

**NORTH CAROLINA UTILITIES COMMISSION**  
**MINUTES OF REGULAR COMMISSION STAFF CONFERENCE**

**June 10, 2024**

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, June 10, 2024, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

**COMMISSIONERS:**

Commissioner Duffley  
Commissioner Hughes  
Commissioner McKissick  
Commissioner Kemerait  
Commissioner Brawley  
Commissioner Tucker

**COMMISSION STAFF:** Mr. Watson, Ms. Fennell, Ms. Duffy, Ms. Murrell, Ms. Walker, Ms. Olive, Ms. Dunston, Ms. Ziegler, Ms. Hilburn, Mr. Barber, Mr. Barley, Mr. Keshar, Ms. Jayasheela, Ms. Winstead, Mr. McCoy

**PUBLIC STAFF:** Ms. Holt, Mr. Creech, Ms. Luhr, Ms. Keyworth, Ms. Feasel, Ms. Zhang, Mr. Hunter, Mr. McLawhorn, Mr. D. Williamson, Mr. Lucas, Mr. Hill, Mr. T. Williamson, Mr. Fernandez, Ms. Patel

**ATTORNEY GENERAL:**

**COURT REPORTER:** Ms. Clayton

**ELECTRIC***ELECTRIC GENERATOR LESSOR***Renu Energy Solutions, LLC**

1. Docket No. EGL-20, Sub 0 – Application of Renu Energy Solutions, LLC, for a certificate of authority to engage in business as an electric generator lessor per N.C. Gen. Stat. § 62-126.7 and Commission Rule R8-53 (*Lucas/Creech*)

On February 15, 2024, Renu Energy Solutions, LLC (Renu Energy), filed an application for a certificate of authority to engage in business as an electric generator lessor in accordance with the provisions of N.C. Gen. Stat. § 62-126.7 and Commission Rule R8-73 (Application).

On April 23, 2024, Renu Energy filed an Amended Application and Response to Deficiency Letter.

The Public Staff stated that it reviewed the Application and supplemental filings.

The Public Staff recommended the approval of the Application.

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

*ENERGY EFFICIENCY PROGRAMS***Duke Energy Progress, LLC (DEP), and Duke Energy Carolinas, LLC (DEC)**

2. Docket Nos. E-2, Sub 1094 and E-7, Sub 1032 – Applications of DEP and DEC for modifications to their Residential Energy Assessment Home Energy House Call Programs (D. Williamson/Keyworth)

On October 29, 2013, and February 24, 2016, the Commission approved the Residential Energy Assessment Programs (Programs) for Duke Energy Carolinas, LLC (DEC), and Duke Energy Progress, LLC (DEP and, together with DEC, Duke), respectively.

On March 18, 2024, Duke filed requests to modify the Programs (Proposed Modifications).

On May 22, 2024, the Commission approved a revised DSM/EE Cost Recovery Mechanism, which included, in relevant part, acceptance of revised avoided cost inputs. In addition, the Commission ordered that Duke file a consolidated application seeking modifications of each of its approved programs to reflect changes in program costs or an explanation as to why a change in program costs for a specific program is not appropriate or applicable within 90 days of its Order (Revised Mechanism Program Modification Filing).

On May 28, 2024, Duke filed a letter responding to the Public Staff's May 17, 2024 comments. In its letter, Duke agreed to re-evaluate the cost-effectiveness of the Programs

with owners of single-family homes being eligible to participate in the proposed virtual audit in light of the revised Cost Recovery Mechanism.

The Public Staff recommended that (1) the Proposed Modifications be approved; (2) the Commission order Duke to, in its Revised Mechanism Program Modification Filing, re-evaluate the cost-effectiveness of the Programs with all residential customers being eligible for virtual audits; (3) the Programs continue to be considered a “new” EE program pursuant to Commission Rule R8-68; and (4) the Commission determine the appropriate recovery of costs, net lost revenues, and utility incentives associated with the Programs in the annual DSM/EE rider proceedings, consistent with N.C. Gen. Stat. § 62-133.9, Commission Rule R8-69, and the currently approved DSM/EE Cost Recovery Mechanism.

It was moved and passed that the Public Staff’s recommendations be adopted.

### **Dominion Energy North Carolina (DENC)**

3. Docket No. E-22, Sub 568 – Motion of DENC for approval to close Phase VII of its Residential Efficient Products Marketplace Program (T. Williamson/Keyworth)

On May 2, 2024, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC), filed a Motion (Motion) seeking approval to close its Phase VII Residential Efficient Products Marketplace Program (Program), requesting that the Program be closed to participation as of June 1, 2024, and requesting to withdraw its rate schedule REPM as of the closure date of the Program.

The Public Staff stated that it had reviewed the Company’s request and agrees with the Company’s proposal to replace the Program with the Phase XI Residential Efficient Products Marketplace Program, which became effective on June 1, 2024.

The Public Staff recommended that the Commission issue its proposed order granting the Company’s Motion.

It was moved and passed that the Public Staff’s recommendations be adopted.

### *EXISTING DEMAND-SIDE PROGRAM RIDER*

### **Duke Energy Carolinas, LLC (DEC)**

4. Docket No. E-7, Subs 487, 828, 1026, 1146, 1214, and 1276 – Application of DEC for approval of EDP rider for legacy DSM deferral account balance (Hunter/Zhang/Keyworth)

On March 28, 2024, Duke Energy Carolinas, LLC (DEC or the Company), made a filing proposing its annual change to the Existing DSM Program Rider (EDPR), based on the December 31, 2023 legacy demand-side management (DSM) deferral account balance. The Company requested that the EDPR be effective beginning July 1, 2024.

The Public Staff stated that it had reviewed DEC's calculation of the proposed EDPR, including the supporting workpapers submitted with the filings and information provided by the Company in response to a Public Staff data request. Based on its review, the Public Staff concluded that the proposed rate decrement is reasonable.

The Public Staff recommended that DEC's proposed EDPR be approved, effective for the period July 1, 2024, through June 30, 2025.

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

*BULK POWER MARKETING AND NON-FIRM POINT-TO-POINT TRANSMISSION RIDERS*

**Duke Energy Carolinas, LLC (DEC)**

5. Docket No. E-7, Sub 1026 – Application of DEC for approval of BPM and NFPTP true-up and prospective riders (Hunter/Zhang/Keyworth)

On May 1, 2024, Duke Energy Carolinas, LLC (DEC or the Company), filed a proposed Bulk Power Marketing (BPM) True-up Rider and a BPM Prospective Rider, to be effective for the period July 1, 2024, through June 30, 2025.

The Public Staff stated that it had reviewed DEC's calculation of the proposed riders, including the supporting workpapers submitted with the filings and information provided by the Company in response to Public Staff data requests, and had concluded that the proposed riders are reasonable.

The Public Staff recommended that DEC's proposed riders be approved.

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

*AMENDED APPLICATION OF REVISED AFFILIATE SERVICES AGREEMENT*

**Dominion Energy North Carolina (DENC)**

6. Docket No. E-22, Sub 563 – Amended Application of DENC for approval of revised affiliate services agreement between DENC and DESC (*Zhang/Freeman*)

On April 10, 2024, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) for approval of a revised services agreement (Revised Services Agreement) with Dominion Energy South Carolina, Inc. (DESC), pursuant to N.C. Gen. Stat. § 62-153(b), Condition (1) of the Commission's June 30, 2021 Order Accepting Affiliate Agreement for Filing and Allowing Payment of Compensation issued in this docket, and Regulatory Condition 3.1(a) of the Commission's Order Approving Merger Subject to Regulatory Conditions and Code of

Conduct (Merger Order) issued in Docket Nos. E-22, Sub 551, and G-5, Sub 585, on November 19, 2018.

The Public Staff stated that it had completed its review of the Application filings (including the Revised Services Agreement) and the VSCC order. In light of its review, the Public Staff recommended that the Commission accept for filing the Revised Services Agreement and allow DENC to pay its affiliate DESC pursuant to the agreement, with conditions. The Public Staff also stated that DENC has agreed to the conditions proposed by the Public Staff.

The Public Staff recommended that the Commission issue an order consistent with the Public Staff's conditions.

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

The Minutes of the Regular Commission Staff Conference of May 28, 2024, were approved.

James McLawhorn, Director of the Public Staff's Energy Division, introduced new staff members Caleb Hill, Utilities Engineer and Erik Fernandez, Utilities Engineer.

Freda Hilburn, Director of the Commission's Operations Division, introduced new staff members Sarah Fitzpatrick, Public Utilities Regulatory Analyst, and Weili Jin, Public Utilities Regulatory Analyst.

Minutes prepared by Le Anne Ackerman.