

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

STAFF CONFERENCE AGENDA  
March 27, 2023  
Commission Hearing Room 2115, 10:00 a.m.

**ELECTRIC**

*CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY*

**Duke Energy Progress, LLC**

1. Docket No. SP-8467, Sub 0 – Application of Friesian Holdings, LLC, for an amended certificate of public convenience and necessity for an 80-MW<sub>AC</sub> solar photovoltaic generating facility in Scotland County, North Carolina (Metz/Keyworth)

**NATURAL GAS**

*CUSTOMER UTILIZATION/MARGIN DECOUPLING TRACKERS*

**Public Service Company of North Carolina, Inc.**

2. Docket No. G-5, Sub 660 – Application of PSNC for adjustment to its Customer Utilization Tracker (Patel/Chiu/Little)

**Piedmont Natural Gas Company, Inc.**

3. Docket No. G-9, Sub 827 – Application of PNG for adjustment to its Margin Decoupling Tracker (Patel/Allison/Jost)

*COST OF GAS ADJUSTMENT*

**Piedmont Natural Gas Company, Inc.**

4. Docket No. G-9, Sub 826 – Application of PNG for adjustment to its Cost of Gas Demand Temporaries Adjustment (Patel/Allison/Jost)

*FUEL AND ELECTRIC TRACKER*

**Cardinal Pipeline Company, LLC**

5. Docket No. G-39, Sub 49 – Application of Cardinal Pipeline for an adjustment to its annual fuel retention and electric power rate tracker  
(Allison/Patel/Holt)

The Public Staff recommends approval of the preceding agenda items as described above and reflected in proposed orders provided to the Commission Staff.

[Back to Agenda](#)

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. SP-8467, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Friesian Holdings, LLC, for a	)
Certificate of Public Convenience and	)
Necessity to Construct an 80-MW Solar Facility	)
in Scotland County, North Carolina	)
	ORDER ISSUING AMENDED CERTIFICATE

BY THE COMMISSION: On September 9, 2022, Friesian Holdings, LLC (Applicant) filed an amended application seeking a certificate of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1(a) for construction of an 80-MW<sub>AC</sub> solar photovoltaic generating facility to be located on Leisure Road and generally bounded by Academy Road, Sanders Road, and Tom Gibson Road, Laurinburg, Scotland County, North Carolina. The Applicant plans to sell the electricity generated by this facility to Duke Energy Progress, LLC (DEP).

On September 19, 2022, the Commission issued a Second Amended Order Requiring Publication of Notice and Further Review by State Clearinghouse.

On October 10, 2022, the Applicant filed a verified certificate of service stating that the application and the related public notice were provided to DEP on September 27, 2022.

On October 26, 2022, the Applicant filed an affidavit of publication from the Laurinburg Exchange stating that the publication of notice was completed on October 19, 2022. No complaints have been received.

On February 16, 2023, the State Clearinghouse filed comments. Because of the nature of the comments, the cover letter indicated that no further State Clearinghouse review action by the Commission was required for compliance with the North Carolina Environmental Policy Act.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on March 27, 2023. The Public Staff stated that it had reviewed the application and determined it to be in compliance with the requirements of N.C.G.S. § 62-110.1(a) and Commission Rule R8-64. Therefore, the Public Staff recommended approval of the certificate for the facility.

After careful consideration, the Commission finds good cause to approve the application and issue the attached amended certificate for the proposed solar photovoltaic generating facility.

IT IS, THEREFORE, ORDERED as follows:

1. That the application of Friesian Holdings, LLC, for an amended certificate of public convenience and necessity shall be, and is hereby, approved.
2. That Appendix A shall constitute the certificate of public convenience and necessity issued to Friesian Holdings, LLC, for the 80-MW<sub>AC</sub> solar photovoltaic generating facility located Leisure Road and generally bounded by Academy Road, Sanders Road, and Tom Gibson Road, Laurinburg, Scotland County, North Carolina.
3. That Friesian Holdings, LLC, shall renew this certificate by re-compliance with the requirements set forth in Commission Rule R8-64 if it does not begin construction within five years after the issuance of the certificate.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of March, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

## APPENDIX A

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. SP-8467, SUB 0

Friesian Holdings, LLC  
880 Apollo Street, Suite 333  
El Segundo, CA 90245

is hereby issued this

AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
PURSUANT TO N.C. Gen. Stat. § 62-110.1

for an 80-MW<sub>AC</sub> solar photovoltaic generating facility

located on

Leisure Road and generally bounded by Academy Road, Sanders Road and Tom  
Gibson Road, Laurinburg, Scotland County, North Carolina,

subject to all orders, rules, regulations and conditions  
as are now or may hereafter be lawfully made  
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of March, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

[Back to Agenda](#)

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-5, SUB 660

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Public Service Company of )	ORDER APPROVING
North Carolina, Inc., for Approval of Bi-Annual )	RATE ADJUSTMENTS
Adjustment of Rates Under Rider C to Its Tariff )	EFFECTIVE APRIL 1, 2023

BY THE COMMISSION: On March 17, 2023, Public Service Company of North Carolina, Inc. (PSNC or Company) filed an application (Application), pursuant to N.C. Gen. Stat. § 62-133.7 and Rider C of the Company's Tariff, requesting authority to adjust its rates effective April 1, 2023, and implement new temporary increments and decrements in its rates for residential, small general service and medium general service customers.

PSNC's Application is in compliance with its Rider C - Customer Usage Tracker (CUT) mechanism, which is based on the Customer Usage Deferred Account balances as of January 31, 2023.

According to the CUT, PSNC is to compare actual residential and small and medium general service margins with the margins contained in the most recent Commission approved rates. PSNC is then to apply, on a bi-annual basis, for authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the Customer Usage Deferred Account.

The proposed CUT temporaries, as well as the existing CUT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

Rate Class and Schedule	Customer Usage Deferred Account Balance at 1/31/2023 (\$)	Rate Case Volumes (dts)	Proposed CUT Temporaries (\$/dts)	Existing CUT Temporaries (\$/dts)	Change in CUT Temporaries (\$/dts)
<b>Residential (101)</b>	\$10,034,676	32,508,084	\$0.3087	\$0.8981	(\$0.5894)
<b>Residential Hi-Efficiency (102)</b>	\$973	729,308	\$0.0013	\$0.5816	(\$0.5803)
<b>Sm Gen Service (125)</b>	\$4,679,258	13,582,178	\$0.3445	\$0.5529	(\$0.2084)
<b>Sm Gen Service Hi-Efficiency (127)</b>	(\$18,448)	121,304	(\$0.1521)	\$0.1954	(\$0.3475)
<b>Med.Gen. Service(140)</b>	(\$196,533)	3,582,856	(\$0.0549)	\$0.1554	(\$0.2103)

The Public Staff presented this matter to the Commission at its March 27, 2023, Staff Conference. The Public Staff stated it had reviewed the application and proposed rate adjustments and found them to be in compliance with Rider C of PSNC's tariffs, and recommended approval as filed.

Based upon review of the application and the recommendation of the Public Staff, the Commission is of the opinion that the proposed rate adjustments should be allowed to become effective as filed.

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC is authorized to implement the proposed rate changes as contained in the body of this Order based on its Customer Usage Deferred Account balances as of January 31, 2023, effective for service rendered on and after April 1, 2023.

2. That PSNC shall file its revised tariffs consistent with Ordering Paragraph 1 within five days of the date of this Order.

3. That PSNC shall give notice to its customers of the rate changes authorized in this Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of March, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

[Back to Agenda](#)

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-9, SUB 827

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Piedmont Natural Gas Company, )	ORDER APPROVING RATE
Inc., for Approval of Bi-Annual Adjustment of )	ADJUSTMENTS EFFECTIVE
Rates Under Appendix C of its Service )	APRIL 1, 2023
Regulations )	

BY THE COMMISSION: On March 17, 2023, Piedmont Natural Gas Company, Inc. (Piedmont or Company) filed an application requesting authority to adjust its rates effective April 1, 2023, pursuant to Appendix C of Piedmont's Service Regulations, the Company's Margin Decoupling Tracker (MDT) mechanism, and the terms of the approved settlement in the Company's last general rate case, Docket No. G-9, Sub 781. These adjustments are based on the Margin Decoupling Deferred Account balances as of January 31, 2023.

According to the MDT, Piedmont is to compare actual residential service, small general service, and medium general service margins with the margins contained in the rates approved in Docket No. G-9, Sub 781. Piedmont is then to apply for authority on a bi-annual basis to implement temporary rate increments and/or decrements (temporaries) to collect or refund any differences in the Margin Decoupling Deferred Account.

The proposed MDT temporaries, as well as the existing MDT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

Rate Description and Schedule	Margin Decoupling			
	Deferred Account	Proposed	Existing	Change In
	Balance at	MDT	MDT	MDT
	1/31/2023	Temporaries	Temporaries	Temporaries
	(\$)	(\$/dt)	(\$/dt)	(\$/dt)
Residential Service (Rate Schedule 101)	\$33,870,126	\$0.8626	\$0.8205	\$0.0421
Small General Service (Rate Schedule 102)	(\$1,924,662)	(\$0.0771)	\$0.0784	(\$0.1555)
Medium General Service (Rate Schedule 152)	(\$2,083,617)	(\$0.4137)	(\$0.1234)	(\$0.2903)



The Public Staff presented this matter to the Commission at its March 27, 2023 Staff Conference. The Public Staff stated it had reviewed the proposed rate adjustments and recommended approval as filed.

Based on the review of the application and the recommendation of the Public Staff, the Commission finds good cause to approve the proposed rate changes.

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is authorized to implement the proposed rate changes contained in the body of this Order based on its Margin Decoupling Deferred Account balance as of January 31, 2023, effective for service rendered on and after April 1, 2023;
2. That Piedmont shall file its revised tariffs consistent with Ordering Paragraph 1 within five days of the date of this Order; and
3. That Piedmont shall give notice to its customers of the rate changes authorized by this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of \_\_\_\_\_, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

[Back to Agenda](#)

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-9, SUB 826

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Piedmont Natural Gas Company,) Inc., for Approval of an Increase in the Demand) Charge Component of its Rates	ORDER APPROVING RATE ADJUSTMENTS EFFECTIVE APRIL 1, 2023
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BY THE COMMISSION: On March 17, 2023, Piedmont Natural Gas Company, Inc. (Piedmont or Company), filed a petition, pursuant to N.C. Gen. Stat. § 62-133.4 and Commission Rule R1-17(k), requesting authority to reduce the demand charge component of its rates. Piedmont also requests a waiver of the Commission's Rules pursuant to N.C.G.S. § 62-134(a) to allow such increase in rates to be effective April 1, 2023.

Piedmont's filing is in accordance with Appendix A – Procedure for Rate Adjustments under N.C.G.S. § 62-133.4 – to its North Carolina Service Regulations, which permits Piedmont to implement temporaries to refund or collect balances in its cost of gas deferred accounts.

Piedmont states that due to a combination of several factors, most notably a forecasted decrease in secondary marketing gains, it will materially under-collect in its All Customers' Cost of Gas deferred account at its current approved rates. The Company's current approved Cost of Gas Demand Temporaries are rate decrements approved by the Commission effective October 1, 2022, in Docket No. G-9, Sub 813 to refund to customers a \$143 million projected over-collection in the All Customers' Cost of Gas deferred account. Piedmont states that using updated information it now projects a \$92.6 million over-collection in the next 12-month period, giving rise to its proposal to replace the currently approved Cost of Gas Demand Temporaries.

The proposed increases to Piedmont's rates are as shown on Schedule A of the application and vary by rate schedule and season based on the Commission approved allocation of fixed gas cost apportionments to the various step and seasonal rates established in Piedmont's last general rate case, Docket No. G-9, Sub 781. The temporary increments reflected in Schedule B to the petition would replace the existing temporaries approved in Docket G-9, Sub 813.

The Public Staff presented this matter to the Commission at its March 27, 2023 Staff Conference. The Public Staff stated it had reviewed the proposed temporary rate decrements and recommended approval as filed.

Based on the review of the petition and the recommendation of the Public Staff, the Commission finds good cause to grant the waiver and approve the proposed rate changes.

IT IS, THEREFORE, ORDERED as follows:

1. That a waiver of the Commission's Rules pursuant to N.C.G.S. § 62-134(a) is granted;
2. That Piedmont is authorized to remove the existing temporaries that were implemented in Docket No. G-9, Sub 813, and implement the temporary rate increments contained in its Schedule A of its petition, effective for service rendered on and after April 1, 2023;
3. That Piedmont shall file its revised tariffs consistent with Ordering Paragraph 1 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 \_\_\_\_\_, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

[Back to Agenda](#)

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-39, SUB 49

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Cardinal Pipeline	)	ORDER APPROVING FUEL
Company, LLC, for Approval of Fuel Tracker	)	TRACKER AND ELECTRIC
and Electric Power Cost Adjustment	)	POWER COST ADJUSTMENT

BY THE COMMISSION: On March 1, 2023, Cardinal Pipeline Company, LLC (Cardinal), filed an application, pursuant to Section 1 of the General Terms and Conditions in its tariffs, to seek approval to adjust its fuel retention percentage from 0.84% to 0.69% for Zones 1A, 1B, and 2 of Rate Schedule CFT, effective April 1, 2023. In addition, pursuant to Section 2 of the General Terms and Conditions of its tariffs, Cardinal filed to seek approval to implement an Electric Power (EP) rate of \$0.0135 per dekatherm (dt) per month (\$0.00044 per dt per day) for Zones 1A, 1B and 2 of Rate Schedule CFT, effective April 1, 2023.

Cardinal stated in its application that the fuel retention percentage is designed to recover Cardinal's estimate of gas required for operations (GRO) and lost and unaccounted for gas, as adjusted by the current balance in the Deferred GRO Account. The fuel retention percentage proposed to be effective April 1, 2023, is based on the actual GRO for the period January 1, 2022, through December 31, 2022, and the balance in the Deferred GRO Account as of December 31, 2022, divided by the transportation volumes received by Cardinal during the 12-month period ended December 31, 2022.

Cardinal further stated in its application that the EP rates are designed to recover its estimate of electric power costs at Compressor Station No. 161, as adjusted by the current balance in the EP Deferred Account. The proposed EP rates would be effective April 1, 2023, and are based on the estimated EP costs for the period April 1, 2023, through March 31, 2024, plus the balance in the EP Deferred Account as of January 31, 2023.

The Public Staff presented this matter to the Commission at its March 27, 2023, Regular Staff Conference. The Public Staff stated that it had reviewed the application, and other information provided by the Company, and recommended approval as filed.

The Commission, based upon the review of the application and the recommendation of the Public Staff, is of the opinion that the proposed fuel retention percentage and the EP rate should be allowed to become effective as filed.

IT IS, THEREFORE, ORDERED as follows:

1. That Cardinal is allowed to adjust its fuel retention percentage for Rate Schedule CFT for Zones 1A, 1B, and 2 to 0.69%, effective April 1, 2023.
2. That Cardinal is allowed to adjust its EP rate to \$0.0135 per dt per month (\$0.00044 per dt per day) for Rate Schedule CFT for Zones 1A, 1B, and 2, effective April 1, 2023.
3. That Cardinal shall file revised tariffs consistent with Ordering Paragraphs 1 and 2 within five days of the date of this Order.
4. That Cardinal shall give notice to its customers of the changes allowed in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_\_ day of March, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

[Back to Agenda](#)