

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH
STAFF CONFERENCE AGENDA
April 29, 2024
Commission Hearing Room 2115, 10:00 a.m.**

NATURAL GAS

ENERGY EFFICIENCY RIDER

Public Service Company of North Carolina, Inc. (PSNC)

1. Docket No. G-5, Sub 670 – Application by PSNC for approval of energy efficiency rider rate adjustment (Rider F) (*Nader/Johnson/Holt*)

BENCHMARK COST OF NATURAL GAS

Frontier Natural Gas Company (Frontier)

2. Docket No. G-40, Sub 177 – Application of Frontier for an adjustment of its rates and charges to track changes in its wholesale costs of gas (*Puglisi/Johnson/Holt*)

The Public Staff recommends approval of these 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-5, SUB 670

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Annual Energy Efficiency Program Filing of)	ORDER APPROVING RATE
Public Service Company of North Carolina,)	ADJUSTMENTS EFFECTIVE
Inc., Pursuant to Rider F of Its Service)	MAY 1, 2024
Regulations)	

BY THE COMMISSION: On January 16, 2024, Public Service Company of North Carolina, Inc. (PSNC or the Company), filed its Annual Energy Efficiency (EE) Program Filing addressing the operation of the Company's EE programs for the period between November 1, 2022, and April 30, 2024, and requesting authority to implement its proposed EE Rider rate adjustment for calendar year 2024 (2024 Rate Period).

PSNC's 2023 Annual EE Filing was made pursuant to the requirements of Rider F, Energy Efficiency Pilot Program and Cost Recovery Rider to the Company's North Carolina Service Regulations (Rider F). The Commission approved Rider F in its Order Approving Stipulation, Granting Rate Increase, and Requiring Customer Notice issued in Docket No. G-5, Subs 632 and 634 on January 21, 2022.

On April 22, 2024, the Public Staff filed comments stating that the Company generally complied with the filing requirements found in Paragraph 35 of Rider F - Appendix Cost Recovery Mechanism for EE Programs Pilot. The Public Staff noted that although the Company furnished updated cost-effectiveness results for the Pilot Period, adjusted for actual participation, it did not revise the forecasted participation accordingly. Consequently, the Public Staff recommended that the Commission (1) authorize the Company to proceed with the implementation of its EE programs for the Rate Period; (2) approve the Company's updated proposed rates for its EE Rider for the Rate Period; and (3) direct the Company to allocate the EM&V costs according to the expenditures within the program by rate class.

The proposed EE Rider rate adjustments, updated to reflect the actual expenses incurred through March 2023, and expressed in dollars per therm, are as follows:

	Residential Service RS (101, 102) (\$/therm)	Commercial Service RS (125, 126, 127, 140) (\$/therm)
Proposed Rate	\$ 0.00723	\$ 0.00038
Current Rate	\$ 0.00662	\$ 0.00037
Adjustment to EE Rate	\$ 0.00061	\$ 0.00001

The Public Staff presented this matter at the Commission's Regular Staff Conference on April 29, 2024. The Public Staff stated it had reviewed the updated proposed EE Rider rate adjustments and recommended approval of the updated proposed EE Rider rate.

Based on the review of the application and the recommendation of the Public Staff, the Commission determines that the proposed EE Rider rate adjustments reflected on Exhibit B of the report, and as updated by the Public Staff, should be allowed to become effective as of May 1, 2024.

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC shall provide in its next annual EE program filing to be filed on January 15, 2025, the information recommended by the Public Staff in its comments;
2. That PSNC is authorized to implement the updated proposed EE Rider rate adjustments as contained in the body of this Order, effective for service rendered on and after May 1, 2024;
3. That PSNC shall file its revised tariffs consistent with Ordering Paragraph 2 within five days of the date of this Order; and
4. That PSNC shall give notice to its customers of the rate changes authorized in this Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. G-40, SUB 177

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application of Frontier Natural Gas Company) ORDER ALLOWING RATE
for an Adjustment of Its Rates and Charges to) CHANGES EFFECTIVE
Track Changes in Its Wholesale Costs of Gas) MAY 1, 2024

BY THE COMMISSION: On April 15, 2024, Frontier Natural Gas Company (Frontier or Company) filed an application pursuant to N.C. Gen. Stat. § 62-133.4, Commission Rule R1-17(k)(3), and Appendix A of Frontier's Gas Service Rules & Regulations, seeking authority to decrease its rates from \$5.95 per dekatherm (dts) to \$4.00 per dts effective May 1, 2024.

In this application, Frontier proposes a change in its Benchmark City Gate Delivered Gas Cost (Benchmark) from the current rate of \$5.95 per dts to \$4.00 per dts. Frontier states that due to the reductions in Frontier's commodity cost of gas and its continued progress in offsetting its previous undercollection of commodity gas costs, the Company proposes to decrease its Benchmark to \$4.00 per dts. Frontier asserts that it will materially overcollect its commodity cost of gas in the immediate future if its current Benchmark is not changed to avoid such overcollections.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on April 29, 2024. The Public Staff stated that it had reviewed the application and the rate changes reflected on Exhibit A and recommended approval as filed.

Based upon the review of the application and the recommendation of the Public Staff, the Commission is of the opinion that the proposed rate changes should be allowed to become effective as filed.

IT IS, THEREFORE, ORDERED as follows:

1. That Frontier is authorized to decrease its sales rates from \$5.95 per dts to \$4.00 per dts effective for service rendered on and after May 1, 2024.
2. That Frontier shall file revised tariffs consistent with Ordering Paragraph 1 within five days of the date of this Order.
3. That Frontier shall give notice to its customers of the rate changes allowed in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of April, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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