

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
December 12, 2022
10:00 a.m.**

NATURAL GAS

ENERGY EFFICIENCY RIDER ADJUSTMENT

Piedmont Natural Gas Company, Inc.

1. Docket No. G-9, Sub 814 – Application of Piedmont Natural Gas Company, Inc., for approval of Energy Efficiency Program adjustment of rates under Appendix H of its service regulations (*D. Williamson/Jost*)

WATER AND WASTEWATER

*ORDER GRANTING TRANSFER, APPROVING RATES, TRANSFERRING BOND, AND
REQUIRING CUSTOMER NOTICE*

Ferrington Utilities, LLC

2. Docket No. W-661, Sub 10/W-1341, Sub 0 – Application for authority to transfer the wastewater utility system and public utility franchise for providing wastewater utility service in Ferrington Village S/D in Chatham County, North Carolina, and Approval of Rates (*Bhatta/Allison/Little*)

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 814

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Annual Energy Efficiency Program Filing of)	ORDER APPROVING
Piedmont Natural Gas Company, Inc.,)	RATE ADJUSTMENTS
Pursuant to Appendix H of its Service)	EFFECTIVE
Regulations)	JANUARY 1, 2023

BY THE COMMISSION: On September 16, 2022, Piedmont Natural Gas Company, Inc. (Piedmont) filed its Annual Energy Efficiency (EE) Program Filing addressing the operation of the Company's EE programs for the five-month period from November 1, 2021, through March 31, 2022, and requesting authority to implement its proposed EE Rider rate adjustment for calendar year 2023 (2023 Rate Period).

Piedmont's 2022 Annual EE Filing was made pursuant to the requirements of Appendix H, Energy Efficiency Pilot Program and Cost Recovery Rider, to the Company's North Carolina Service Regulations (Appendix H). The Commission approved Appendix H in its Order Approving Stipulation, Granting Rate Increase, and Requiring Customer Notice issued in Docket No. G-9, Subs 722, 781, and 786 on January 6, 2022.

On December 1, 2022, the Public Staff filed comments stating that the Company generally complied with the filing requirements found in Paragraph 10 of Appendix H, and acknowledging the challenges presented by the first EE Rider rate change request due to the unavailability of 12 months' worth of actual data. The Public Staff also stated that the Company updated its originally proposed rate to include actual expense for the month of September 2022. Ultimately, the Public Staff recommended that the Commission: (1) order the Company to provide certain information with its next annual EE filing due on or before September 15, 2023, including participation data and an Evaluation, Measurement, and Verification Plan; (2) authorize the Company to proceed with the implementation of its EE programs for the 2023 Rate Period; and (3) approve the Company's updated proposed rates for its EE Rider for the 2023 Rate Period.

On December 6, 2022, Piedmont filed Reply Comments stating that it agrees with the recommendations made by the Public Staff in its comments.

The proposed EE Rider rate adjustments, as updated to reflect the actual expenses incurred through September 2022, and expressed in dollars per therm, are as follows:

Residential Service (RS 101)	Small/Medium General Service (RS 102 and 152)
\$0.00454	\$0.00004

The Public Staff presented this matter at the Commission's Regular Staff Conference on December 12, 2022. 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 is of the opinion that the proposed EE Rider rate adjustments reflected on Exhibit B, as updated by the Public Staff, should be allowed to become effective as of January 1, 2023.

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont shall provide in its next annual EE program filing the information recommended by the Public Staff in its comments filed on December 1, 2022;
2. That Piedmont 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 January 1, 2023;
3. That Piedmont shall file its revised tariffs consistent with Ordering Paragraph 2 within five days of the date of this Order; and
4. That Piedmont shall give notice to its customers of the rate changes authorized in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-661, SUB 10
DOCKET NO. W-1341, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Fearrington Utilities, LLC and)
Fitch Creations, Inc. d/b/a Fearrington Utilities,)
2000 Fearrington Village, Pittsboro, North)
Carolina 27312, for Authority to Transfer the)
Wastewater Utility System and Public Utility)
Franchise for Providing Wastewater Utility)
Service in Fearrington Village Subdivision in)
Chatham County, North Carolina, and)
Approval of Rates)
	ORDER GRANTING
	TRANSFER, APPROVING
	RATES, TRANSFERRING
	BOND, AND REQUIRING
	CUSTOMER NOTICE

BY THE COMMISSION: On June 1, 2022, Fearrington Utilities, LLC (Fearrington Utilities) and Fitch Creations, Inc. d/b/a Fearrington Utilities (Fitch Creations) (Applicant) filed with the North Carolina Utilities Commission (Commission) an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application), seeking authority to transfer the wastewater utility system and public utility franchise serving the Fearrington Village Subdivision in Chatham County, North Carolina, from Fitch Creations to Fearrington Utilities, a subsidiary of Fitch Creations. Fearrington Utilities filed with the Commission supplemental and additional materials in support of the Application on June 1 and June 24, 2022.

On September 14, 2022, the Commission issued an Order Requiring Customer Notice. The Order stated that the matter may be determined without public hearing if no significant protests were received within 45 days of customer notice. On October 10, 2022, the Applicant filed a Certificate of Service certifying that the required notice had been provided to customers. The time within which customers could protest expired on October 29, 2022, and no protests were received.

On December 12, 2022, the Public Staff presented this matter at the Commission's Staff Conference. The Public Staff recommends accepting and approving the transfer of bond, approving the transfer of the assets and Certificate of Public Convenience and Necessity (CPCN), approving the requested rates, and requiring customer notice.

FINDINGS OF FACT

1. Fitch Creations holds a CPCN to provide wastewater utility service to approximately 1,431 customers in the Fearington Village Subdivision in Chatham County, North Carolina.

2. Fearington Village wastewater treatment plant's (WWTP) National Pollutant Discharge Elimination System (NPDES) permit modification was issued under permit number NC0043559 on February 8, 2022. The permit modification states that the existing 0.27 MGD capacity WWTP's ownership was approved to transfer to Fearington Utilities.

3. Fearington Village Collection System permit (WQCS00238), issued on June 18, 2021, described the overall system consisting of approximately 17.4 miles of gravity sewer, approximately 1.5 miles of force main, 3 duplex pump stations, and other related appurtenances.

4. Upon acquisition, Fearington Utilities plans to make capital improvements including the renovation of the existing 270,000 gallons per day WWTP at a cost of \$4,186,225.

5. Fearington Utilities requests to continue to charge the present rates approved for Fearington Village Subdivision in Docket No. W-661, Sub 8, as shown below:

Residential Flat Rates and Commercial Establishments Not Listed Below:

	<u>Present</u>	<u>Proposed</u>
If paid annually in advance	\$ 259.97 per year	\$ 259.97 per year
Galloway Ridge Apartments and Villas	\$ 21.67 per month, per residence	\$ 21.67 per month, per residence

Annual Commercial Flat Rates:

Fearington House Restaurant	\$2,599.23	\$2,599.23
Fearington Inn	\$2,287.43	\$2,287.43
The Market	\$2,078.63	\$2,078.63
Village Beauty Shop	\$ 806.16	\$ 806.16
Fitch Creations, Inc. Admin. Building	\$ 806.16	\$ 806.16
Galloway Ridge Commercial Center	\$8,578.55	\$8,578.55

Reconnection Charges:

If sewer service cut off by utility for good cause	\$ 14.05	\$ 14.05
If sewer service discontinued at customer's request	\$ 14.05	\$ 14.05

6. Fearrington Utilities has the technical, managerial, and financial capacity to provide sewer utility service in Fearrington Village Subdivision in Chatham County, North Carolina.

7. Fearrington Utilities has filed all exhibits required with the application.

8. The Public Staff recommended that the current bond surety of \$100,000 for Fitch Creations, Inc. d/b/a Fearrington Utilities be transferred to Fearrington Utilities.

CONCLUSIONS

Based on the foregoing, the Commission concludes that the bond should be accepted and approved, the transfer should be granted, the requested rates should be approved, and customers should be notified.

IT IS, THEREFORE, ORDERED as follows:

1. That the surety bond of \$100,000 shall be transferred from Fitch Creations, Inc. d/b/a Fearrington Utilities to Fearrington Utilities, LLC, in a form acceptable to and approved by the Commission, prior to closing;

2. That Fearrington Utilities, LLC is granted a CPCN to provide sewer utility service in Fearrington Village Subdivision in Chatham County, North Carolina, effective upon closing of the transfer of the sewer utility system to Fearrington Utilities;

3. That Appendix A, attached hereto, shall constitute the CPCN for Fearrington Village Subdivision;

4. That the Schedule of Rates, attached as Appendix B, is approved and deemed to be filed with the Commission pursuant to N.C. Gen. Stat. § 62-138. This Schedule of Rates is authorized to become effective for service rendered on and after the date of the closing of the transfer of wastewater system assets to Fearrington Utilities, LLC;

5. That the Notice to Customers, attached hereto as Appendix C, shall be mailed with sufficient postage or hand delivered by the Applicant to all customers affected by the transfer no later than 15 days after the date of this Order; and that Fearrington Utilities, LLC shall submit to the Commission the attached certificate of service, properly signed and notarized, not later than 30 days from the date of this Order;

6. That Fearrington Utilities, LLC shall provide written notification to the Commission that the transfer has been completed within five business days after the closing;

7. That the CPCN to provide sewer utility service to Fitch Creations, Inc. d/b/a Fearrington Utilities in Docket No. W-661, Sub 0, for Fearrington Village Subdivision is cancelled effective on the date Fearrington Utilities, LLC files with the Commission written notification that the closing of the transfer of the sewer system assets has been completed; and

8. That the CPCN is granted to Fearrington Utilities, LLC effective on the date Fearrington Utilities, LLC files with the Commission written notification that closing of the transfer of the sewer system assets has been completed.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-661, SUB 10
DOCKET NO. 1341, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

FEARRINGTON UTILITIES, LLC

is granted a

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

for providing sewer utility service

in

FEARRINGTON VILLAGE SUBDIVISION
Chatham County, North Carolina

subject to any orders, rules, regulations
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

SCHEDULE OF RATES
for
FEARRINGTON UTILITIES, LLC

for providing sewer utility service in

FEARRINGTON VILLAGE SUBDIVISION

Chatham County, North Carolina
Residential Flat Rates and Commercial

<u>Establishments Not Listed Below:</u>	<u>Present</u>	<u>Proposed</u>
If paid annually in advance	\$ 259.97 per year	\$ 259.97 per year
Galloway Ridge Apartments and Villas	\$ 21.67 per month, per residence	\$ 21.67 per month, per residence

Annual Commercial Flat Rates:

Fearrington House Restaurant	\$2,599.23	\$2,599.23
Fearrington Inn	\$2,287.43	\$2,287.43
The Market	\$2,078.63	\$2,078.63
Village Beauty Shop	\$ 806.16	\$ 806.16
Fitch Creations, Inc. Admin. Building	\$ 806.16	\$ 806.16
Galloway Ridge Commercial Center	\$8,578.55	\$8,578.55

Reconnection Charges:

If sewer service cut off by utility for good cause	\$ 14.05	\$ 14.05
If sewer service discontinued at customer's request	\$ 14.05	\$ 14.05

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-661, SUB 10
DOCKET NO. W-1341, SUB 0**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that Fitch Creations, Inc. d/b/a Fearrington Utilities (Fitch Creations), and Fearrington Utilities, LLC (Fearrington Utilities) filed with the North Carolina Utilities Commission (Commission) an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the wastewater utility system and public utility franchise serving the Fearrington Village Subdivision in Chatham County, North Carolina, from Fitch Creations to Fearrington Utilities.

EFFECT OF RATES:

The Applicant's present wastewater utility rates were approved on December 6, 2016, pursuant to the Commission's order issued in Docket Nos. W-661, Sub 8, and M-100, Sub 138, effective January 1, 2017, and will remain unchanged upon completion of the transfer. The present and proposed rates are as follows:

**Residential Flat Rates and Commercial
Establishments Not Listed Below:**

	<u>Present</u>	<u>Proposed</u>
If paid annually in advance	\$ 259.97 per year	\$ 259.97 per year
Galloway Ridge Apartments and Villas	\$ 21.67 per month, per residence	\$ 21.67 per month, per residence

Annual Commercial Flat Rates:

Fearrington House Restaurant	\$2,599.23	\$2,599.23
Fearrington Inn	\$2,287.43	\$2,287.43
The Market	\$2,078.63	\$2,078.63
Village Beauty Shop	\$ 806.16	\$ 806.16

<u>Annual Commercial Flat Rates (continued):</u>	<u>Present</u>	<u>Proposed</u>
Fitch Creations, Inc. Admin. Building	\$ 806.16	\$ 806.16
Galloway Ridge Commercial Center	\$8,578.55	\$8,578.55

Reconnection Charges:

If sewer service cut off by utility for good cause	\$ 14.05	\$ 14.05
If sewer service discontinued at customer's request	\$ 14.05	\$ 14.05

This the ____ day of _____, 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 Notice to Customers issued by the North Carolina Utilities Commission in Docket Nos. W-661, Sub 10 and W-1341, Sub 0, and the Notice 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 Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket Nos. W-661, Sub 10 and W-1341, Sub 0.

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

Notary Public

Printed Name

(SEAL) My Commission Expires:

Date

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