

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

January 29, 2024

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, January 29, 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, Mr. Green, Ms. Winstead; Mr. McCoy

PUBLIC STAFF: Mr. Ayers, Ms. Holt, Mr. Creech, Ms. Coxtton, Mr. Freeman, Ms. Johnson, Mr. Akpom, Mr. Brown, Mr. McLawhorn, Ms. Patel, Mr. Lawrence, Mr. Puglisi, Mr. Junis, Mr. Houser

ATTORNEY GENERAL:

COURT REPORTER: Ms. Clayton

ELECTRIC*CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC CONVENIENCE AND NECESSITY***Duke Energy Progress, LLC**

1. Docket No. E-2, Sub 1336 – Application of DEP for a certificate of environmental compatibility and public convenience and necessity to construct approximately 0.1 mile of new tap line in Chatham County, North Carolina (*Lawrence/Creech*)

On December 15, 2023, pursuant to N.C. Gen. Stat. §§ 62-101 and 62-102, Duke Energy Progress, LLC (DEP or the Company), filed with the Commission a letter of intent to file for a waiver of the notice and hearing requirements of N.C.G.S. §§ 62-102 and 62-104. On the same date, pursuant to Commission Rule R8-62(k), DEP prefiled with the Public Staff an application for a certificate of environmental compatibility and public convenience and necessity to construct a new 230-kV transmission tap line approximately 500 feet in length (Tap Line) in Chatham County, North Carolina. The prefiled application stated that in order to support the load of VinFast Manufacturing US, LLC (VinFast), an electric vehicle manufacturer, at the Triangle Innovation Point megasite, the proposed Tap Line will connect the new 230-kV tap line to the existing Cape Fear Plant – Harris Plant 230-kV transmission line. As detailed in DEP's prefiled certificate application, the Company will construct the Tap Line within its existing right-of-way or on a new easement acquired on VinFast's property, and VinFast does not object to a waiver of the hearing and notice requirements of N.C.G.S. §§ 62-102 and 62-104.

On January 4, 2024, DEP formally filed the application for a certificate and motion for waiver of notice and hearing.

The Public Staff stated that the application meets the requirements of N.C.G.S. § 62-102 and Commission Rule R8-62 for a certificate and the conditions of N.C.G.S. § 62-101(d)(1) for waiver of the notice and hearing requirements of N.C.G.S. §§ 62-102 and 62-104. The Public Staff further stated that the motion to proceed with initial clearing, excavation, and construction is not required should the Commission grant the certificate.

The Public Staff recommended that the Commission grant the motion for waiver and issue the requested certificate.

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

*AFFILIATE AGREEMENT***Dominion Energy North Carolina**

2. Docket No. E-22, Sub 477 – Application of DENC for revised affiliate services agreement between DENC and Dominion Energy Technical Solutions, Inc. (*Brown/Freeman*)

On October 20, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application in the above-captioned docket for approval of a revised affiliate agreement (Revised Agreement) pursuant to N.C. Gen. Stat. § 62-153(b) and Condition (3) of the North Carolina Utilities Commission's January 26, 2021 Order Accepting Affiliate Agreements for Filing and Allowing Payment of Compensation issued in the above-captioned proceeding (Commission 2021 Order) governing the provision by Dominion Energy Technical Solutions, Inc. (DTECH) of needed services to DENC at DENC's election (Application). The Company also requested continuation of previously granted exemptions that allow future affiliates not identified in the Application that would annually bill to DENC less than \$500,000 for any one service and less than \$2 million in total services to provide limited services to the Company subject to these caps, if such future affiliates execute the Revised Form Affiliate Services Agreement (Revised Form Agreement) also submitted with the Application.

The Public Staff stated it had completed its investigation and review.

The Public Staff recommended the Commission approve the Revised Agreement subject to conditions.

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

NATURAL GAS*WHOLESALE GAS COST ADJUSTMENT***Public Service Company of North Carolina, Inc.**

3. Docket No. G-5, Sub 671 – Application of PSNC for adjustment of its rates and charges to track changes in its wholesale costs of gas under Rider D to its Tariff (*Puglisi/Holt*)

On January 18, 2024, Public Service Company of North Carolina, Inc. (PSNC or Company), filed an application, pursuant to N.C. Gen. Stat. § 62-133.4 and Commission Rules R1-17(k)(3) and (5)(d), requesting authority to decrease its sales rate by \$0.7573 per dekatherm (dt) and its transportation rate by \$0.0073 per dt effective February 1, 2024. The decrease is a result of a change in PSNC's Benchmark Commodity Gas Cost from \$3.25 per dt to \$2.50 per dt, as well as the change in the company use and unaccounted for gas as described in PSNC's Rider D.

The Public Staff stated that it had reviewed the proposed rate changes.

The Public Staff recommended approval as filed.

Mary Lynne Grigg, Partner, McGuireWoods LLP, counsel for PSNC, responded to questions from the Commission.

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

WATER AND WASTEWATER

ORDER ESTABLISHING GENERAL RATE CASE AND SUSPENDING RATES

Water Resources, Inc.

4. Docket No. W-1034, Sub 13 – Application for Authority to Adjust and Increase Rates for Water Utility Service in Rocky River in Cabarrus County and River Walk in Mecklenburg County, North Carolina (*Houser/Strickland/Holt*)

On January 9, 2023, Aqua North Carolina, Inc. (Aqua) filed an Application for a Certificate of Public Convenience and Necessity and for Approval of Rates (Application) to provide water utility service to The Sanctuary at Lake Wheeler (The Sanctuary) in Wake County, North Carolina in accordance with N.C. Gen. Stat. § 62-110. Aqua filed additional supplements or amendments to the Application on May 11, 2023; June 14, 2023; and July 14, 2023. On July 25, 2023, the Public Staff filed a letter outlining the deficiencies in the Application and indicating that the Public Staff considers the Application incomplete. On July 31, 2023, the Commission issued an Order Finding Application Incomplete and Request for Additional Information. On December 13, 2023, Aqua filed additional information in response to the Public Staff's letter outlining deficiencies. On January 2, 2024, the Public Staff filed a letter with the Commission indicating that this docket now includes all the information required for a complete application. On January 4, 2024, the Commission issued an Order Finding Application Complete and Requiring the Public Staff to Provide Specific Application Data. On January 11, 2024, the Public Staff provided the information requested by the Commission. On January 12, 2024, the Commission issued an Order Scheduling Hearing and Establishing Discovery Guidelines (Scheduling Order).

The Public Staff recommended that the Commission issue an order granting the franchise and approving the requested rates.

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

*ORDER GRANTING FRANCHISE AND APPROVING RATES***Aqua North Carolina, Inc.**

5. Docket No. W-218, Sub 592 – Application for Certificate of Public Convenience and Necessity to Provide Water Utility Service in The Sanctuary at Lake Wheeler in Wake County, North Carolina (*Houser/Strickland/Coxton*)

On December 29, 2023, Water Resources, Inc. (Applicant) filed an application with the Commission seeking authority to increase its rates for providing water utility service in Rocky River Plantation Subdivision in Cabarrus County and River Walk Subdivision in Mecklenburg County, North Carolina. On January 3, 2024, the Applicant filed an amended application. On January 22, 2024, the Applicant filed a letter with the Commission stating that the proposed effective date of the rates requested in its amended application should have been 30 days from the filing, which is February 2, 2024, instead of June 1, 2024. The Applicant provides water utility service to approximately 154 residential customers.

The Public Staff has reviewed the application.

The Public Staff recommends that the Commission issue an Order granting the CPCN and approving rates.

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

The Minutes of the Regular Commission Staff Conference of January 22, 2024, were approved.

Jack Jirak, Deputy General Counsel at Duke Energy Corporation, introduced Duke's new team member Hayes Finley, Associate General Counsel- NC Regulatory.

Minutes prepared by Le Anne Ackerman.