

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

August 29, 2022

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, August 29, 2022, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

COMMISSIONERS:

Commissioner Brown-Bland
Commissioner Clodfelter
Commissioner Duffley
Commissioner Hughes
Commissioner McKissick
Commissioner Kemerait

COMMISSION STAFF: Mr. Watson, Mr. Green, Ms. Fennell, Ms. Duffy, Ms. Harrod, Ms. Hilburn, Ms. Burns, Mr. Rhodes, Ms. Jayasheela, Mr. Gajda, Mr. Hardy, Mr. McCoy

PUBLIC STAFF: Ms. Holt, Mr. Creech, Mr. Josey, Mr. Little, Mr. McLawhorn, Mr. Nader, Ms. Patel, Mr. Junis

ATTORNEY GENERAL:

COURT REPORTER: Ms. Mitchell

NATURAL GAS*INTEGRITY MANAGEMENT ADJUSTMENT***Public Service Company of North Carolina, Inc.**

1. Docket No. G-5, Sub 651 – Application for rate adjustments pertaining to Integrity Management Tracker (IMT), effective September 1, 2022 (*Nader/Patel/Holt*)

Pursuant to Public Service Company of North Carolina, Inc.'s (PSNC or Company) Integrity Management Tracker (IMT), Rider E of the Company's tariffs and N.C. Gen. Stat. § 62-133.7A, PSNC is required to file with the Commission, by January 31 and July 31 of each year, information showing the computation of the Integrity Management Revenue Requirement (IMRR) that supports the bi-annual Integrity Management (IM) Adjustment of the IMT. PSNC is also required to file bi-annual adjustments to its rates based upon qualifying capital investments in integrity and safety projects as of December 31 and June 30, respectively. Rider E of the Company's tariff requires PSNC to file a revision to its tariffs for Commission approval by February 15 and August 15 each year showing the computation of the IM Adjustment that it proposes to charge during the six-month period beginning March 1 and September 1, respectively. Additionally, PSNC is required to file by February 15 an IM True-Up Adjustment based on the balance in the IM Deferred Account as of January 31.

On July 29, 2022, pursuant to Rider E of the Company's Tariff, PSNC filed in Docket No. G-5, Sub 565C the computation for the IMRR that supports the bi-annual IM rate adjustments, effective September 1, 2022, based on the Company's IM Plant Investment through June 30, 2022.

On August 15, 2022, PSNC filed an Application for Bi-Annual Adjustment of Rates Under Rider E to its Tariff (Application), which included the schedule showing the computation of the IM rate adjustments for each rate schedule and the revised tariffs effective for service rendered on and after September 1, 2022.

The Public Staff stated that it had reviewed the Application.

The Public Staff recommended approval as filed.

It was moved and passed that the Public Staff's recommendation be adopted.

WATER AND WASTEWATER*ORDER SCHEDULING HEARINGS, ESTABLISHING DISCOVERY GUIDELINES, AND REQUIRING CUSTOMER NOTICE***Carolina Water Services, Inc.**

2. Docket No. W-354, Sub 398 – Application for Determination of Fair Value of Utility Assets Pursuant to N.C. Gen. Stat. § 62-133.1A and Establishing Rate Base for Acquisition of the Carteret County Water System (*Junis/Feasel/Creech*)

On July 26, 2022, Carolina Water Service, Inc. of North Carolina (CWSNC or the Applicant) filed an Application for Determination of Fair Value of Utility Assets Pursuant to N.C. Gen. Stat. § 62-133.1A and Establishing Rate Base for Acquisition of the Carteret County Water System in the above-referenced docket (Application). The authority of CWSNC to provide water utility service to the Carteret County Water System and charge rates is subject to filing an application with the Commission for and being granted a certificate of public convenience and necessity.¹

The Public Staff recommended that the matter be scheduled for a public witness hearing for the sole purpose of receiving testimony from customers; the matter also be scheduled for an expert witness hearing for the sole purpose of receiving expert witness testimony from CWSNC, the County, the Public Staff, and intervenors, if any; and CWSNC should be required to provide notice to all affected customers of the Application, including the applied for rates and the scheduled hearings.

This item was withdrawn at this time. The Public Staff expects to bring it before the Commission at the Regular Commission Staff Conference on September 6, 2022 or September 12, 2022.

Minutes of the Regular Commission Staff Conference of August 15, 2022 were approved.

Minutes prepared by Le Anne Ackerman.

¹ On August 2, 2022, CWSNC filed with the Commission in Docket No. W-354, Sub 399 an Application for a Certificate of Public Convenience and Necessity and for Approval of Rates to provide water utility service to the Carteret County Water System in Carteret County, North Carolina.