

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
January 25, 2021**

***IMPORTANT NOTE: STAFF CONFERENCE
WILL BE CONDUCTED VIA WEBEX.
INSTRUCTIONS FOR PARTICIPATION AND A LINK TO VIEW
THE MEETING WILL BE POSTED ON THE COMMISSION'S
WEBSITE, NCUC.NET***

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

D. ELECTRIC

- P1. APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY
- P2. DOCKET NO. E-22, SUBS 476 AND 477 – DOMINION ENERGY NORTH CAROLINA – PETITIONS FOR APPROVAL OF REVISED SERVICES AGREEMENT AND REVISED AFFILIATE SERVICES AGREEMENTS
EXHIBIT NO. P-1

E. WATER

- P1. DOCKET NO. W-1314, SUB 4 – PLURIS WEBB CREEK, LLC – ORDER APPROVING TRANSITIONAL BILLING ARRANGEMENTS IN 2021 AND REQUIRING CUSTOMER NOTICE EXHIBIT NO. P-2

TO: Agenda – Commission Conference – January 25, 2021

FROM: PUBLIC STAFF – North Carolina Utilities Commission

D. ELECTRIC

P1. APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY

EXPLANATION: The following application seeks an amended certificate of public convenience and necessity for construction of a solar photovoltaic (PV) electric generating facility, pursuant to N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

Duke Energy Carolinas:

- Docket No. SP-8746, Sub 0 – Application of Pelham Solar, LLC, for an amended certificate of public convenience and necessity to construct a 35-MW solar PV facility in Caswell County, North Carolina (registration statement issued previously)

The Public Staff has reviewed the application and determined that it complies with the requirements of N.C.G.S. § 62-110.1 and Commission Rule R8-64.

RECOMMENDATION: (Metz) That the Commission issue an order approving the application and issuing the requested amended certificate for the facility. A proposed order has been provided to the Commission Staff.

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P2. DOCKET NO. E-22, SUBS 476 AND 477 – DOMINION ENERGY NORTH CAROLINA – PETITIONS FOR APPROVAL OF REVISED SERVICES AGREEMENT AND REVISED AFFILIATE SERVICES AGREEMENTS

EXPLANATION: On October 6, 2020, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed two petitions requesting approval of certain revised affiliate agreements. In Docket No. E-22, Sub 476, DENC requested that the Commission approve a revised 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. In Docket No. E-22, Sub 477, DENC requested approval of four revised separate affiliate services agreements. DENC also requested approval of a revised form affiliates services agreement under which future affiliates would be permitted to provide limited services to the Company subject to certain cost caps.

On December 8, 2020, the Company filed an Amended Revised DES Services Agreement, four Amended Revised Affiliate Services Agreements, and an Amended Form Affiliates Services Agreement, collectively referred to herein as the amended revised affiliate agreements. The Company indicated that the amended revised affiliate agreements should supersede and replace the versions of the agreements filed with its petitions on October 6, 2020.

On December 16, 2020, the Commission issued an Order on Affiliate Agreements. In summary, based on the recommendation of the Public Staff, the Commission accepted the amended revised affiliate agreements for filing and the payment of compensation thereunder on an interim basis, with several conditions. The Commission noted that the Public Staff was in the process of its investigation and review of the amended revised affiliate agreements and was awaiting receipt of the final orders of the Virginia State Corporations Commission (VSCC) in this matter and would provide its final recommendations to the Commission when its review was complete.

The Public Staff has completed its review of the amended revised affiliate agreements, which included a review of DENC's petitions, DENC's Regulatory Conditions and Code of Conduct approved by the Commission in its Order Approving Merger Subject to Regulatory Conditions and Code of Conduct (Dominion/SCANA Merger Order), in Docket No. E-22, Sub 551 (November 19, 2018), and responses to data requests. The Public Staff has also reviewed the orders approving the amended revised affiliate agreements issued by the VSCC on December 17, 2020, in Case No. PUR-2020-00228, and on December 21, 2020, in Case No. PUR-2020-00229.

Based on its review, the Public Staff recommends the following to the Commission¹:

¹ The majority of the Public Staff's recommendations were approved by order of the Commission filed on January 18, 2019, in Docket Nos. E-22, Sub 476, and Sub 477. Additional recommendations were approved by the VSCC in its orders issued December 17, 2020, in Case No. PUR-2020-00228, and December 21, 2020, in Case No. PUR-2020-00229.

1) That the amended revised affiliate agreements be accepted for filing and payment thereunder authorized for three years, from January 1, 2021, through December 31, 2023, with DENC's ability to pay these affiliates subject to adjustment if found appropriate by the Commission upon its own motion or petition by the Public Staff or another party.

2) If the Company wishes to extend the amended revised affiliate agreements beyond the three-year period, separate Commission approval will be required.

3) No changes may be made to any of the amended revised affiliate agreements without prior filing with the Commission, including changes in the terms and conditions, allocation methodologies, service category descriptions, and successors or assigns. DENC shall file any proposed amendments prior to the execution of amended agreements and prior to any payment for services pursuant to an amended agreement.

4) The Commission's acceptance of the amended revised affiliate agreements and approval of payment thereunder shall have no accounting or ratemaking implications.

5) The Commission's acceptance of the amended revised affiliate agreements and approval of payment thereunder shall be limited to the specific services identified in the amended revised affiliate agreements. Should DENC wish to obtain additional services from affiliates other than those specifically identified in the amended revised affiliate agreements, separate Commission approval shall be required.

6) DENC shall provide written notice to the Commission within 15 days of any election, by either DENC or the affiliates, of new services not currently selected in each of the respective amended revised affiliate agreements that it intends to take pursuant to such agreements, regardless of the cost of such services. If new services are selected, DENC shall include that information in its Annual Report of Affiliated Transactions (ARAT) filed in Docket No. E-22, Sub 551A.

7) All terms of the amended revised affiliate agreements and the activities conducted pursuant thereto shall remain subject to DENC's compliance with its Regulatory Conditions and Code of Conduct approved by the Commission in the Dominion/SCANA Merger Order.

8) All services provided by each of the affiliates pursuant to the amended revised affiliate agreements shall be at the lower of cost or market. Supporting documentation for such transactions shall be made available for Public Staff and Commission review upon request, including the periodically-conducted market price studies required by Regulatory Condition No. 4.2.

9) DENC shall have the burden of proving that any and all goods and services procured from its affiliates have been procured on the most favorable terms and conditions reasonably available in the relevant market, which shall include a showing that such goods and services could not have been procured at a lower price from qualified non-affiliate sources, or that DENC could not have provided the services or goods for

itself on the same basis at a lower cost, as required by Regulatory Condition No. 4.2(a). Records of such investigations and comparisons shall be made available for Public Staff and Commission review upon request.

10) The Commission's acceptance of the amended revised services agreements and authorization of payment thereunder shall not be deemed in connection with any future proceeding before the Commission to determine and establish DENC's retail rates or for any other purpose, or to constitute Commission approval of any level of charges directly charged, assigned, or allocated to DENC under the agreements.

11) All terms of the amended revised affiliate agreements and the activities conducted pursuant thereto remain subject to ongoing review as to their appropriateness and reasonableness and to modification by the Commission upon its own motion, or upon a motion by the Public Staff or another party.

12) All goods and services rendered pursuant to the amended revised affiliate agreements and the costs and benefits directly charged, assigned, and/or allocated in connection with such services, and the determination or calculation of the bases and factors utilized to assign or allocate such costs and benefits, remain subject to ongoing review as to their appropriateness and reasonableness and to further action by the Commission upon its own motion or upon the motion of any party.

13) DENC shall include all transactions under the amended revised affiliate agreements in its ARAT filed with the Commission. The report of the transactions should include the docket number in which the amended revised affiliate agreements were approved, the name and type of activity performed by each direct and indirect affiliate/future affiliate to the agreements, and a schedule in Excel electronic spreadsheet format, with formulas intact, listing the prior year's transactions by month, type of service, FERC account, and the dollar amount (as the transaction is recorded on the Company's books).

14) DENC shall continue to involve the Public Staff in the ongoing work the VSCC required DENC to engage in regarding the verification and auditing of DES charges.

15) DENC shall continue to include a Status Report in its ARAT describing DENC's progress toward implementing the DENC-prepared Detailed Report's measures/recommendations set forth in Attachment D to DENC's application for approval of the current DES services agreement filed in Docket No. E-22, Sub 476, on October 30, 2018. DENC shall maintain records that shall be made available to the Public Staff and Commission upon request to support any statement or claims made in the Detailed Report and the Status Report.

16) The Commission's acceptance of the amended revised affiliate agreements and authorization of payment thereunder shall not be deemed to constitute the approval of any specific charges under the amended revised affiliate agreements, or a guarantee

of any recovery of costs directly or indirectly related to the amended revised affiliate agreements.

17) DENC is exempted from the requirement to file pursuant to N.C. Gen. Stat. § 62-153 any affiliate services agreements with any future affiliates that bill (a) less than \$500,000 per service per year and (b) no more than \$2 million total per year on a system wide basis to DENC, provided that the future affiliate executes the form agreement in the form as filed herein, with DENC having the burden of monitoring such billings and filing, pursuant to N.C.G.S. § 62-153, prior to such billing exceeding either of the caps set forth in (a) and (b) above. Any such agreement, once executed, shall be filed with DENC's next occurring ARAT, along with a report of any charges that have been incurred under such agreement.

18) The Commission reserves the right to revoke the exemption stated in the above paragraph at any time such revocation is deemed to be in the public interest.

19) The Commission reserves the right to examine the books and records of DENC and any affiliate in connection with the amended revised affiliate agreements, whether or not such affiliate is regulated by this Commission.

20) Commission approval is required for DES or another services company to provide centralized services to DENC under the amended revised affiliate agreements by the engagement of affiliated third parties.

21) All requirements regarding the amended revised affiliate agreements shall also apply to transactions between DENC and future affiliates to which exemption from the filing and prior approval requirements apply.

22) DENC shall file with the Commission signed and executed copies of each of the amended revised affiliate agreements within 30 days of the date of this order.

23) The foregoing conditions shall not replace, supersede, or modify the conditions previously approved by the Commission in Docket No. E-22, Sub 434, with respect to the currently effective Fuel Purchase, Sale and Services Agreement filed in that docket and in Docket No. E-22, Sub 512.

24) The Commission's acceptance of the amended revised affiliate agreements and the authorization of DENC to make payments pursuant to the agreements does not constitute approval of the amount of fees or compensation paid by DENC under the agreements for ratemaking purposes, and the authority granted is without prejudice to the right of any party to take issue with any provision of the agreements in a future proceeding.

DENC has agreed to the conditions recommended by the Public Staff.

EXHIBIT: The Public Staff's proposed order is attached as [Exhibit No. P-1](#).

RECOMMENDATION: (Li/Boswell/McLawhorn/Jost) That the Commission issue the proposed order (1) accepting for filing the Amended Revised DES Services Agreement, four Amended Revised Affiliate Services Agreements, and Amended Revised Form Affiliates Services Agreement; (2) authorizing DENC to make payments under the amended revised affiliate agreements in accordance with their terms; and (3) stating that the Commission's acceptance for filing and authorization of DENC to make payments under the amended revised affiliate agreements shall be subject to the conditions recommended by the Public Staff enumerated in the proposed order and described above.

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E. WATER

P1. DOCKET NO. W-1314, SUB 4 – PLURIS WEBB CREEK, LLC – ORDER APPROVING TRANSITIONAL BILLING ARRANGEMENTS IN 2021 AND REQUIRING CUSTOMER NOTICE

EXPLANATION: On August 8, 2016, in Docket No. W-864, Sub 11, the Commission issued an Order Appointing Emergency Operator, Approving Increased Rates, and Requiring Customer Notice. In that Order, Pluris Webb Creek, LLC (Pluris Webb Creek or the Company), was appointed emergency operator of Webb Creek Water and Sewage, Inc.'s wastewater utility system in Onslow County, North Carolina. The Schedule of Provisional Rates for Webb Creek Water and Sewage, Inc. (Pluris Webb Creek, LLC, Emergency Operator), attached as Appendix A to the August 8, 2016 Order, continued the billing frequency previously used by Webb Creek and stated that the billing frequency “[s]hall be monthly for service in arrears.”

On March 26, 2019, in Docket Nos. W-864, Sub 11, W-864, Sub 14, and W-1314, Sub 1, the Commission issued an Order Revoking Webb Creek Water and Sewage, Inc.'s Franchise, Granting Certificate of Public Convenience and Necessity to Pluris Webb Creek, LLC, Continuing Interim Rates, Discharging Emergency Operator, and Requiring Customer Notice. The Schedule of Provisional Interim Rates for Pluris Webb Creek, LLC, attached as Appendix B to the March 26, 2019 Order, stated that the billing frequency “[s]hall be monthly for service in arrears.”

On November 14, 2019, in Docket Nos. W-822, Sub 3, W-1314, Sub 0, and W-1314, Sub 2, the Commission issued an Order Canceling Temporary Operating Authority, Approving Transfer, Granting Franchise, Approving Interim Rates, Requiring Undertaking, and Requiring Customer Notice. The Schedule of Interim Provisional Rates for Pluris Webb Creek, LLC, attached as Appendix B to the November 14, 2019 Order, stated that the billing frequency “[s]hall be monthly for service in arrears”.

On April 27, 2020, in Docket No. W-1314, Sub 4, Pluris Webb Creek filed an Application for a general increase in wastewater utility service rates in all its service area in Onslow County, North Carolina.

On December 17, 2020, in Docket No. W-1314, Sub 4, the Commission issued an Order Approving Agreement and Stipulation, Granting Rate Increase, and Requiring Customer Notice (December 17, 2020 Order). The Schedule of Rates for Pluris Webb Creek, LLC, attached as Appendix A to the December 17, 2020 Order, stated that the billing frequency for Flat Rate Residential Customers “[s]hall be monthly for service in advance”.¹

On January 8, 2021, in Docket No. W-1314, Sub 4, Pluris Webb Creek filed with the Commission a Request for Approval of Transitional Billing Arrangements in 2021. In its request, the Company provided a suggested billing method to reduce the impact to Pluris

¹ Pluris Webb Creek's affiliates, Pluris, LLC, (W-1282) and Pluris Hampstead, LLC, (W-1305) both bill their flat rate residential customers in advance, as provided for in their respective Commission-approved Tariffs.

Webb Creek's residential customers in transitioning from monthly billing in arrears to monthly billing in advance to comply with the December 17, 2020 Order.

Pluris Webb Creek billed all customers for service provided in December 2020, in arrears, based on its prior approved rates, adjusted to reflect the rate increase approved in the December 17, 2020 Order. The Company plans to bill customers for service provided in January 2021, in arrears, at the newly approved rate. Pluris Webb Creek proposes to transition billing residential customers monthly in advance beginning in February 2021. To lessen the residential customer impact of this transition, the Company will not bill its residential flat rate customers at the same time both for service in arrears during the month of January 2021, and for service in advance for the month of February. Rather, as for the in-advance billing for February, the Company proposes to defer the monthly bill amount of \$73.38 over a period of eleven months to be accomplished by billing 1/11th of the \$73.38 monthly billing charge in the remaining eleven months of 2021 (February through December 2021), which equates to \$6.67 per month.

Under Pluris Webb Creek's requested approach, on February 1, 2021, the Company will send two separate wastewater utility bills to its residential customers. One bill will be for monthly wastewater utility service billed in arrears from January 1, 2021 through January 31, 2021, in the amount of \$73.38. The second bill will be for \$6.67, which is 1/11th of the February 1, 2021 through February 28, 2021 monthly billing charge of \$73.38 billed in advance. Beginning on March 1, 2021, residential wastewater customers will be billed in advance one monthly bill in the amount of \$80.05, consisting of \$73.38 for the month of March and \$6.67 for the fractional amount due for the month of February. This billing method will continue for the remainder of 2021. Beginning with the January 1, 2022 monthly billing, Pluris Webb Creek will have completed the transition of residential flat rate customers from monthly billing in arrears to monthly billing in advance and residential wastewater utility service will be billed in advance at the Commission approved residential flat rate of \$73.38 on a going forward basis as set forth in the December 17, 2020 Order.

The Public Staff has reviewed the proposed transitional billing arrangements, and agrees with the proposal as described herein.

EXHIBIT: A proposed order is attached as [Exhibit No. P-2](#).

RECOMMENDATION: (Franklin/Creech) That the Commission issue the proposed order approving transitional billing arrangements in 2021 and provide customer notice.

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 476
DOCKET NO. E-22, SUB 477

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Petitions of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina for Approval of a Revised Services Agreement and Revised Affiliate Services Agreements) ORDER ACCEPTING AFFILIATE AGREEMENTS FOR FILING AND ALLOWING PAYMENT OF COMPENSATION
)

BY THE COMMISSION: On October 6, 2020, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed two petitions requesting approval of certain revised affiliate agreements. In Docket No. E-22, Sub 476, DENC requested that the Commission approve a revised 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. In Docket No. E-22, Sub 477, DENC requested approval of four revised separate affiliate services agreements. DENC also requested approval of a revised form affiliates services agreement under which future affiliates would be permitted to provide limited services to the Company subject to certain cost caps.

On December 8, 2020, the Company filed an Amended Revised DES Services Agreement, four Amended Revised Affiliate Services Agreements, and an Amended Form Affiliates Services Agreement, collectively referred to herein as the amended revised affiliate agreements. The Company indicated that the amended revised affiliate agreements should supersede and replace the versions of the agreements filed with its petitions on October 6, 2020.

On December 16, 2020, the Commission issued an Order on Affiliate Agreements. In summary, based on the recommendation of the Public Staff – North Carolina Utilities Commission (Public Staff), the Commission accepted the amended revised affiliate agreements for filing and the payment of compensation thereunder on an interim basis, with several conditions. The Commission noted that the Public Staff was in the process of its investigation and review of the amended revised affiliate agreements and was

awaiting receipt of the final orders of the Virginia State Corporations Commission (VSCC) in this matter and would provide its final recommendations to the Commission when its review was complete.

The Public Staff presented this matter at the Commission's Regular Staff Conference on January 25, 2021. The Public Staff stated that it had completed its review of the amended revised affiliate agreements. Further, the Public Staff noted that the amended revised affiliate agreements were approved by the VSCC by order issued December 17, 2020, in Case No. PUR-2020-00228, and by order issued December 21, 2020, in Case No. PUR-2020-00229.

The Public Staff stated that its review of the amended revised affiliate agreements included a review of DENC's petitions, DENC's Regulatory Conditions and Code of Conduct approved by the Commission in its Order Approving Merger Subject to Regulatory Conditions and Code of Conduct (Dominion/SCANA Merger Order), in Docket No. E-22, Sub 551 (November 19, 2018), responses to data requests, and the VSCC orders. Based on its review, the Public Staff recommended that the Commission approve the amended revised affiliate agreements subject to the following conditions:

1) That the amended revised affiliate agreements be accepted for filing and payment thereunder authorized for three years, from January 1, 2021, through December 31, 2023, with DENC's ability to pay these affiliates subject to adjustment if found appropriate by the Commission upon its own motion or petition by the Public Staff or another party.

2) If the Company wishes to extend the amended revised affiliate agreements beyond the three-year period, separate Commission approval will be required.

3) No changes may be made to any of the amended revised affiliate agreements without prior filing with the Commission, including changes in the terms and conditions, allocation methodologies, service category descriptions, and successors or assigns. DENC is required to file any proposed amendments prior to the execution of amended agreements and prior to any payment for services pursuant to an amended agreement.

4) The Commission's acceptance of the amended revised affiliate agreements and approval of payment thereunder shall have no accounting or ratemaking implications.

5) The Commission's acceptance of the amended revised affiliate agreements and approval of payment thereunder shall be limited to the specific services identified in

the amended revised affiliate agreements. Should DENC wish to obtain additional services from affiliates other than those specifically identified in the amended revised affiliate agreements, separate Commission approval shall be required.

6) DENC shall provide written notice to the Commission within 15 days of any election, by either DENC or the affiliates, of new services not currently selected in each of the respective amended revised affiliate agreements that it intends to take pursuant to such agreements, regardless of the cost of such services. If new services are selected, DENC shall include that information in its Annual Report of Affiliated Transactions (ARAT) filed in Docket No. E-22, Sub 551A.

7) All terms of the amended revised affiliate agreements and the activities conducted pursuant thereto shall remain subject to DENC's compliance with its Regulatory Conditions and Code of Conduct approved by the Commission in the Dominion/SCANA Merger Order.

8) All services provided by each of the affiliates pursuant to the amended revised affiliate agreements shall be at the lower of cost or market. Supporting documentation for such transactions shall be made available for Public Staff and Commission review upon request, including the periodically-conducted market price studies required by Regulatory Condition No. 4.2.

9) DENC shall have the burden of proving that any and all goods and services procured from its affiliates have been procured on the most favorable terms and conditions reasonably available in the relevant market, which shall include a showing that such goods and services could not have been procured at a lower price from qualified non-affiliate sources, or that DENC could not have provided the services or goods for itself on the same basis at a lower cost, as required by Regulatory Condition No. 4.2(a). Records of such investigations and comparisons shall be made available for Public Staff and Commission review upon request.

10) The Commission's acceptance of the amended revised services agreements and authorization of payment thereunder shall not be deemed in connection with any future proceeding before the Commission to determine and establish DENC's retail rates or for any other purpose, or to constitute Commission approval of any level of charges directly charged, assigned, or allocated to DENC under the agreements.

11) All terms of the amended revised affiliate agreements and the activities conducted pursuant thereto remain subject to ongoing review as to their appropriateness and reasonableness and to modification by the Commission upon its own motion, or upon a motion by the Public Staff or another party.

12) All goods and services rendered pursuant to the amended revised affiliate agreements and the costs and benefits directly charged, assigned, and/or allocated in connection with such services, and the determination or calculation of the bases and factors utilized to assign or allocate such costs and benefits, remain subject to ongoing review as to their appropriateness and reasonableness and to further action by the Commission upon its own motion or upon the motion of any party.

13) DENC shall include all transactions under the amended revised affiliate agreements in its ARAT filed with the Commission. The report of the transactions should include the docket number in which the amended revised affiliate agreements were approved, the name and type of activity performed by each direct and indirect affiliate/future affiliate to the agreements, and a schedule in Excel electronic spreadsheet format, with formulas intact, listing the prior year's transactions by month, type of service, FERC account, and the dollar amount (as the transaction is recorded on the Company's books).

14) DENC shall continue to involve the Public Staff in the ongoing work the VSCC required DENC to engage in regarding the verification and auditing of DES charges.

15) DENC shall continue to include a Status Report in its ARAT describing DENC's progress toward implementing the DENC-prepared Detailed Report's measures/recommendations set forth in Attachment D to DENC's application for approval of the current DES services agreement filed in Docket No. E-22, Sub 476, on October 30, 2018. DENC shall maintain records that shall be made available to the Public Staff and Commission upon request to support any statement or claims made in the Detailed Report and the Status Report.

16) The Commission's acceptance of the amended revised affiliate agreements and authorization of payment thereunder shall not be deemed to constitute the approval of any specific charges under the amended revised affiliate agreements, or a guarantee of any recovery of costs directly or indirectly related to the amended revised affiliate agreements.

17) DENC is exempted from the requirement to file pursuant to N.C. Gen. Stat. § 62-153 any affiliate services agreements with any future affiliates that bill (a) less than \$500,000 per service per year and (b) no more than \$2 million total per year on a system wide basis to DENC, provided that the future affiliate executes the form agreement in the form as filed herein, with DENC having the burden of monitoring such billings and filing, pursuant to N.C.G.S. § 62-153, prior to such billing exceeding either of the caps set forth

in (a) and (b) above. Any such agreement, once executed, shall be filed with DENC's next occurring ARAT, along with a report of any charges that have been incurred under such agreement.

18) The Commission reserves the right to revoke the exemption stated in the above paragraph at any time such revocation is deemed to be in the public interest.

19) The Commission reserves the right to examine the books and records of DENC and any affiliate in connection with the amended revised affiliate agreements, whether or not such affiliate is regulated by this Commission.

20) Commission approval is required for DES or another services company to provide centralized services to DENC under the amended revised affiliate agreements by the engagement of affiliated third parties.

21) All requirements regarding the amended revised affiliate agreements shall also apply to transactions between DENC and future affiliates to which exemption from the filing and prior approval requirements apply.

22) DENC shall file with the Commission signed and executed copies of each of the amended revised affiliate agreements within 30 days of the date of this order.

23) The foregoing conditions shall not replace, supersede, or modify the conditions previously approved by the Commission in Docket No. E-22, Sub 434, with respect to the currently effective Fuel Purchase, Sale and Services Agreement filed in that docket and in Docket No. E-22, Sub 512.

24) The Commission's acceptance of the amended revised affiliate agreements and the authorization of DENC to make payments pursuant to the agreements does not constitute approval of the amount of fees or compensation paid by DENC under the agreements for ratemaking purposes, and the authority granted is without prejudice to the right of any party to take issue with any provision of the agreements in a future proceeding.

The Public Staff stated that DENC has agreed to the conditions recommended by the Public Staff. The Public Staff requested that the Commission issue an order consistent with its recommendations.

Based upon the foregoing and the record, the Commission concludes that pursuant to N.C.G.S. § 62-153 the amended revised affiliate agreements should be accepted for filing and that DENC should be authorized to make payments for its receipt

of services in accordance with the terms of the affiliate agreements, subject to the conditions recommended by the Public Staff, as set forth above.

IT IS, THEREFORE, ORDERED as follows:

- 1) That the Amended Revised DES Services Agreement is accepted for filing;
- 2) That the four Amended Revised Affiliate Services Agreements are accepted for filing;
- 3) That the Amended Revised Form Affiliates Services Agreement is accepted for filing;
- 4) That DENC is authorized to make payments under the amended revised affiliate agreements in accordance with their terms; and
- 5) That the Commission's acceptance for filing and authorization of DENC to make payments under the amended revised affiliate agreements shall be subject to the conditions recommended by the Public Staff, as enumerated in the body of this order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of January, 2021.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1314, SUB 4

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application by Pluris Webb Creek, LLC,) ORDER APPROVING TRANSITIONAL
5950 Berkshire Lane, Suite 800, Dallas,) BILLING ARRANGEMENTS IN 2021
Texas, 75225 for Authority to Increase Rates) AND REQUIRING CUSTOMER
for Wastewater Utility Service in All Service) NOTICE
Areas in Onslow County, North Carolina)

BY THE COMMISSION: On August 8, 2016, in Docket No. W-864, Sub 11, the Commission issued an Order Appointing Emergency Operator, Approving Increased Rates, and Requiring Customer Notice. In that Order, Pluris Webb Creek, LLC (Pluris Webb Creek or the Company), was appointed emergency operator of Webb Creek Water and Sewage, Inc.'s (Webb Creek's) wastewater utility system in Onslow County, North Carolina. The Schedule of Provisional Rates for Webb Creek Water and Sewage, Inc. (Pluris Webb Creek, LLC, Emergency Operator), attached as Appendix A to the August 8, 2016 Order, continued the billing frequency previously used by Webb Creek and stated that the billing frequency "[s]hall be monthly for service in arrears."

On March 26, 2019, in Docket Nos. W-864, Sub 11, W-864, Sub 14, and W-1314, Sub 1, the Commission issued an Order Revoking Webb Creek Water and Sewage, Inc.'s Franchise, Granting Certificate of Public Convenience and Necessity to Pluris Webb Creek, LLC, Continuing Interim Rates, Discharging Emergency Operator, and Requiring Customer Notice. The Schedule of Provisional Interim Rates for Pluris Webb Creek, LLC, attached as Appendix B to the March 26, 2019 Order, stated that the billing frequency "[s]hall be monthly for service in arrears."

On November 14, 2019, in Docket Nos. W-822, Sub 3, W-1314, Sub 0, and W-1314, Sub 2, the Commission issued an Order Canceling Temporary Operating Authority, Approving Transfer, Granting Franchise, Approving Interim Rates, Requiring Undertaking, and Requiring Customer Notice. The Schedule of Interim Provisional Rates for Pluris Webb Creek, LLC, attached as Appendix B to the November 14, 2019 Order, stated that the billing frequency "[s]hall be monthly for service in arrears".

On April 27, 2020, in Docket No. W-1314, Sub 4, Pluris Webb Creek filed an Application for a general increase in wastewater utility service rates in all its service area in Onslow County, North Carolina.

On December 17, 2020, in Docket No. W-1314, Sub 4, the Commission issued an Order Approving Agreement and Stipulation, Granting Rate Increase, and Requiring Customer Notice (December 17, 2020 Order). The Schedule of Rates for Pluris Webb Creek, LLC, attached as Appendix A to the December 17, 2020 Order, stated that the billing frequency for Flat Rate Residential Customers “[s]hall be monthly for service in advance”.¹

On January 8, 2021, in Docket No. W-1314, Sub 4, Pluris Webb Creek filed with the Commission a Request for Approval of Transitional Billing Arrangements in 2021. In its request, the Company provided a suggested billing method to reduce the impact to the Company’s residential customers in transitioning from monthly billing in arrears to monthly billing in advance to comply with the December 17, 2020 Order.

Pluris Webb Creek billed all customers for service provided in December 2020, in arrears, based on its prior approved rates, adjusted to reflect the rate increase approved in the December 17, 2020 Order. Pluris Webb Creek plans to bill customers for service provided in January 2021, in arrears, at the newly approved rate. Pluris Webb Creek proposes to transition billing residential customers monthly in advance beginning in February 2021. To lessen the residential customer impact of this transition, the Company will not bill its residential flat rate customers at the same time both for service in arrears during the month of January 2021, and for service in advance for the month of February. Rather, as for the in-advance billing for February, Pluris Webb Creek proposes to defer the monthly bill amount of \$73.38 over a period of eleven months to be accomplished by billing 1/11th of the \$73.38 monthly billing charge in the remaining eleven months of 2021 (February through December 2021), which equates to \$6.67 per month.

Under Pluris Webb Creek’s requested approach, on February 1, 2021, the Company will send two separate wastewater utility bills to its residential customers. One bill will be for monthly wastewater utility service billed in arrears from January 1, 2021 through January 31, 2021, in the amount of \$73.38. The second bill will be for \$6.67, which is 1/11th of the February 1, 2021 through February 28, 2021 monthly billing charge of \$73.38 billed in advance. Beginning on March 1, 2021, amount of \$80.05, consisting of \$73.38 for the month of March and \$6.67 for the fractional amount due for the month of February. This billing method will continue for the remainder of 2021. Beginning with the January 1, 2022 monthly billing, the Company will have completed the transition of residential flat rate customers from monthly billing in arrears to monthly billing in advance and residential wastewater utility service will be billed in advance at the Commission approved residential flat rate of \$73.38 on a going forward basis as set forth in the December 17, 2020 Order.

¹ Pluris Webb Creek’s affiliates, Pluris, LLC, (W-1282) and Pluris Hampstead, LLC, (W-1305) both bill their flat rate residential customers in advance, as provided for in their respective Commission-approved Tariffs.

The Public Staff presented this matter at the Commission's Regular Staff Conference on January 25, 2021. The Public Staff stated that it had completed its review of the request and that it agrees with the proposed transitional billing arrangements proposed by Pluris Webb Creek.

On the basis of the evidence provided, the Commission finds that Pluris Webb Creek's proposed transitional billing arrangements described herein and agreed to by the Public Staff, are appropriate and should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That beginning with the February 2021 monthly bill, Pluris Webb Creek shall transition its monthly billing for wastewater utility service for flat rate residential customers from monthly billing in arrears to monthly billing in advance.

2. That in order to mitigate the impact on its customers of transitioning from monthly billing in arrears to monthly billing in advance, the Company shall bill the February 2021 monthly residential wastewater flat rate of \$73.38 to customers in advance over the remaining eleven months of 2021, which equates to a monthly bill of \$6.67 for February 2021, and a monthly bill of \$73.38 plus \$6.67, or \$80.05, for the months of March 2021 through December 2021.

3. That beginning with the January 2022 monthly billing, Pluris Webb Creek shall have completed the transition of residential flat rate customers from monthly billing in arrears to monthly billing in advance and residential wastewater utility service shall be billed in advance at the Commission approved residential flat rate of \$73.38 on a going forward basis as set forth in the December 17, 2020 Order in Docket No. W-1314, Sub 4.

4. That the Notice to Customers, attached hereto as Appendix A, shall be mailed with sufficient postage or hand delivered to all affected customers in conjunction with the next regularly scheduled billing process; and

5. That Pluris Webb Creek shall file the attached Certificate of Service, properly signed and notarized, not later than 15 days after the issuance of this Order.

ISSUED BY ORDER OF THE COMMISSION

This the _____ day of _____, 2021.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

NOTICE TO CUSTOMERS

DOCKET NO. W-1314, SUB 4

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that the North Carolina Utilities Commission (Commission) issued an Order in this docket on January 25, 2021, approving the request of Pluris Webb Creek, LLC (Pluris Webb Creek), to implement temporary transitional billing arrangements for its billings for residential wastewater service, during the remainder of 2021.

On December 17, 2020, the Commission issued an Order in this docket authorizing Pluris Webb Creek to increase residential wastewater rates. That Order increased the residential wastewater service rate to \$73.38 per month. The Tariff issued with that Order directs Pluris Webb Creek to bill its residential customers monthly in advance instead of monthly in arrears. Pluris Webb Creek has been billing all customers for service in arrears, which was a continuation of the billing arrangements utilized by the previous wastewater utility service provider, Webb Creek Water and Sewerage, Inc.

Pluris Webb Creek proposed the transitional billing arrangements in an effort to mitigate the impact of transitioning to billing residential wastewater customers in advance, by avoiding having those customers receive, simultaneously, a bill for the prior month's service in arrears and a bill for the coming month's service in advance.

All residential wastewater customers were billed at the end of January 2021 for service provided in arrears for the month of January at the recently approved rate of \$73.38. To transition to billing in advance for the month of February, the temporary transitional billing arrangements approved by the Commission will allow Pluris Webb Creek to spread the advance billing for residential wastewater service for the month of February 2021, over the remaining eleven months of 2021.

As a result, the February 2021 Pluris Webb Creek residential wastewater bill is a billing in advance in the amount of \$6.67, which is 1/11th of the \$73.38 monthly billing charge.

EXHIBIT NO. P-2
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APPENDIX A
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In the months of March through December 2021, Pluris Webb Creek will bill each residential flat rate wastewater customer in advance a total monthly bill of \$80.05, consisting of \$73.38 (the approved monthly residential flat rate for wastewater service) plus \$6.67 (1/11th of the deferred February 2021 monthly residential flat rate for wastewater service).

Beginning with the January 2022 monthly bill, Pluris Webb Creek will have completed the transition of residential flat rate customers from monthly billing in arrears to monthly billing in advance and will bill residential flat rate customers for wastewater service in advance in the amount of \$73.38 per month on a going forward basis as set forth in the Commission's December 17, 2020 Order.

This the ____ day of _____, 2021.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-1314, Sub 4 and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2021.

By: _____
Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day, and being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____, 2021, in Docket No. W-1314, Sub 4.

Witness my hand and notarial seal, this the ____ day of _____, 2021.

Official Signature of Notary

Notary's printed or typed name, Notary Public

(SEAL) My Commission Expires: _____
Date

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