicate with an aye.

2 (All Commissioners say aye)

3 CHAIR MITCHELL: Is there anyone opposed?

4 (No response)

5 CHAIR MITCHELL: Motion carries. Thank you,
6 Mr. Lawrence. We will proceed now to Public Staff,
7 Item 3.

8 MR. WILLIAMSON: Good morning,
9 Commissioners. I'm Tommy Williamson with the Energy
10 Division. Item 3 consists of an application for CPCN,
11 accompanied by registration, to become a new solar
12 photovoltaic renewable energy facility. The Public
13 Staff recommends that the Commission accept the
14 application, issue the Certificate, and approve the
15 registration. Thank you.

16 COMMISSIONER BROWN-BLAND: Move approval of
17 the recommendation.

18 COMMISSIONER CLODFELTER: Second.

19 CHAIR MITCHELL: Before I call for a vote,
20 Mr. Williamson, what does the Public Staff know about
21 why the battery facility or the energy storage
22 facility has been removed from this project?

23 MR. WILLIAMSON: As far as details as to why
24 it was removed, I'm not aware of the details behind

1 that. It's just that I know this was part of a --
2 there were filed applications that were submitted
3 roughly at the same time, and all five had their --
4 the batteries were removed from the application.

5 CHAIR MITCHELL: Okay. All five were
6 similarly sized? And note, this one is 80 megawatts?

7 MR. WILLIAMSON: Correct.

8 CHAIR MITCHELL: Any additional questions,
9 discussion?

10 (No response)

11 CHAIR MITCHELL: All in favor, indicate with
12 an aye.

13 (All Commissioners say aye)

14 CHAIR MITCHELL: Anyone opposed?

15 (No response)

16 CHAIR MITCHELL: Motion carries. Thank you,
17 Mr. Williamson. We'll proceed to Public Staff, Item
18 4.

19 MS. DARDEN: Good morning. I'm Lindsay
20 Darden, Engineer with the Public Staff Water, Sewer,
21 and Telephone Division. Presenting Item No. 4, Docket
22 No. W-1274, Sub 10. On July 13th, 2022, Lake
23 Junaluska Assembly filed a Letter to Amend its Tariff
24 for the purpose of passing along to water and sewer

1 customers an increase in the cost of purchasing water
2 and sewer treatment service from the Town of
3 Waynesville. The Public Staff recommends that the
4 proposed order be issued approving the recommended
5 tariff revision.

6 COMMISSIONER BROWN-BLAND: Move approval of
7 the recommendation.

8 COMMISSIONER CLODFELTER: Second.

9 CHAIR MITCHELL: It's been moved seconded
10 that the item be approved as recommended by the Public
11 Staff. Questions, discussion?

12 COMMISSIONER McKISSICK: I believe there's
13 some questions. I guess we can take those questions
14 up later.

15 CHAIR MITCHELL: Right. We will take those
16 questions up later.

17 COMMISSIONER McKISSICK: Okay. That'll be
18 fine. Thank you.

19 CHAIR MITCHELL: Any additional questions,
20 discussion?

21 (No response)

22 CHAIR MITCHELL: All in favor, indicate with
23 an aye.

24 (All Commissioners say aye)

1 CHAIR MITCHELL: Is there anyone opposed?

2 (No response)

3 CHAIR MITCHELL: Motion carries. Thank you,
4 Ms. Darden. We'll proceed to Public Staff, Items 5
5 and 6. Come on up, Ms. Proffitt.

6 MS. PROFFITT: Good morning. My name is
7 Karen Proffitt with the Public Staff Water, Sewer, and
8 Telephone Division. Communications Items 5 and 6
9 present interconnection agreements filed by AT&T North
10 Carolina on June the 21st. Public Staff has reviewed
11 the filings and recommends that orders be issued
12 approving the agreements effective on the date where
13 they were filed. Public Staff has provided proposed
14 orders to the Commission Staff.

15 COMMISSIONER BROWN-BLAND: Move approval of
16 the recommendation.

17 COMMISSIONER CLODFELTER: Second.

18 CHAIR MITCHELL: It's been moved and
19 seconded that the items be approved as recommended by
20 the Public Staff. Questions, discussion on that
21 motion?

22 (No response)

23 CHAIR MITCHELL: All in favor, indicate with
24 an aye.

1 (All Commissioners say aye)

2 CHAIR MITCHELL: Is there anyone opposed?

3 (No response)

4 CHAIR MITCHELL: Motion carries. Thank you,
5 Ms. Proffitt.

6 MS. PROFFITT: Thank you.

7 CHAIR MITCHELL: Commission has before us
8 our minutes from the July 25th Staff Conference for
9 approval. I'll take a motion.

10 COMMISSIONER CLODFELTER: Move approval.

11 COMMISSIONER DUFFLEY: Second.

12 CHAIR MITCHELL: Any questions, discussion?

13 (No response)

14 CHAIR MITCHELL: All in favor, indicate with
15 an aye.

16 (All Commissioners say aye)

17 CHAIR MITCHELL: Is there anyone opposed?

18 (No response)

19 CHAIR MITCHELL: Our minutes of July 25th
20 Staff Conference are approved. All right. Additional
21 business. Mr. Junis, come on up.

22 MR. JUNIS: Madam Chair, I just want to take
23 this opportunity to introduce our new engineer in the
24 Public Staff, Water, Sewer, and Telephone Division,

1 Evan Houser. He has some consulting engineering
2 experience, but has worked nearly the past three years
3 at DEQ and the Public Water supply section. Focused
4 on water quality compliance, and most recently
5 implementation and enforcement of the Lead and Copper
6 Rule. It should be noted that he is an NC State grad
7 with a Bachelor's degree in Environmental Engineering.
8 So we are excited for the college football season and
9 the contributions that Mr. Houser will make to our
10 division. I'll just give him the opportunity to say
11 hello.

12 MR. HOUSER: Nice to meet you. I'm looking
13 forward to working with all of you.

14 CHAIR MITCHELL: Well, good morning,
15 Mr. Houser. We're certainly glad you're here with us.
16 No shortage of challenges. Mr. Junis has brought you
17 on at the perfect time, so welcome. Hope you took
18 some good vacation before you started.

19 MR. HOUSER: I did.

20 CHAIR MITCHELL: Got yourself into a good
21 place. Mr. Junis, I'll just leave on the table your
22 comments about football season. I can't even go
23 there, but Mr. Houser, we are glad you're here and
24 look forward to working with you, so thank you.

1 MR. HOUSER: All right.

2 COMMISSIONER BROWN-BLAND: I notice there's
3 a new string of Evans all on the Public Staff side.

4 MR. JUNIS: Yeah. We just want to keep you
5 on your toes, you know, add a little spice of
6 confusion, but they will all be integral parts of the
7 team, so we're happy to have them.

8 CHAIR MITCHELL: Well, thank you very much.
9 Any additional business for the Commission this
10 morning before we call it?

11 (No response)

12 CHAIR MITCHELL: Hearing none, we'll be
13 adjourned. Thank you very much.

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15 WHEREUPON, this conference is adjourned.

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C E R T I F I C A T E

I, TONJA VINES, DO HEREBY CERTIFY that the proceedings in the above-captioned matter were taken before me, that I did report in stenographic shorthand the Proceedings set forth herein, and the foregoing pages are a true and correct transcription to the best of my ability.



Tonja Vines