

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

January 24, 2022

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, January 24, 2022, 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:

COMMISSIONERS:

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

COMMISSION STAFF: Ms. Lazo, Ms. Henderson, Ms. Fennell, Ms. Duffy, Ms. Swenson, Ms. Ackerman, Ms. Kennedy, Ms. Hilburn, Ms. Paschal, Ms. Zhang, Ms. Jayasheela, Ms. Burns, Mr. Gajda, Mr. McCoy, Ms. Gray

PUBLIC STAFF: Ms. Jost, Mr. Creech, Ms. Coxton, Mr. Josey, Mr. Saillor, Mr. Metz, Ms. Darden, Mr. Franklin

ATTORNEY GENERAL:

COURT REPORTER: Ms. Mitchell

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

EXPLANATION: The following applications regard certificates of public convenience and necessity for construction of solar photovoltaic generating facilities, pursuant to N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

Duke Energy Carolinas, LLC:

- Docket No. SP-8746, Sub 0 – Application of Pelham Solar, LLC, for renewal of a certificate of public convenience and necessity to construct a 32-MW solar photovoltaic facility in Caswell County, North Carolina. (registration statement accepted previously)
- Docket No. SP-8774, Sub 0 – Application of Aquadale Solar, LLC, for renewal of a certificate of public convenience and necessity to construct a 50-MW solar photovoltaic facility in Rutherford County, North Carolina. (registration statement accepted previously)

Duke Energy Progress, LLC:

- Docket No. SP-5262, Sub 0 – Application of Henry Gibson Solar, LLC, for renewal and amendment of a certificate of public convenience and necessity to construct a 4.99-MW solar photovoltaic facility in Scotland County, North Carolina. An amendment is requested to update the facility's site plan. The applicant indicates that construction of the facility is expected to begin in the second quarter of 2022. (registration statement accepted previously)
- Docket No. SP-28189, Sub 0 – Application of Hobnob Solar, LLC, for a certificate of public convenience and necessity to construct a 72-MW solar photovoltaic facility in Hoke County, North Carolina.
- Docket No. SP-31586, Sub 0 – Application of Rosemary Solar, LLC, for a certificate of public convenience and necessity to construct a 74-MW solar photovoltaic facility in Scotland County, North Carolina.

Unless otherwise noted, each applicant has filed a registration statement for a new renewable energy facility. The registration statement includes certified attestations, as required by Commission Rule R8-66(b), that: (1) the facility is in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources; (2) the facility will be operated as a new renewable

energy facility; (3) the applicant will not remarket or otherwise resell any renewable energy certificates sold to an electric power supplier to comply with N.C.G.S. §. 62-133.8; and (4) the applicant will consent to the auditing of its books and records by the Public Staff – North Carolina Utilities Commission (Public Staff) insofar as those records relate to transactions with North Carolina electric power suppliers.

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 certificates. The Public Staff has provided proposed orders to the Commission Staff.

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

E. WATER

P1. DOCKET NO. W-1300, SUB 61 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

EXPLANATION: On October 4, 2019, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Arlington Manor Woods subdivision in Wake County, North Carolina, and for approval of rates.

ONSWC presently serves 20 water customers in Arlington Manor Woods. The total number of approved connections for Arlington Manor Woods is 20 connections. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Arlington Manor Woods subdivision, part of Water System No. NC4092184. The plans are approved under serial number 18-00636R1, dated December 10, 2018.

ONSWC entered into a Water Agreement dated May 22, 2019, with Allen-Rahill, LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per residential equivalent unit (REU) for water service, to be paid one time by the builder or person first requesting service to a particular lot. ONSWC is purchasing the water system for \$1,000 per REU from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC's record of service is satisfactory.

ONSWC has filed all exhibits required with the Application.

Based on the foregoing, the Public Staff is of the opinion that ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the Certificate of Public Convenience and Necessity be issued. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Arlington Manor Woods. ONSWC currently has \$750,000 of bonds posted with the Commission. Of this amount, \$680,000 of bond surety is assigned to specific subdivisions, and \$70,000 of bond surety is unassigned.

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

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

Minutes of the Regular Commission Staff Conference of January 18, 2021 were approved.

Chair Mitchell introduced Sacajawea Gray, the new Director of Fiscal Management for the North Carolina Utilities Commission.

Minutes prepared by Le Anne Ackerman.