

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

September 7, 2021

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Tuesday, September 7, 2021, at 10:00 a.m., with Chair Mitchell, presiding. The remote meeting was conducted by use of simultaneous communication (via Webex) pursuant to N.C. Gen. Stat. § 166A-19.24, streamed live online, and available to the public.

The following were present during the entirety of the remote meeting:

COMMISSIONERS:

Commissioner Brown-Bland
Commissioner Gray
Commissioner Clodfelter
Commissioner Duffley
Commissioner Hughes
Commissioner McKissick

COMMISSION STAFF: Ms. Henderson, Ms. Fennell, Ms. Duffy, Ms. Barnes, Ms. Hilburn, Ms. Paschal, Ms. Zhang, Ms. Burns, Ms. Needham, Mr. Warren, Mr. McCoy

PUBLIC STAFF: Ms. Culpepper, Ms. Jost, Mr. Creech, Mr. Josey, Mr. Magarira, Mr. Sailor, Mr. D. Williamson, Mr. Junis, Ms. Casselberry

ATTORNEY GENERAL:

COURT REPORTER: Ms. Mitchell

D. ELECTRIC**P1. APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES**

The following applications seek to renew certificates of public convenience and necessity for construction of solar photovoltaic (PV) electric generating facilities pursuant to N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

Duke Energy Progress, LLC:

- Docket No. SP-7622, Sub 0 – Application of Banner Solar, LLC, to amend and renew the certificate of public convenience and necessity to construct a 5-MW solar PV facility in Johnston County, North Carolina (registration statement issued previously).
- Docket No. SP-7918, Sub 0 – Application of Beckwith Solar, LLC, to renew the certificate of public convenience and necessity to construct a 5-MW solar PV facility in Columbus County, North Carolina (registration statement issued previously).
- Docket No. SP-7932, Sub 0 – Application of Selwyn Farm, LLC, to renew the certificate of public convenience and necessity to construct a 5-MW solar PV facility in Anson County, North Carolina (registration statement issued previously).
- Docket No. SP-8189, Sub 0 – Application of Aberdeen Farm, LLC, to amend and renew the certificate of public convenience and necessity to construct a 5-MW solar PV facility in Scotland County, North Carolina (registration statement issued previously).

The Public Staff has reviewed the applications and determined that they comply with the requirements of N.C.G.S. § 62-110.1 and Commission Rule R8-64.

The Public Staff recommended that the Commission issue orders approving the applications and issuing the requested amended and renewed certificates for the facilities. Proposed orders have been provided to the Commission Staff.

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

E. WATER**P1. DOCKET NO. W-218, SUB 526A – AQUA NORTH CAROLINA, INC. – APPLICATIONS FOR APPROVAL TO IMPLEMENT SECONDARY WATER QUALITY SYSTEM IMPROVEMENT PROJECTS**

On April 14, May 17, July 2, August 5, and August 20, 2021, Aqua North Carolina, Inc. (Aqua) filed Applications for Approval to Implement Secondary Water Quality System Improvement Projects Pursuant to N.C. Gen. Stat. § 62-133.12 and Commission Rule R7-39 (Applications). The six projects and the estimated costs are summarized below.

<u>System</u>	<u>County</u>	<u>Approved Pumping Capacity Gallons Per Minute</u>	<u>Aqua Estimated Cost (Thousands of \$)</u>
Spring Shores Well 2	Iredell	50	\$272-\$297
Martindale Well 3	Wake	60	\$325-\$350
Carden's Creek Wells 1 and 2	Durham	56	\$470-\$495
Bayleaf Farms Well 1	Wake	117	\$330-\$355
Royal Senter Ridge Well 1	Wake	68	\$390-\$415 ¹
Royal Senter Ridge Wells 2 and 3	Wake	128	\$370-\$395
Total			\$2.157-\$2.307 Million

On August 30, 2021, the Public Staff – North Carolina Utilities Commission (Public Staff) filed its Report and Recommendations regarding Aqua's Applications. The Public Staff stated that it had thoroughly reviewed the filter projects proposed by Aqua and, based on its review of the Applications, the Public Staff determined that, for these projects, the filters are necessary for Aqua to provide adequate secondary standard water quality.

The Public Staff recommends that the Commission approve Aqua's implementation of the proposed secondary water quality projects.

The Public Staff recommended that the Commission issue the proposed order authorizing Aqua to implement its six proposed filtration projects to comply with secondary water quality standards.

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

¹ In a discovery response provided to the Public Staff on March 23, 2021, the Company estimated that the interconnection of the Branston and Royal Senter Ridge distribution systems and separate filtration at Royal Senter Ridge Well 1 and Royal Senter Ridge Wells 2 and 3 would cost \$680,000.

P2. DOCKET NO. W-354, SUB 391 – CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA – REQUEST FOR TARIFF REVISION

On July 28, 2021, Carolina Water Service, Inc. of North Carolina (CWSNC), filed a letter with the North Carolina Utilities Commission (Commission) pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to sewer customers in the Mt. Carmel service area in Buncombe County an increase in the cost of purchasing sewage treatment from the Metropolitan Sewerage District of Buncombe County (MSD). N.C.G.S. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

CWSNC states that MSD increased its usage charge for sewage treatment by \$0.19 per 1,000 gallons, increasing the rate from \$6.32 to \$6.51 per 1,000 gallons, and increased the monthly base facility charge by \$0.20 per sewer customer from \$7.29 to \$7.49. The change was effective on July 1, 2021.

The Public Staff – North Carolina Utilities Commission (Public Staff) has reviewed MSD's current rates and recommends that CWSNC's request for a tariff revision be approved.

The new rate would increase the average residential monthly sewer bill (< 1 inch meter) from \$65.15 to \$65.85, based on an average usage of 2,630 gallons. The average usage was determined in Exhibit 18 of the Testimony of Gina Y. Casselberry, Advanced Utilities Engineer, Public Staff Water, Sewer, and Telephone Division, filed on November 4, 2019, in Docket No. W-354, Sub 364.

The Public Staff recommended that the proposed order be issued approving the recommended tariff revision.

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

P3. DOCKET NO. W-354, SUB 392 – CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA – REQUEST FOR TARIFF REVISION

On July 28, 2021, Carolina Water Service, Inc. of North Carolina (CWSNC), filed a letter with the North Carolina Utilities Commission (Commission) pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to sewer customers in its College Park service area in Gaston County an increase in the cost of purchasing sewage treatment from the Town of Dallas. N.C.G.S. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

CWSNC states that the Town of Dallas increased its usage charge for sewage treatment by \$0.44 per 1,000 gallons, increasing the rate from \$7.33 to \$7.77 per 1,000 gallons. The change was effective on July 1, 2021.

The Public Staff – North Carolina Utilities Commission (Public Staff) has reviewed the Town of Dallas' current rates and recommends that CWSNC's request for a tariff revision be approved.

The new rate would increase the average residential monthly sewer bill (< 1 inch meter) from \$70.32 to \$72.06, based on an average usage of 3,967 gallons. The average usage was determined in Exhibit 18 of the Testimony of Gina Y. Casselberry, Advanced Utilities Engineer, Public Staff Water, Sewer, and Telephone Division, filed on November 4, 2019, in Docket No. W-354, Sub 364.

The Public Staff recommended that the proposed order be issued approving the recommended tariff revision.

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

Minutes of the Regular Commission Staff Conference of August 30, 2021, were approved.

Minutes prepared by Portia Barnes.