

## NORTH CAROLINA PUBLIC STAFF UTILITIES COMMISSION

October 19, 2022

Ms. A. Shonta Dunston, Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

Re: Docket No. E-22, Sub 643 – Application by Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina, for Approval of Renewable Energy and Energy Efficiency Portfolio Standard Cost Recovery Rider Under N.C. Gen. Stat. § 62-133.8 and Commission Rule R8-67

Dear Ms. Dunston:

In connection with the above-referenced docket, I transmit herewith for filing on behalf of the Public Staff the following:

- 1. Notice of Affidavit of Scott J. Saillor, Utilities Engineer, Energy Division;
- 2. Affidavit of Scott J. Saillor, Utilities Engineer, Energy Division;
- 3. Notice of Affidavit of Charles A. Akpom, Financial Analyst, Accounting Division; and
- 4. Affidavit of Charles A. Akpom, Financial Analyst, Accounting Division.

By copy of this letter, I am forwarding a copy to all parties of record by electronic delivery.

Sincerely,

Electronically submitted s/ Anne Keyworth Staff Attorney anne.keyworth@psncuc.nc.gov

#### **Attachments**

Executive Director (919) 733-2435

Accounting (919) 733-4279

Consumer Services (919) 733-9277

Economic Research (919) 733-2267

Energy (919) 733-2267

Legal (919) 733-6110 Transportation (919) 733-7766

Water/Telephone (919) 733-5610

DOCKET NO. E-22, SUB 645

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Virginia Electric and Power )	
Company, d/b/a Dominion Energy North )	NOTICE OF
Carolina, for Approval of Renewable Energy and)	AFFIDAVIT
Energy Efficiency Portfolio Standard Cost )	
Recovery Rider Under N.C. Gen. Stat. § 62- )	
133.8 and Commission Rule R8-67	

NOW COMES THE PUBLIC STAFF - North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, as constituted by N.C. Gen. Stat. § 62-15, and gives notice that the Affidavit of:

Scott J. Saillor, Utilities Engineer, Energy Division Public Staff - North Carolina Utilities Commission 430 North Salisbury Street - Dobbs Building 4326 Mail Service Center Raleigh, North Carolina 27699-4300

will be used in evidence at the hearing in this docket scheduled for November 9, 2022, pursuant to N.C.G.S. § 62-68. The affiant will not be called to testify orally and will not be subject to cross-examination unless an opposing party or the Commission demands the right of cross-examination by notice mailed or delivered to the proponent at least five days prior to the hearing, pursuant to N.C.G.S. § 62-68.

THEREFORE, the Public Staff moves that the Affidavit of Scott J. Saillor be admitted into evidence in the absence of notice pursuant to N.C.G.S. § 62-68.

## Respectfully submitted this the 19th day of October 2022.

PUBLIC STAFF Christopher J. Ayers Executive Director

Lucy E. Edmondson Chief Counsel

Electronically submitted
/s/ Anne M. Keyworth
Staff Attorney
anne.keyworth@psncuc.nc.gov

430 North Salisbury Street - Dobbs Building 4326 Mail Service Center Raleigh, North Carolina 27699-4300 Telephone: (919) 733-6110

DOCKET NO. E-22, SUB 643

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Virginia Electric and Power	)
Company, d/b/a Dominion Energy North	)
Carolina, for Approval of Renewable Energy	) AFFIDAVIT OF
and Energy Efficiency Portfolio Standard	) SCOTT J. SAILLOR
Cost Recovery Rider Under N.C. Gen. Stat.	)
§ 62-133.8 and Commission Rule R8-67	)

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Scott J. Saillor, first being duly sworn, do depose and say:

I am a Utilities Engineer in the Energy Division of the Public Staff – North Carolina Utilities Commission. A summary of my duties, education, and experience is attached to this affidavit as Appendix A.

The purpose of my affidavit is to make recommendations to the Commission on the proposed Renewable Energy and Energy Efficiency Portfolio Standard (REPS) Cost Recovery Rider and the 2021 REPS Compliance Report filed by Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC) on August 9, 2022, as revised by DENC's corrected testimony filed on September 20, 2022. These recommendations are based on a review of DENC's application, the supporting testimony and exhibits of George E. Hitch, Justin A. Wooldridge, and Emilia L. Catron, DENC's 2021 REPS Compliance Report, DENC's newly signed renewable energy contracts, DENC's responses to Public

Staff data requests, reports generated from the North Carolina Renewable Energy Tracking System, and the affidavit of Public Staff affiant Charles A. Akpom.

## 2021 REPS Compliance Report

DENC is legally obligated to acquire renewable energy certificates (RECs) in accordance with N.C. Gen. Stat. § 62-133.8, and contractually required to provide REPS compliance services, including reporting services, for the Town of Windsor. The filings by DENC in this docket include the REPS requirements of the Town of Windsor.

For 2021 compliance, DENC obtained a sufficient number of general RECs, <sup>1</sup> energy efficiency certificates, solar set-aside RECs, swine waste set-aside RECs, and poultry waste set-aside RECs so that the total equaled 12.5% of DENC's 2020 North Carolina retail sales for itself and 10% of 2020 North Carolina retail sales for the Town of Windsor. As part of the total requirement, DENC needed to pursue retirement of sufficient solar RECs to match 0.20% of retail sales in 2020 for both it and the Town of Windsor, sufficient poultry waste RECs to match their pro-rata share of 300,000 MWh, and sufficient swine waste RECs to match 0.07% of retail sales in 2020 for itself. The swine waste REC requirements for the Town of Windsor have been delayed until the 2022 compliance year. The current swine and poultry waste set-aside requirements were determined by the Commission in Docket No. E-100, Sub 113 in its December 16, 2019 Order Modifying the Swine and Poultry Waste Set-Aside Requirements and Providing Other Relief, its

<sup>&</sup>lt;sup>1</sup> General RECs include all RECs other than those used to meet the solar, swine waste, and poultry waste set-asides.

February 13, 2020 Errata Order, and its March 4, 2022 Order Modifying the Swine and Poultry Waste Set-Aside Requirements and Providing Other Relief.

Based on its review, the Public Staff has determined that DENC's 2021 REPS Compliance Report meets the requirements of N.C.G.S. § 62-133.8 and Commission Rule R8-67(c). Accordingly, the Public Staff recommends that the Commission approve DENC's 2021 REPS Compliance Report.

## Proposed REPS Rider Charges

DENC's proposed REPS rider, Rider RP, is based on the projected costs and projected number of accounts subject to a REPS charge in the billing period (February 1, 2023, through January 31, 2023). DENC's REPS Experience Modification Factor (EMF) rider, Rider RPE, is based on the incremental costs in the test period (July 1, 2021, through June 30, 2022) and the projected number of accounts subject to a REPS charge in the billing period. The REPS EMF rider is also discussed in the affidavit of Public Staff affiant Akpom. To collect the utility regulatory fee established by N.C.G.S. § 62-302, the charges for Riders RP and RPE are multiplied by a regulatory fee factor.

DENC requested the following monthly charges to be recovered through Riders RP and RPE for the billing period, including the regulatory fee:

Customer Class	Rider RP	Rider RPE	Total REPS Rate
Residential	\$0.26	-\$0.10	\$0.16
General	\$1.39	-\$0.57	\$0.82
Industrial	\$9.47	-\$3.74	\$5.73

Based on my review of the application, and the review of the affidavit of Public Staff affiant Akpom, I recommend approval of DENC's proposed rates.

This completes my affidavit.

Scott J. Saillor

Sworn to and subscribed before me this the 18th day of October, 2022.

(Signature of Notary Public)

Joanne M. Bérubé (Name of Notary Public)

My Commission Expires: 12/17/2022

Joanne M. Berube NOTARY PUBLIC WAKE COUNTY, N.C. My Commission Expires 12-17-2022.

#### **APPENDIX A**

# QUALIFICATIONS AND EXPERIENCE SCOTT J. SAILLOR

I graduated from North Carolina State University with a Bachelor of Science degree in Electrical Engineering. I was employed by the Communications Division of the Public Staff beginning in 1998, where I worked on issues associated with the quality of service offered by telephone and payphone service providers, arbitration proceedings, compliance reporting, and certification filings. Since joining the Energy Division in 2011, my responsibilities have focused on the areas of demand side management and energy efficiency measures, renewable portfolio standards compliance, applications for resale of electric service, non-utility generating facilities, and revenue and customer growth analysis.

DOCKET NO. E-22, SUB 645

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Virginia Electric and Power )	
Company, d/b/a Dominion Energy North )	NOTICE OF
Carolina, for Approval of Renewable Energy and)	AFFIDAVIT
Energy Efficiency Portfolio Standard Cost )	
Recovery Rider Under N.C. Gen. Stat. § 62- )	
133.8 and Commission Rule R8-67	

NOW COMES THE PUBLIC STAFF - North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, as constituted by N.C. Gen. Stat. § 62-15, and gives notice that the Affidavit of:

Charles A. Akpom, Financial Analyst, Accounting Division Public Staff - North Carolina Utilities Commission 430 North Salisbury Street - Dobbs Building 4326 Mail Service Center Raleigh, North Carolina 27699-4300

will be used in evidence at the hearing in this docket scheduled for November 9, 2022, pursuant to N.C.G.S. § 62-68. The affiant will not be called to testify orally and will not be subject to cross-examination unless an opposing party or the Commission demands the right of cross-examination by notice mailed or delivered to the proponent at least five days prior to the hearing, pursuant to N.C.G.S. § 62-68.

THEREFORE, the Public Staff moves that the Affidavit of Charles A. Akpom be admitted into evidence in the absence of notice pursuant to N.C.G.S. § 62-68.

## Respectfully submitted this the 19th day of October 2022.

PUBLIC STAFF Christopher J. Ayers Executive Director

Lucy E. Edmondson Chief Counsel

Electronically submitted
/s/ Anne M. Keyworth
Staff Attorney
anne.keyworth@psncuc.nc.gov

430 North Salisbury Street - Dobbs Building 4326 Mail Service Center Raleigh, North Carolina 27699-4300 Telephone: (919) 733-6110

DOCKET NO. E-22, SUB 643

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Virginia Electric and Power	)
Company, d/b/a Dominion Energy North	)
Carolina, for Approval of Renewable Energy	AFFIDAVIT OF
and Energy Efficiency Portfolio Standard Cost	CHARLES A. AKPOM
Recovery Rider Pursuant to G.S. 62-133.8	)
and Commission Rule R8-67	)

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Charles A. Akpom, first being duly sworn, do depose and say:

I am a Financial Analyst with the Accounting Division of the Public Staff - North Carolina Utilities Commission. A summary of my education and experience is attached to this affidavit as Appendix A.

N.C. Gen. Stat. § 62-133.8(h) provides that the State's electric power suppliers may recover their reasonable and prudently incurred incremental costs of compliance with the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) through an annual rider charge. Pursuant to Commission Rule R8-67, the REPS rider will be recovered over the same period as the utility's fuel cost rider. Rule R8-67 also provides for a REPS experience modification factor (REPS EMF) rider, which is utilized to "true-up" the recovery of reasonable and prudently incurred incremental REPS compliance costs incurred during the test period established for each annual rider proceeding.

The purpose of my affidavit is to present the results of the Public Staff's investigation of the REPS EMF rider proposed by Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company) in this proceeding, based on incremental REPS compliance costs incurred and revenues recorded from July 1, 2021, through June 30, 2022 (REPS EMF period or test period).

On August 9, 2022, DENC filed its application, testimony, and exhibits related to the incremental costs incurred for compliance with the REPS. DENC witness Emilia L. Catron presented the Company's proposed annual and monthly REPS EMF Rider (Rider RPE) decrements for each of the North Carolina retail customer classes. Company Exhibit ELC-1, Schedule 3 set forth the proposed annual EMF decrement riders of (\$1.21), (\$6.72), and (\$44.83) per retail customer account, excluding the regulatory fee, for the residential, commercial, and industrial classes, respectively. Also set forth on Company Exhibit ELC-1, Schedule 3 are the proposed monthly EMF decrement riders of (\$0.10), (\$0.57), and (\$3.74) per retail customer account, excluding the regulatory fee, for the residential, commercial, and industrial classes, respectively.

The Public Staff's investigation included procedures intended to evaluate whether the Company properly determined its per books incremental compliance costs and revenues and complied with the annual REPS revenue cap during the test period. These procedures included a review of the Company's filings and other Company data provided to the Public Staff. Additionally, the procedures included a review of certain specific types of expenditures impacting the Company's costs,

including research and development costs. Performing the Public Staff's investigation also required the review of responses to written data requests.

Based upon the Public Staff's investigation, I recommend that DENC's proposed revised annual and monthly REPS EMF decrement riders for each customer class, as set forth on Company Supplemental Exhibit ELC-1, Schedule 3, be approved. These amounts produce annual decrement REPS EMF riders of (\$1.21), (\$6.72), and (\$44.83) per customer account, excluding the regulatory fee, and proposed monthly riders of (\$0.10), (\$0.57), and (\$3.74) per customer account, excluding the regulatory fee, for the residential, commercial, and industrial classes, respectively.

This completes my affidavit.

Charles A. Akpom

My Commission E

Sworn to and subscribed before me

On this the 19th day of October, 2022.

(Printed Name)

Notary Public

My Commission Expires: 02 13/2

## **QUALIFICATIONS AND EXPERIENCE**

### CHARLES A. AKPOM

I graduated from Southern University and A&M College, Baton Rouge, Louisiana in 1987 with an MBA in Accounting. I am a Certified Public Accountant.

I joined the Public Staff in September 2020. I am responsible for (1) examining and analyzing testimony, exhibits, books and records, and other data presented by utilities and other parties under the jurisdiction of the Commission or involved in Commission proceedings; and (2) preparing and presenting testimony, exhibits, and other documents for presentation to the Commission.

Prior to joining the Public Staff, I was a Controller with BB&T for eleven years, responsible for accounting, finance, human resources, IT, and communications for the organization. Additionally, I worked as an accountant and auditor in corporate accounting and the federal government, with increasing responsibility levels in the supervision of accounting and performance of audit engagements.

Since joining the Public Staff, I have worked on the Western Carolina University PPA; DEC, DEP, and DENC REPS riders; DEC and DEP's storm securitization audit, the Clarke Utilities water rate case; and the CWSNC and Aqua rate cases.