

1 STAFF CONFERENCE

December 13, 2021

2 CHAIR MITCHELL: Good morning. Let's come
3 to order and go on the record, please.

4 In compliance with the State Government
5 Ethics Act, I remind members of the Commission of
6 their duty to avoid conflicts of interest, and inquire
7 as to whether any member of the Commission has a known
8 conflict of interest with respect to matters coming
9 before us?

10 (No response)

11 The record will reflect that no conflicts
12 have been identified, so we'll proceed with Public
13 Staff, Communications Item P1.

14 MS. PROFFITT: Good morning. My name is
15 Karen Proffitt with the Public Staff - Water, Sewer
16 and Telephone Division. Item P1 presents a filing of
17 Interconnection Agreement by Windstream on
18 October 1st, and an Amendment filed by AT&T North
19 Carolina on October the 12th.

20 The Public Staff has reviewed the filings
21 and recommends that Orders be issued approving the
22 Agreement and Amendment effective on the day they were
23 filed.

24 The Public Staff has provided copies of the

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1 proposed orders to the Commission's legal staff.

2 COMMISSIONER BROWN-BLAND: Move approval of
3 the recommendation.

4 COMMISSIONER GRAY: Second.

5 CHAIR MITCHELL: It's been moved and
6 seconded that the item be approved as recommended by
7 the Public Staff. Any questions or discussion on the
8 motion?

9 (No response)

10 Hearing none, I'll call the -- all in favor
11 indicate with an aye.

12 (All Commissioners say aye)

13 CHAIR MITCHELL: Anyone opposed?

14 (No response)

15 Motion carries.

16 (MOTION PASSES)

17 CHAIR MITCHELL: Thank you, Ms. Proffitt.

18 Next up we have Public Staff, Electric Item
19 P1.

20 MR. FLOYD: Good morning. I haven't seen
21 you face-to-face in about two years.

22 COMMISSIONER GRAY: Lucky you.

23 MR. FLOYD: I don't know about that. My
24 name is Jack Floyd with the Energy Division. Item P1

1 is a request by Dominion Energy North Carolina seeking
2 approval of their Residential Income and Age
3 Qualifying Program as a new Energy Efficiency program.
4 This program is intended to replace the former
5 Residential Income and Age Qualifying Program, which
6 was allowed to close back in June 30th of this year
7 pursuant to your Order in E-22, Sub 523.

8 This new program is designed to provide
9 energy efficiency measures to residential customers
10 who meet certain income and age qualifications. While
11 most of the measures are similar to the previous
12 program, this new program will also include new
13 measures like heat pump and air conditioning tune-ups,
14 duct sealing, water heating wraps, refrigerator
15 replacement, and floor insulation.

16 For some dwellings, the new program will
17 fund a more comprehensive energy assessment that may
18 include blower door tests as well as certain health
19 and safety measures that are related to the structure.
20 Those health and safety measures are intended to
21 repair things in the home that would allow the
22 installation of the larger, more costly EE measures.

23 A couple of things that I want to note for
24 you in this filing is that about or more than

1 60 percent of the savings in this program are coming
2 from non-lighting and non-water related measures.
3 Second, is the opportunity to address the structural
4 deficiencies of dwellings that would prevent
5 installations of things like heat pumps and
6 insulation.

7 The Public Staff acknowledges that the new
8 program is not cost-effective. However, like other
9 efficiency programs targeted toward low-income
10 customers, the new Residential Income and Age
11 Qualifying Program is intended to provide EE measures
12 to a group of customers that might not otherwise
13 participate in an EE program, particularly one where
14 the costly measures provide much greater potential for
15 energy savings.

16 Based upon our review, the Public Staff
17 recommends that you issue our proposed order approving
18 Dominion's proposed Residential and Income and Age
19 Qualifying Program as filed.

20 COMMISSIONER BROWN-BLAND: Move approval of
21 the recommendation.

22 COMMISSIONER GRAY: Second.

23 CHAIR MITCHELL: It's been moved and
24 seconded that the item be approved as recommended by

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1 the Public Staff. Any questions or discussion on the
2 motion?

3 (No response)

4 All in favor indicate with an aye.

5 (All Commissioners say aye)

6 CHAIR MITCHELL: Anyone opposed?

7 (No response)

8 MR. FLOYD: Thank you.

9 CHAIR MITCHELL: Motion carries.

10 (MOTION PASSES)

11 CHAIR MITCHELL: Thank you, Mr. Floyd. Next
12 up, we've got Public Staff, Water Item P1.

13 MS. DARDEN: Good morning. Lindsay Darden,
14 Engineer with the Public Staff - Water, Sewer and
15 Telephone Division. I'll be presenting Water Items
16 P1, P2 and P3 together today.

17 Water Items P1 through P3 filed by Old North
18 State Water Company in Docket Number W-1300, Subs 67,
19 73 and 75 are Notifications of intention to begin
20 water utility service in areas contiguous to
21 present service areas and for approval of rates.

22 The Public Staff recommends that the
23 Commission issue the proposed orders recognizing the
24 contiguous extensions.

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1 COMMISSIONER BROWN-BLAND: Move approval of
2 the recommendation.

3 COMMISSIONER GRAY: Second.

4 CHAIR MITCHELL: It's been moved and
5 seconded that the items be approved as recommended by
6 the Public Staff. Questions or discussion?

7 COMMISSIONER GRAY: One, two and three.

8 CHAIR MITCHELL: Yes, one, two and three.
9 Commissioner Brown-Bland?

10 COMMISSIONER BROWN-BLAND: At times we just
11 ask this just to be sure it's happening, but we
12 have no -- we have investigated and we do know these
13 areas are contiguous; is that correct?

14 MS. DARDEN: Yes.

15 COMMISSIONER BROWN-BLAND: Thank you.

16 CHAIR MITCHELL: Any additional questions?

17 (No response)

18 Hearing none, all in favor of the motion,
19 indicate with an aye.

20 (All Commissioners say aye)

21 CHAIR MITCHELL: Is there anyone opposed?

22 (No response)

23 Motion carries.

24 (MOTION PASSES)

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1 CHAIR MITCHELL: Thank you, Ms. Darden.

2 We will move on to Public Staff, Water Item
3 P4.

4 MS. DARDEN: That's me, too. Water Item P4,
5 Docket Number W-1338, Sub 0, SIG Marshville, LLC,
6 filed a Petition to issue a ruling that by providing
7 bulk wastewater treatment services to the Town of
8 Marshville. SIG will not be operating in public
9 sewerage system for compensation and should not be
10 deemed a utility as defined in the General Statute and
11 Commission Rule.

12 It's recommended that the Commission issue
13 the proposed order finding that SIG should not be
14 considered a public utility.

15 COMMISSIONER BROWN-BLAND: Move approval of
16 the recommendation.

17 COMMISSIONER GRAY: Second.

18 CHAIR MITCHELL: It's been moved and
19 seconded that the item be approved as recommended by
20 the Public Staff. Questions? Discussion?

21 (No response)

22 All in favor, indicate with an aye.

23 (All Commissioners say aye)

24 CHAIR MITCHELL: Anyone opposed?

1 (No response)

2 Motion carries.

3 (MOTION PASSES)

4 CHAIR MITCHELL: Thank you, Ms. Darden.

5 Next up, Public staff, Water Item P5.

6 MS. DARDEN: I just want to take a minute
7 real quick to say that Gina Casselberry will be
8 presenting this and this is her last time presenting
9 in front of the Commission. And, on behalf of the
10 Public Staff, I just wanted to congratulate her
11 twenty-nine years of service.

12 MS. CASSELBERRY: Thank you.

13 CHAIR MITCHELL: Thank you, Ms. Darden. And
14 welcome to the chair one last time, Ms. Casselberry.

15 MS. CASSELBERRY: Thank you. It's been a
16 pleasure working with the Commission and all of the
17 Public Staff.

18 CHAIR MITCHELL: Well, we certainly have
19 appreciated all of your service to the State of North
20 Carolina, so thank you.

21 MS. CASSELBERRY: Thank you. Item P5 is
22 Docket Number W-1207, Sub 2. On October 27, 2021,
23 Pfeiffer University and a North Carolina nonprofit
24 corporation filed an Application with the Commission

1 seeking authority to transfer its wastewater utility
2 system to Stanley County, which is exempt from
3 Commission regulation.

4 Pfeiffer provides wastewater utility service
5 to 27 residential customers.

6 The Public Staff has reviewed the
7 Application and is of the opinion that the transfer is
8 of the best interest of the 27 residential customers
9 and recommends that the Commission approve the
10 transfer without public hearing.

11 The Public Staff recommends that the
12 Commission issue the proposed order approving the
13 transfer.

14 COMMISSIONER BROWN-BLAND: Move approval of
15 the recommendation.

16 COMMISSIONER GRAY: Second.

17 CHAIR MITCHELL: It's been moved and
18 seconded that the item be approved as recommended by
19 the Public Staff. Are there any questions or
20 discussion?

21 (No response)

22 Hearing none, all in favor indicate with
23 aye.

24 (All Commissioners say aye)

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1 CHAIR MITCHELL: Anyone opposed?

2 (No response)

3 The motion carries.

4 (MOTION PASSES)

5 CHAIR MITCHELL: Thanks, Ms. Casselberry.

6 Public Staff, Water Item P6.

7 MR. FRANKLIN: Good morning, Commissioners.

8 I'm Mike Franklin, Engineer, Public Staff - Water,
9 Sewer and Telephone Division. This morning, I have
10 Water Item P6. Red Bird Utility Operating Company,
11 LLC, and Bear Den Acres Development, Inc., have filed
12 an Application for transfer of public utility
13 franchise and for approval of rates seeking authority
14 to transfer the water utility system and public
15 utility franchise serving Bear Den Acres Development
16 in McDowell County, North Carolina, from Bear Den to
17 Red bird, and approval of rates.

18 Bear Den current serves 50 residential
19 customers in Bear Den Acres Development. Upon
20 acquisition of the system, Red Bird proposes to charge
21 the current Commission-approved rates for Bear Den.

22 The Applicant's recommended rates and
23 proposed future rates are as shown in the agenda item.

24 A proposed order has been provided. And it

1 is recommended that the Commission issue the proposed
2 order scheduling an expert witness hearing,
3 establishing discovery guidelines, and requiring
4 customer notice, specifying that if no significant
5 protests are received subsequent to customer notice,
6 the matter may be decided without a public hearing.

7 That concludes my summary.

8 COMMISSIONER BROWN-BLAND: Move approval of
9 the recommendation.

10 COMMISSIONER GRAY: Second.

11 CHAIR MITCHELL: It's been moved and
12 seconded that the item be approved as recommended by
13 the Public Staff. Any questions or discussion?
14 Commissioner Hughes?

15 COMMISSIONER HUGHES: I was just curious,
16 the water, the average water consumption was so low,
17 just with 1500 gallons per month; do you know, is it a
18 resort community where people are --

19 MR. FRANKLIN: It's seasonal. Yes, it's in
20 the mountains and it's seasonal. So, some people are
21 there full-time, some are part time.

22 COMMISSIONER HUGHES: Okay. When people are
23 there they probably use a lot more than 1500?

24 MR. FRANKLIN: Yes. Yes.

1 COMMISSIONER HUGHES: Thanks.

2 CHAIR MITCHELL: Any additional questions?

3 (No response)

4 Hearing none, all in favor of the motion,
5 indicate with an aye.

6 (All Commissioners say aye)

7 CHAIR MITCHELL: Anyone opposed?

8 (No response)

9 The motion carries.

10 (MOTION PASSES)

11 CHAIR MITCHELL: Thank you, Mr. Franklin.

12 The Commission has before us our minutes of
13 the November 29th, 2021, Staff Conference for
14 approval. I'll take a motion.

15 COMMISSIONER McKISSICK: Move approval of
16 the recommendation.

17 COMMISSIONER DUFFLEY: Second.

18 CHAIR MITCHELL: Any questions or
19 discussion?

20 (No response)

21 All in favor of approving the minutes,
22 indicate with an aye.

23 (All Commissioners say aye)

24 CHAIR MITCHELL: Anyone opposed?

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1 (No response)

2 The minutes from November 29th are approved.
3 And any updates for the Commission?

4 MR. McLAWHORN: Good morning, Chair Mitchell
5 and Members of the Commission. I'm James McLawhorn,
6 Director of the Public Staff's Energy Division. Like
7 Mr. Floyd, I believe this is the first time I've seen
8 you face-to-face in the hearing room in almost two
9 years, and it's nice to see you again.

10 Just to update the Commission on some of the
11 changes that have occurred, the last time I appeared
12 before you in person I was the Director of the Public
13 Staff's Electric Division. About a year and a half
14 ago, Executive Director Ayers decided to merge the
15 Natural Gas and Electric Divisions into the Energy
16 Division. So, I -- they always say you can't teach an
17 old dog new tricks, and I'm trying desperately to
18 learn the gas world.

19 We have had a lot of changes in the gas
20 area. I think you all are very familiar with Ms. Neha
21 Patel; she's been there for awhile, and she is the
22 Manager of the Natural Gas Section now. We also have
23 two managers in the Electric Section of the Energy
24 Division. But today, I wanted to introduce to you two

1 new members of the Natural Gas Section.

2 On my right is Mr. Jordan Nader, N-A-D-E-R.
3 Mr. Nader has an MS in mechanical engineering from the
4 University of Dayton and a BS in mechanical
5 engineering from "the" Ohio State University. I think
6 we're all familiar with that. But he's worked as an
7 energy engineer for Go Sustainable Energy and
8 RunnerStone in Ohio, and has provided technical
9 expertise to a number of intervenors appearing before
10 the Public Utilities Commission of Ohio. And he has
11 significant experience in energy efficiency, and
12 commercial and construction commissioning. And, much
13 to my pleasure, has great or has significant
14 familiarity with PJM, so we can let him follow that or
15 help us follow the goings-on at PJM. So, I hope that
16 everyone will welcome Mr. Nader.

17 And then to my left is another Jordan,
18 Jordan Pappas, P-A-P-P-A-S. And Jordan is also
19 joining the Natural Gas Section. He has a Bachelor of
20 Science degree in engineering from James Madison
21 University. And he's coming to us from DEQ; he's been
22 there since 2017, and he has significant experience
23 working with the regulation of our favorite topic
24 "coal combustion residual impoundments". He also has

1 worked on emergency response during major storm events
2 and he has worked to ideate the Onshore Wind Energy
3 Program permitting process that is now at the
4 responsibility of DEQ. So, I hope everyone will take
5 the opportunity to welcome Mr. Nader and Mr. Pappas to
6 the Public Staff.

7 CHAIR MITCHELL: Well, thank you,
8 Mr. McLawhorn for catching us up to speed on goings-on
9 at the Public Staff and for introducing these two new
10 additions to us.

11 Gentlemen, we appreciate your being here and
12 look forward to working with you. And go ahead and
13 get comfortable in those seats, you're going to be
14 there. But welcome! We're glad you're here.

15 Anything else for the Commission this
16 morning before we adjourn?

17 (No response)

18 If there's nothing else, we'll be adjourned.
19 Let's go off the record, please. Thank you very much.

20 _____
21 WHEREUPON, this conference is adjourned.
22 _____
23
24

C E R T I F I C A T E

I, KIM T. MITCHELL, DO HEREBY CERTIFY that
the Proceedings in the above-captioned matter were
taken before me, that I did report in stenographic
shorthand the Proceedings set forth herein, and the
foregoing pages are a true and correct transcription
to the best of my ability.

Kim T. Mitchell

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