

**STATE OF NORTH
CAROLINA UTILITIES
COMMISSION RALEIGH**

STAFF CONFERENCE AGENDA – October 3, 2022

Link to view staff conference will be posted on the commission website, ncuc.net

NATURAL GAS

*NATURAL GAS FIRM TRANSPORTATION SERVICE AND MINIMUM MARGIN
COMMITMENT AGREEMENT*

Piedmont Natural Gas Company, Inc. (PNG)

1. Docket No. G-9, Sub 772 – PNG - Charlotte Pipe and Foundry Special Contract
(*Johnson/Patel/Culpepper*)

COMMUNICATIONS

INTERCONNECTION AMENDMENT AND AGREEMENT

Verizon South Inc.

2. Docket No. P-19, Sub 501 – Amendment to the interconnection agreement with
Charter Fiberlink NC-CCO, LLC, approved October 18, 2005 (*Proffitt/Coxton*)

Service Telephone Company

3. Docket No. P-60, Sub 91 – Agreement with Time Warner Cable Information
Services, LLC (*Proffitt/Coxton*)

WATER AND WASTEWATER

APPLICATION TO TRANSFER TO OWNER EXEMPT FROM REGULATION

Joyceton Water Works, Inc.

4. Docket No. W-4, Sub 23 – Order Approving Transfer to Owner Exempt From
Regulations, Canceling Franchise, and Requiring Customer Notice
(*Bhatta/Feasel/Coxton*)

The Public Staff recommends approval of the preceding agenda items as described above and reflected in proposed orders provided to the Commission Staff.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. G-9, SUB 772

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Natural Gas Firm Transportation Service and)
Minimum Margin Commitment Agreement) ORDER ALLOWING
Between Piedmont Natural Gas Company, Inc.,) AGREEMENT TO
and Charlotte Pipe and Foundry Company) BECOME EFFECTIVE

BY THE COMMISSION: On August 11, 2020, Piedmont Natural Gas Company, Inc. (Piedmont), filed a Natural Gas Firm Transportation Service and Minimum Margin Commitment Agreement (Agreement) between Piedmont and Charlotte Pipe and Foundry Company (Customer). Piedmont submitted the Agreement under seal on the grounds that it is confidential and proprietary and has been designated as such pursuant to N.C. Gen. Stat. § 132-1.2.

Piedmont stated that the Agreement relates to the construction of Piedmont facilities necessary to provide natural gas service to Customer's new location and Customer's agreement to pay special contract rates and to guarantee certain margin recoveries by Piedmont to cover the costs of such service. Piedmont further stated that the proposed Agreement is in the public interest and should be approved.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on October 3, 2022. The Public Staff stated that it had reviewed the Agreement and other information provided by Piedmont in response to Public Staff data requests. Based on its investigation, the Public Staff determined that the terms of the Agreement are within the parameters set forth in N.C.G.S. § 62-140. The Public Staff recommended that the Commission issue an order: (1) concluding that the Agreement is not unlawful and does not violate the rules and regulations of the Commission; (2) allowing the Agreement to become effective as filed; and (3) authorizing Piedmont to provide service to the Customer pursuant to the Agreement. The Public Staff also recommended that the Commission's order state that acceptance of the Agreement neither constitutes approval of the amount of any compensation paid thereunder nor prejudices the right of any party to take issue with any provision of the Agreement in a future proceeding.

The Commission, having carefully reviewed the Agreement between Piedmont and the Customer, concludes that the Agreement is not unlawful and does not violate the rules and regulations of the Commission. Accordingly, the Commission finds good cause to allow the Agreement to become effective as filed and authorize Piedmont to

provide service to the Customer under the Agreement as recommended by the Public Staff.

IT IS, THEREFORE, ORDERED as follows:

1. That the Agreement between Piedmont and the Customer is hereby allowed to become effective as filed.

2. That Piedmont is hereby authorized to provide natural gas service to the Customer pursuant to the Agreement.

3. That authorizing Piedmont to provide natural gas service to the Customer pursuant to the Agreement neither constitutes approval of the amount of any compensation paid thereunder nor prejudices the right of any party to take issue with any provision of the Agreement in a future proceeding.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of October 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-19, SUB 501

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Interconnection Agreement between Verizon) ORDER APPROVING
South Inc., and Charter Fiberlink NC-CCO, LLC) AMENDMENT

BY THE COMMISSION: On August 19, 2022, Verizon South Inc., and Charter Fiberlink NC-CCO, LLC filed for Commission approval of an amendment to their existing interconnection agreement, approved October 18, 2005.

The amendment implements changes mandated by the Federal Communications Commission in its Report and Order in WC Docket No. 19-308, Modernizing Unbundling and Resale Requirements in an Era of Next-Generation Networks and Services (2020 UNE Order), related to unbundled access to network elements, which became effective on February 8, 2021.

The filing was made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Commission considered the amendment at its Regular Staff Conference on October 3, 2022. The Public Staff recommended that the amendment be approved, and the Commission approved the recommendation.

IT IS, THEREFORE, ORDERED that the amendment, filed on August 19, 2022, to the existing agreement between Verizon South Inc., and Charter Fiberlink NC-CCO, LLC is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of October 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
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DOCKET NO. P-60, SUB 91

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Interconnection Agreement between Service) ORDER APPROVING
Telephone Company and Time Warner Cable) AGREEMENT
Information Services (North Carolina), LLC)

BY THE COMMISSION: On August 12, 2022, Service Telephone Company and Time Warner Cable Information Services (North Carolina), LLC, filed an interconnection agreement for Commission approval.

The filing was made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Commission considered the agreement at its Regular Staff Conference on October 3, 2022. The Public Staff recommended that the agreement be approved, and the Commission approved the recommendation.

IT IS THEREFORE, ORDERED, that the interconnection agreement between Service Telephone Company and Time Warner Cable Information Services (North Carolina), LLC, is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of October 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-4, SUB 23

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application by Joyceton Water Works, Inc., 118) N. Sterling Street, Morganton, North Carolina) 28655, for Authority to Transfer Its System) Providing Water Utility Service in its Service) Area in Caldwell County, North Carolina, to the) City of Lenoir, which is Exempt from) Commission Regulation)	ORDER APPROVING TRANSFER TO OWNER EXEMPT FROM REGULATION, CANCELING FRANCHISE, AND REQUIRING CUSTOMER NOTICE
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BY THE COMMISSION: On May 12, 2022, Joyceton Water Works, Inc. (Joyceton), filed an application with the North Carolina Utilities Commission (Commission) for authority to transfer its franchise for providing water utility service in its service area in Caldwell County to the City of Lenoir (City), which is exempt from Commission regulation. Joyceton currently provides water utility service to approximately 100 customers in the service area.

On July 12, 2022, the Commission issued its Order Requiring Customer Notice, specifying that the matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

By its Certificate of Service dated July 13, 2022, and filed with the Commission on August 23, 2022, Joyceton stated that the Notice to Customers was mailed or hand delivered to all of its customers. As of September 1, 2022, which was within the time prescribed by the Commission's Order, one customer submitted a protest. The protest centered on the rate increase that will take place twelve months after the transfer is approved and closed, at which point customers will be charged the City's prevailing water rates.

This matter was presented at the Commission's Regular Staff Conference on October 3, 2022. The Public Staff stated that it had reviewed the application and recommends that the Commission approve the transfer of the water utility system from Joyceton to the City without public hearing since significant protests were not received after customer notice.

Based upon the verified application, the recommendations of the Public Staff, and the records of the Commission, the Commission makes the following:

FINDINGS OF FACT

1. Joyceton and the City entered into an Asset Sale and Purchase Agreement on, or about, May 17, 2022 (Agreement). Per the Agreement, the City agrees to continue to charge Joyceton's present rates for one year after the closing date of the transfer. After that one-year period, customers will be charged the same rates as the City's customers inside the City limits.

2. Joyceton's present water utility rates, which were approved in Docket No. W-4, Sub 22, by the Commission's Order Approving Tariff Revision and Requiring Customer Notice, issued June 7, 2021, are as follows:

Monthly Metered Rates (Residential and Nonresidential Service):

First 3,000 gallons	\$ 10.63	minimum
Next 22,000 gallons	\$ 2.78	per 1,000 gallons
Next 475,000 gallons	\$ 2.59	per 1,000 gallons
Over 500,000 gallons	\$ 2.21	per 1,000 gallons

Tap on Fee (Connection Charge):

For 3/4" x 5/8"	\$ 350.00
Larger Taps	Actual cost of construction

3. The City's present water utility rates¹ are as follows:

Water Rates:

First 1,000 gallons	\$ 11.29
Over 1,000 gallons	\$ 3.57 per 1,000 gallons

Tap on Fee (Connection Charge):

3/4"	\$ 900.00
1"	\$ 1,200.00
1-1/2"	\$ 2,000.00

4. Upon transfer, the rates will remain the same for a period of one year and then increase to the City's then present rates, which will result in higher water rates for the customers in the affected service area. Under currently applicable rates, the City's rates¹ would increase the monthly metered water bill by \$8.20, from \$12.02 to \$20.22, based on 3,500 gallons usage.

¹ The City of Lenoir's Fee Schedule is available at: <https://www.cityoflenoir.com/199/Rates-Fees> (last visited on September 16, 2022). The rates reflected above are different from those shown in the Commission's Order Requiring Customer Notice issued in this docket, because the City's rates have increased during the pendency of this action.

5. The closing of the purchase and sale of the water utility system will occur after approval of the transfer by the Commission.

6. Per the Agreement, the purchase price of the water utility system assets is \$80,000; the City is not purchasing the fire pump and the water tanks, which are currently used as the non-potable fire protection system.

7. On July 12, 2022, the Commission issued its Order Requiring Customer Notice in the present docket, specifying that this matter be determined without public hearing if no significant protests are received subsequent to customer notice. By its Certificate of Service filed August 23, 2022, Joyceton stated that the Notice to Customers had been mailed with sufficient postage or hand delivered to all the affected customers.

8. As of September 1, 2022, which was within the time prescribed by the Commission's Order, one customer submitted a protest. The protest centered on the rate increase that will take place twelve months after the transfer is approved and closed, at which point customers will be charged the City's prevailing rates. Therefore, the Commission may decide this matter without a public hearing.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that the transfer of ownership of the system from Joyceton to the City should be approved, that the franchise should be canceled upon receipt of notification that the transfer is complete, and that customer notice should be required.

IT IS, THEREFORE, ORDERED as follows:

1. That Joyceton is hereby authorized to transfer its water utility system serving its service area in Caldwell County, North Carolina, to the City of Lenoir, which is exempt from Commission regulation;

2. That Joyceton shall provide written notification to the Commission within ten days after the City assumes responsibility for providing water utility service in the affected service area;

3. That the Certificate of Public Convenience and Necessity to provide water utility service granted to Joyceton in Docket No. W-4, Sub 1, for its service area in Caldwell County, North Carolina, is hereby canceled upon receipt of written notification to the Commission that the City has assumed responsibility for providing water utility service in the affected service area; and

4. That a copy of this Order shall be mailed with sufficient postage or hand delivered by Joyceton to all its customers in the affected service area not later than 15 days after the date of this Order and that Joyceton shall submit to the Commission the

attached Certificate of Service, properly signed and notarized, not later than 30 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of October 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Order issued by the North Carolina Utilities Commission in Docket No. W-4, Sub 23, and the Order was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____ 2022.

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 Order was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-4, Sub 23.

Witness my hand and notarial seal, this the ____ day of _____ 2022.

Notary Public

Printed Name

(SEAL) My Commission Expires: _____
Date

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