

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH
STAFF CONFERENCE AGENDA
January 22, 2024
Commission Hearing Room 2115, 10:00 a.m.**

ELECTRIC

CERTIFICATES OF ENVIRONMENTAL COMPATABILITY AND PUBLIC CONVENIENCE AND NECESSITY

Duke Energy Progress, LLC

1. Docket No. E-2, Sub 1335 – Motion of the Public Staff to approve Motion to Proceed with Initial Clearing, Excavation, and Construction for Transmission Line in Chatham County, North Carolina (*Thomas/Creech*)

CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

Duke Energy Progress, LLC

2. Docket No. SP-60808, Sub 0 – Application of ZNC Turkey Creek, LLC, for a certificate of public convenience and necessity and registration statement to construct a 7.2-MW swine-waste to energy generating facility in Sampson County, North Carolina (*Lawrence/Keyworth*)

North Carolina Electric Membership Corporation

3. Docket No. SP-60373, Sub 0 – Application of Baron Solar, LLC, for a certificate of public convenience and necessity and registration statement to construct a 4.999-MW solar photovoltaic facility in Anson County, North Carolina (*Lawrence/Keyworth*)

ENERGY EFFICIENCY PROGRAMS

Dominion Energy North Carolina

4. Docket No. E-22, Sub 682 – Application for Non-Residential Prescriptive Bundle Program (*T. Williamson/Freeman*)
5. Docket No. E-22, Sub 683 – Application for Residential Home Retrofit Bundle Program (*T. Williamson/Freeman*)

6. Docket No. E-22, Sub 684 – Residential Income and Age Qualifying Bundle Program (*T. Williamson/Freeman*)

WATER AND WASTEWATER

ORDER RECOGNIZING CONTIGUOUS EXTENSION AND APPROVING OF RATES

Aqua North Carolina, Inc.

7. Docket No. W-218, Sub 550 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Wastewater Utility Service in Ardmore at Flowers Plantation in Johnston County (*Bhatta/Akpom/Jost*)
8. Docket No. W-218, Sub 579 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Wastewater Utility Service in North District at Flowers Plantation in Johnston County (*Bhatta/Cofield/Jost*)
9. Docket No. W-218, Sub 581 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Wastewater Utility Service in Castlewood Subdivision at Flowers Plantation in Johnston County (*Bhatta/Lentz/Jost*)

COMMUNICATIONS

INTERCONNECTION AGREEMENT AMENDMENTS AND AGREEMENT

BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina (AT&T)

10. Docket No. P-55, Sub 1575 – Amendment to the interconnection agreement with Charter Fiverlink NC-CCO, LLC, approved by the Commission on October 28, 2005 (*Wade/Coxton*)
11. Docket No. P-55, Sub 1860 – Amendment to the interconnection agreement with DukeNet Communications, LLC, approved by the Commission on June 12, 2012 (*Wade/Coxton*)

Ellerbe Telephone Company

12. Docket No. P-21, Sub 82 – Agreement with Level 3 Communications, LLC (*Wade/Coxton*)

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

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1335

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application of Duke Energy Progress, LLC,)	
for a Certificate of Environmental)	
Compatibility and Public Convenience and	)	ORDER GRANTING MOTION
Necessity Pursuant to N.C. Gen. Stat. §§ 62-	)	TO PROCEED
100 <i>et seq.</i> to Construct Approximately 0.5)	
Miles of New 230 kV Transmission Line in)	
Chatham County, North Carolina)	

BY THE COMMISSION: On December 18, 2023, Duke Energy Progress, LLC (DEP or the Company), prefiled with the Public Staff an unsigned application pursuant to N.C. Gen. Stat. §§ 62-101 and 62-102, and Commission Rule R8-62(k), for a certificate of environmental compatibility and public convenience and necessity to construct approximately 0.5 miles of new 230-kV transmission line in Chatham County (the Line) to support the load needs of Wolfspeed, a domestic developer and manufacturer of semiconductor microchips at the Chatham-Siler City Advanced Manufacturing (CAM) megasite. The Line will energize a planned new substation at the CAM megasite to serve industrial load.

On January 8, 2024, DEP formally filed the application for a certificate and motion for waiver of notice and hearing.

Also on January 8, 2024, DEP filed a motion pursuant to N.C.G.S. § 62-101(e), N.C.G.S. § 62-104, and Commission Rule R8-64(n) requesting permission to proceed with the initial clearing, excavation, and construction of the Line before receiving the required certificate. In support of its request, DEP stated that it has made contractual commitments to the developer at the CAM megasite to energize the Line by March 2024, and in order to meet this schedule, initial development activities must begin as soon as possible.

Under N.C.G.S. § 62-101(e), the Commission may permit an applicant to proceed with clearing, excavation, and construction of a proposed transmission line before receiving the required certificate when justified by the public convenience and necessity and a showing that circumstances require immediate action. N.C.G.S. § 62-101(e) further provides that in so proceeding, the applicant acts at its own risk, and that by granting such permission, the Commission does not commit itself to ultimately grant a certificate. The Public Staff presented this matter at the regular Commission Staff Conference on January 22, 2024. The Public Staff stated its belief that DEP has made the necessary showing that circumstances require immediate action and that permitting the Company to proceed with initial clearing, excavation, and construction is justified by the public convenience and necessity. Accordingly, the Public Staff recommended that the motion to proceed be granted.

Based upon the forgoing, and the recommendation of the Public Staff, the Commission finds and concludes that the circumstances related to the proposed Line relocation require immediate action and that permitting DEP to proceed with clearing, excavation, and construction of the proposed Line is justified by the public convenience and necessity. DEP's motion, therefore, should be granted as provided in N.C.G.S. § 62-101(e).

IT IS, THEREFORE, ORDERED as follows:

1. That pursuant to N.C.G.S. § 62-101(e), DEP is permitted to proceed with clearing, excavation, and construction of the proposed Line relocation before receiving a certificate of environmental compatibility and public convenience and necessity to construct the Line.
2. That in so proceeding, DEP acts at its own risk, and by granting such permission, the Commission does not commit to ultimately grant a certificate for the Line relocation.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ of January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-60808, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of ZNC Turkey Creek, LLC, for a)	ORDER ISSUING CERTIFICATE
Certificate of Public Convenience and)	AND ACCEPTING
Necessity to Construct a 7.2-MW Biogas Swine)	REGISTRATION OF NEW
Waste-to-Energy Generating Facility in)	RENEWABLE ENERGY
Sampson County, North Carolina)	FACILITY

BY THE COMMISSION: On June 20, 2023, ZNC Turkey Creek, LLC (Applicant), filed an application in the above-captioned docket seeking a certificate of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1(a) for construction of a 7.2 MW biogas swine waste-to-energy electric generating facility to be located at 7401 Turkey Highway, Turkey, Sampson County, North Carolina. The Applicant plans to sell the electricity to Duke Energy Progress, LLC (DEP).

Contemporaneously with the application, the Applicant filed a registration statement for a new renewable energy facility. The registration statement included certified attestations 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 insofar as those records relate to transactions with North Carolina electric power suppliers.

On October 12, 2023, the Commission issued an Order Requiring Publication of Notice.

On October 17, 2023, the Applicant filed a verified certificate of service stating that the application and the related public notice were provided to DEP on October 17, 2023.

On November 14, 2023, the State Clearinghouse filed comments. After being contacted by the Public Staff, the Clearinghouse filed a subsequent letter on November 15, 2023, indicating that no further State Clearinghouse review action by the Commission was required for compliance with the North Carolina Environmental Policy Act.

On November 27, 2023, the Applicant filed an amended registration statement. The amendments consisted of the removal of erroneous text in subject headings and a more accurate description of the nature of the facility.

On January 9, 2024, the Applicant filed an affidavit of publication from the Sampson Independent stating that the publication of notice was completed on November 18, 2023.

The Public Staff presented this matter to the Commission at its regular Staff Conference on January 22, 2024. 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. The Public Staff further stated that the registration statement contains the certified attestations required by Commission Rule R8-66(b). Therefore, the Public Staff recommended approval of the certificate and registration for the facility.

After careful consideration, the Commission finds good cause to approve the application and issue the attached certificate for the proposed biogas swine waste-to-energy generating facility. The Commission further finds good cause, based upon the foregoing and the entire record in this proceeding, to accept registration of the facility as a new renewable energy facility. The Applicant shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year and is required to participate in the NC-RETS REC tracking system (<http://www.ncrets.org>) in order to facilitate the issuance of renewable energy certificates.

IT IS, THEREFORE, ORDERED as follows:

1. That the application of ZNC Turkey Creek, LLC, for a 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 ZNC Turkey Creek, LLC, for the 7.2-MW biogas swine waste-to-energy generating facility at 7401 Turkey Highway, Turkey, Sampson County, North Carolina;
3. That the registration statement filed by ZNC Turkey Creek, LLC, for its biogas swine waste-to-energy generating facility to be located in Sampson County, North Carolina, as a new renewable energy facility shall be, and is hereby, accepted;
4. That ZNC Turkey Creek, LLC, shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year; and
5. That ZNC Turkey Creek, 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 January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-60808, SUB 0

ZNC Turkey Creek, LLC

7401 Turkey Highway
Turkey, North Carolina
28393

is hereby issued this

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

for a 7.2-MW_{AC} biogas swine waste-to-energy generating facility

to be located at

7401 Turkey Highway, Turkey, Sampson 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 January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-60373, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application of Baron Solar, LLC, for a	)	ORDER ISSUING CERTIFICATE
Certificate of Public Convenience and	)	AND ACCEPTING
Necessity to Construct a 4.99-MW Solar	)	REGISTRATION OF NEW
Facility in Anson County, North Carolina	)	RENEWABLE ENERGY
	)	FACILITY

BY THE COMMISSION: On November 13, 2023, Baron Solar, LLC (Applicant), filed an application in the above-captioned docket seeking a certificate of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1(a) for construction of a 4.99-MW_{AC} solar generating facility to be located east of NC Highway 109, west of Stanback Ferry Ice Plant Road, north of State Road 1715, and south of Winfree Road, Anson County, North Carolina. The Applicant plans to sell the electricity to North Carolina Electric Membership Corporation (NCEMC).

Contemporaneously with the application, the Applicant filed a registration statement for a new renewable energy facility. The registration statement included certified attestations 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 insofar as those records relate to transactions with North Carolina electric power suppliers.

On November 30, 2023, the Commission issued an Order Requiring Publication of Notice.

On December 1, 2023, the Applicant filed a verified certificate of service stating that the application and the related public notice were provided to NCEMC on December 1, 2023.

On January 3, 2024, the State Clearinghouse filed comments. On January 10, 2024, the State Clearinghouse filed additional comments. Because of the nature of the comments, the cover letter indicated that no further action was required for compliance with the North Carolina Environmental Policy Act.

On January 10, 2024, the Applicant filed an affidavit of publication from the Anson Record stating that the publication of notice was completed on December 27, 2023.

The Public Staff presented this matter to the Commission at its regular Staff Conference on January 22, 2024. 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. The Public Staff further stated that the registration statement contains the certified attestations required by Commission Rule R8-66(b). Therefore, the Public Staff recommended approval of the certificate and registration for the facility.

After careful consideration, the Commission finds good cause to approve the application and issue the attached certificate for the proposed solar photovoltaic generating facility. The Commission further finds good cause, based upon the foregoing and the entire record in this proceeding, to accept registration of the facility as a new renewable energy facility. The Applicant shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year and is required to participate in the NC-RETS REC tracking system (<http://www.ncrets.org>) in order to facilitate the issuance of renewable energy certificates.

IT IS, THEREFORE, ORDERED as follows:

1. That the application of Baron Solar, LLC, for a 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 Baron Solar, LLC, for the 4.99-MW Solar Photovoltaic Generating Facility to be located east of NC Highway 109, west of Stanback Ferry Ice Plant Road, north of State Road 1715, and south of Winfree Road, Anson County, North Carolina;
3. That the registration statement filed by Baron Solar, LLC, for its solar photovoltaic generating facility to be located in Anson County, North Carolina, as a new renewable energy facility shall be, and is hereby, accepted;
4. That Baron Solar, LLC, shall annually file the information required by Commission Rule R8-66 on or before April 1 of each year; and
5. That Baron Solar, 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 January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-60373, SUB 0

Baron Solar, LLC

3725 National Drive, Suite 210
Raleigh, North Carolina
27612

is hereby issued this

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

for a 4.99-MW_{AC} solar photovoltaic generating facility

to be located

east of NC Highway 109, west of Stanback Ferry Ice Plant Road, north of State
Road 1715, and south of Winfree Road, Anson 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 January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 682

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Virginia Electric and)	
Power Company, d/b/a Dominion	)	ORDER APPROVING
Energy North Carolina Power for	)	PROGRAM
Approval of Non-Residential Prescriptive)	
Bundle Program)	

BY THE COMMISSION: On November 22, 2023, as updated by errata filed December 4, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) seeking approval of its Non-Residential Prescriptive Bundle Program (Program) and requesting that the Program become effective in the first quarter of 2024. The Application states that the Program was filed in accordance with Commission Rule R8-68 and the Cost Recovery and Incentive Mechanism for new demand-side management (DSM) and energy efficiency (EE) programs, as most recently approved by the Commission on March 22, 2022, in Docket No. E-22, Sub 464 (Mechanism).

In its Application, DENC states that the Program will provide qualifying non-residential customers in the Company's North Carolina service territory with incentives for the installation of refrigeration, commercial kitchen equipment, HVAC improvements, window film installation and maintenance, and other program specific, energy efficiency measures. The Application states that participation in the Program will reduce participants' total energy bills as well as the amount of energy required throughout the year on the Company's system and will provide capacity reductions during the Company's peak demand periods. DENC states that the Program design would offer a more comprehensive program bundle that consolidates measures from the Company's existing DSM Phase VII Non-residential Heating and Cooling Efficiency, Non-residential Manufacturing, and Non-residential Window Film programs into a more enhanced version of the existing DSM Phase IX Non-residential Prescriptive Program offering. This consolidation will provide a more comprehensive offering of measures and provide greater ease of implementation for qualifying non-residential customers.

The Company states that if approved, it will utilize a program implementation vendor to enroll qualifying contractors in the Program and that the contractors will market the Program to qualifying non-residential customers. The vendor will provide orientation sessions for these contractors and a list of enrolled contractors will be posted on the vendor's website.

DENC states that the Program will have a dedicated website that will contain benefits information, available installation contractors, and the enrollment application.

DENC is requesting recovery of a Program Performance Incentive and net lost revenues associated with the Program, to be determined in accordance with the provision of the Mechanism.

The Application states that there are no capital costs associated with the Program and that the operating and maintenance costs associated with the Program include administrative costs, implementation costs, operating and maintenance costs, property taxes, and depreciation expense. The Company proposes that these costs be funded by deferral and cost recovery through the Company's annual DSM/EE cost-recovery riders, Rider C and Rider CE, consistent with Commission Rule R8-69 and the Mechanism.

Customers electing to opt out of the DSM/EE Riders pursuant to N.C. Gen. Stat. § 62-133.9(f) cannot participate in the Program.

The Company performed cost-benefit analysis testing for the Program, and three of the four industry-standard cost-benefit tests (Participant, Utility Cost, Total Resource Cost (TRC)) indicated that the Program is likely to be cost-effective; however, the Program did not appear likely to be cost-effective under the Ratepayer Impact Measure (RIM) test.

DENC states that it has contracted with an evaluation, measurement, and verification (EM&V) consultant, DNV Energy Insights USA Inc. (DNV), to develop, execute, and report the EM&V results for the Company's approved DSM/EE programs, and that DENC will work with DNV to develop a comprehensive, system-level EM&V plan for the Program to be filed in the Company's 2024 EM&V Report.

The Company noted that on August 4, 2023, a program analogous to the Program was approved by the Virginia State Corporation Commission in Case No. PUR-2022-00210, which will be deployed in Virginia during the first quarter of 2024. If approved by the Commission, the Program will be deployed in North Carolina also during the first quarter of 2024, with a nine-year measure life.

On December 21, 2023, the Public Staff filed a letter with the Commission in this docket stating that based on its investigation and review of the Application, the Public Staff recommends that the Commission approve the Non-Residential Prescriptive Bundle Program for implementation in the first quarter of 2024, find that the Program meets the requirements of a "new" DSM/EE program consistent with Rule R8-68, find that all costs incurred by the Company associated with the Program will be eligible for consideration for cost recovery through the Company's annual DSM/EE Riders filed in accordance with Rule R8-69 and the Mechanism, and authorize the Company to receive utility incentives associated with implementation of the Program through the Company's annual DSM/EE Riders in accordance with Rule R8-69 and the Mechanism. The Public Staff stated that

in the near future, it would provide the Commission with a draft proposed order for review at a Staff Conference.

The Public Staff presented this matter at the Commission's Regular Staff Conference on January 22, 2024. The Public Staff reiterated its conclusions and recommendations as contained within its December 21, 2023, letter, stating that the Application contained the information required by Commission Rule R8-68 and was consistent with N.C.G.S. § 62-133.9, and that the Company's estimates of program costs, net lost revenue, and performance incentive appeared to be consistent with the requirements of the Mechanism. The Public Staff recommended that the Commission issue its proposed order concerning the Company's Application.

Based on the foregoing, the Commission is of the opinion that the proposed Program should be approved.

IT IS, THEREFORE, ORDERED:

1. That DENC's Non-Residential Prescriptive Bundle Program is hereby approved;
2. That DENC's Non-Residential Prescriptive Bundle Program is eligible for recovery of program costs and incentives, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69;
3. That the proposed utility incentives be included in the Company's annual DSM/EE rider in accordance with Commission Rule R8-69;
4. That the Commission shall determine the appropriate ratemaking treatment for DENC's Non-Residential Prescriptive Bundle Program, including program costs and utility incentives, in the Companies' respective annual cost recovery riders, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69; and
5. That DENC shall file a tariff within 10 days of the date of this Order that includes the effective date of the Non-Residential Prescriptive Bundle Program.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 683

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Virginia Electric and)	
Power Company, d/b/a Dominion	)	ORDER APPROVING
Energy North Carolina Power for	)	PROGRAM
Approval of Residential Home Retrofit)	
Bundle Program)	

BY THE COMMISSION: On November 22, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) seeking approval of its Residential Home Retrofit Bundle Program (Program) and requesting that the Program become effective in the first quarter of 2024. The Application states that the Program was filed in accordance with Commission Rule R8-68 and the Cost Recovery and Incentive Mechanism for new demand-side management (DSM) and energy efficiency (EE) programs, as most recently approved by the Commission on March 22, 2022, in Docket No. E-22, Sub 464 (Mechanism).

In its Application, DENC states that the Program will provide residential customers with an incentive to install various energy efficiency measures. The Program incorporates key program measures from the Company's Phase VII Residential Home Energy Assessment Program and introduces select new measures including the replacement of Electric Baseboard Heating with Air Source Heat Pump, High Efficiency Room AC Upgrades, and Shower Thermostats. The Company explains that it is bundling its programs that are similar in nature in program measure offerings and implemented by the same vendor, where practicable and feasible. This consolidation will streamline the program offering into one program instead of two separate stand-alone programs, improving the customer experience. The Application states that participation in the Program will reduce participants' total energy bills as well as the amount of energy required throughout the year on the Company's system and will provide capacity reductions during the Company's peak demand periods.

The Company states that if approved, it will utilize a program implementation vendor to enroll qualifying contractors in the Program and that the contractors will market the Program to customers. The vendor will provide orientation sessions for these contractors and a list of enrolled contractors will be posted on the vendor's website.

DENC states that the Program will have a dedicated website which will contain benefits information, available installation contractors, and the enrollment application.

DENC is requesting recovery of a Program Performance Incentive and net lost revenues associated with the Program, to be determined in accordance with the provision of the Mechanism.

The Application states that there are no capital costs associated with the Program and that the operating and maintenance costs associated with the Program include administrative costs, implementation costs, operating and maintenance costs, property taxes, and depreciation expense. The Company proposes that these costs be funded by deferral and cost recovery through the Company's annual DSM/EE cost-recovery riders, Rider C and Rider CE, consistent with Commission Rule R8-69 and the Mechanism.

Customers electing to opt out of the DSM/EE Riders pursuant to N.C. Gen. Stat. § 62-133.9(f) cannot participate in the Program.

The Company performed cost-benefit-analysis testing for the Program, and three of the four industry-standard cost-benefit tests (Participant, Utility Cost, Total Resource Cost (TRC)) indicated that the Program is likely to be cost-effective, while the Program did not appear cost-effective under the Ratepayer Impact Measure (RIM).

DENC states that it has contracted with an evaluation, measurement, and verification (EM&V) consultant, DNV Energy Insights USA Inc. (DNV), to develop, execute, and report the EM&V results for the Company's approved DSM/EE programs, and that DENC will work with DNV to develop a comprehensive, system-level EM&V plan for the Program to be filed in the Company's 2024 EM&V Report.

The Company noted that on August 4, 2023, a program analogous to the Program was approved by the Virginia State Corporation Commission in Case No. PUR-2022-00210, which will be deployed in Virginia during the first quarter of 2024. If approved by the Commission, the Program will be deployed in North Carolina, also during the first quarter of 2024, with a 23-year measure life.

On December 21, 2023, the Public Staff filed a letter with the Commission in this docket stating that based on its investigation and review of the Application, the Public Staff recommends that the Commission approve the Residential Home Retrofit Bundle Program for implementation in the first quarter of 2024, find that the Program meets the requirements of a "new" DSM/EE program consistent with Rule R8-68, find that all costs incurred by the Company associated with the Program will be eligible for consideration for cost recovery through the Company's annual DSM/EE Riders filed in accordance with Rule R8-69 and the Mechanism, and authorize the Company to receive utility incentives associated with implementation of the Program through the Company's annual DSM/EE Riders in accordance with Rule R8-69 and the Mechanism. The Public Staff stated that in the near future, it intended to provide the Commission with a draft proposed order for review at a Staff Conference.

The Public Staff presented this matter at the Commission's Regular Staff Conference on January 22, 2024. The Public Staff reiterated its conclusions and

recommendations as contained within its December 21, 2023 letter, stating that the Application contained the information required by Commission Rule R8-68 and was consistent with N.C.G.S. § 62-133.9, and that the Company's estimates of program costs, net lost revenue, and performance incentive appeared to be consistent with the requirements of the Mechanism. The Public Staff recommended that the Commission issue its proposed order concerning the Company's Application.

Based on the foregoing, the Commission is of the opinion that the proposed Program should be approved.

IT IS, THEREFORE, ORDERED:

1. That DENC's Residential Home Retrofit Bundle Program is hereby approved;
2. That DENC's Residential Home Retrofit Bundle Program is eligible for recovery of program costs and incentives, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69;
3. That the proposed utility incentives be included in the Company's annual DSM/EE rider in accordance with Commission Rule R8-69;
4. That the Commission shall determine the appropriate ratemaking treatment for DENC's Residential Home Retrofit Bundle Program, including program costs and utility incentives, in the Companies' respective annual cost recovery riders, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69; and
5. That DENC shall file a tariff within ten days of the date of this Order that includes the effective date of the Residential Home Retrofit Bundle Program.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 684

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Virginia Electric and Power)
Company, d/b/a Dominion Energy North)
Carolina Power for Approval of Residential)
Income and Age Qualifying Bundle Program)
	ORDER APPROVING
	PROGRAM

BY THE COMMISSION: On November 22, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) seeking approval of its Residential Income and Age Qualifying Bundle Program (Program) and requesting that the Program become effective in the first quarter of 2024. The Application states that the Program was filed in accordance with Commission Rule R8-68 and the Cost Recovery and Incentive Mechanism for new demand-side management (DSM) and energy efficiency (EE) programs, as most recently approved by the Commission on March 22, 2022, in Docket No. E-22, Sub 464 (Mechanism).

In its Application, DENC states that the Program will provide residential customers with an incentive to install various energy efficiency measures. The bundled version of the Program combines the Company's current low-income program measure offerings and adds several new program measures and creating a bundled income qualifying program to provide income and age qualifying residential customers with in-home energy assessments and installation of select energy-savings measures. The bundled program approach will allow homes to be treated more comprehensively and offer qualifying customers the opportunity to implement a wider variety of energy efficiency measures during the in-home energy assessment stage. The Application states that participation in the Program will reduce participants' total energy bills as well as the amount of energy required throughout the year on the Company's system and will provide capacity reductions during the Company's peak demand periods.

The Company states that if approved, it will utilize a program implementation vendor and the weatherization assistance providers in North Carolina to market the Program and provide assessments and installed measures to qualifying customers.

DENC is requesting recovery of a Program Performance Incentive and net lost revenues associated with the Program, to be determined in accordance with the provision of the Mechanism.

The Application states that there are no capital costs associated with the Program and that the operating and maintenance costs associated with the Program include

administrative costs, implementation costs, operating and maintenance costs, property taxes, and depreciation expense. The Company proposes that these costs be funded by deferral and cost recovery through the Company's annual DSM/EE cost-recovery riders, Rider C and Rider CE, consistent with Commission Rule R8-69 and the Mechanism.

The Company performed cost-benefit analysis testing for the Program, and while the four industry-standard cost-benefit tests (Participant, Utility Cost, Total Resource Cost (TRC), and Ratepayer Impact Measure (RIM)) indicated that the program is not cost effective, the Program targets vulnerable customers that are likely unable to participate in other standard program offerings that do not assist income qualifying customers.

DENC states that it has contracted with an evaluation, measurement, and verification (EM&V) consultant, DNV Energy Insights USA Inc. (DNV), to develop, execute, and report the EM&V results for the Company's approved DSM/EE programs, and that DENC will work with DNV to develop a comprehensive, system-level EM&V plan for the Program to be filed in the Company's 2024 EM&V Report.

The Company noted that on August 4, 2023, a program analogous to the Program was approved by the Virginia State Corporation Commission in Case No. PUR-2022-00210, which will be deployed in Virginia during the first quarter of 2024. If approved by the Commission, the Program will be deployed in North Carolina, also during the first quarter of 2024.

On December 21, 2023, the Public Staff filed a letter with the Commission in this docket stating that based on its investigation and review of the Application, the Public Staff recommended that the Commission approve the Program for implementation in the first quarter of 2024, find that the Residential Income and Age Qualifying Bundle Program meets the requirements of a "new" DSM/EE program consistent with Rule R8-68, find that all costs incurred by the Company associated with the Program will be eligible for consideration for cost recovery through the Company's annual DSM/EE Riders filed in accordance with Rule R8-69 and the Mechanism, and authorize the Company to receive utility incentives associated with implementation of the Program through the Company's annual DSM/EE Riders in accordance with Rule R8-69 and the Mechanism. The Public Staff stated that in the near future, it intended to provide the Commission with a draft proposed order for review at a Staff Conference.

The Public Staff presented this matter at the Commission's Regular Staff Conference on January 22, 2024. The Public Staff reiterated its conclusions and recommendations as contained within its December 21, 2023 letter, stating that the Application contained the information required by Commission Rule R8-68 and was consistent with N.C.G.S. § 62-133.9, and that the Company's estimates of program costs, net lost revenue, and performance incentive appeared to be consistent with the requirements of the Mechanism. The Public Staff recommended that the Commission issue its proposed order concerning the Company's Application.

Based on the foregoing, the Commission is of the opinion that the proposed Program should be approved.

IT IS, THEREFORE, ORDERED:

1. That DENC's Residential Income and Age Qualifying Bundle Program is hereby approved;

2. That DENC's Residential Income and Age Qualifying Bundle Program is eligible for recovery of program costs and incentives, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69;

3. That the proposed utility incentives be included in the Company's annual DSM/EE rider in accordance with Commission Rule R8-69;

4. That the Commission shall determine the appropriate ratemaking treatment for DENC's Residential Income and Age Qualifying Bundle Program, including program costs and utility incentives, in the Companies' respective annual cost recovery riders, in accordance with N.C.G.S. § 62-133.9 and Commission Rule R8-69; and

5. That DENC shall file a tariff within 10 days of the date of this Order that includes the effective date of the Residential Income and Age Qualifying Bundle Program.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 550

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Notification by Aqua North Carolina, Inc.,)	
202 MacKenan Court, Cary, North Carolina)	
27511, of Intention to Begin Operations in an	)	ORDER RECOGNIZING
Area Contiguous to a Present Service Area to	)	CONTIGUOUS EXTENSION
Provide Water and Sewer Utility Service for	)	AND APPROVING RATES
Ardmore at Flowers Plantation in Johnston)	
County, North Carolina)	

BY THE COMMISSION: On November 11, 2022, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water and sewer utility service for Ardmore at Flowers Plantation (Ardmore) in Johnston County, North Carolina. Aqua filed supplements or amendments to the Notification on May 17 and May 23, 2023. Ardmore is contiguous to Aqua's Publix at Flowers Plantation service area (W-218, Sub 518). Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service areas.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission's Staff Conference on January 22, 2024. The Public Staff stated that it had reviewed the Notification and the supplements and amendments to the Notification and recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 85,000 customers and sewer franchises serving approximately 22,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

2. Aqua does not presently serve any water or sewer customers in Ardmore. Aqua expects eventually to serve two water customers and two sewer customers at Ardmore. The customers are apartment buildings located on two tracts with a total of 396 apartment units and amenities. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, issued a plan approval letter for Ardmore as a part of Water System No. NC0351195. The plans are approved under serial number 21-00315, dated July 29, 2021.

4. The North Carolina Department of Environmental Quality, Division of Water Resources, issued permit number WQ0042458, dated February 16, 2022, for the construction and operation of the Ardmore wastewater collection system extension.

5. Aqua entered into an Agreement dated March 29, 2021, with Ardmore at Flowers 1, LLC, and Ardmore at Flowers 2, LLC (Developers), and amended the Agreement on June 6, 2021, under which (1) Developers are installing and conveying to Aqua two master meters connecting the Developers' water distribution and utility system to Aqua's existing water distribution system serving Flowers Plantation; (2) Developers are installing and will retain a wastewater collection system on one tract that will connect to Aqua's existing wastewater collection system serving Flowers Plantation; (3) Developers are installing and conveying to Aqua, along with an easement, a wastewater service line on the second tract running from Aqua's existing pump station to a manhole located on the second tract; (4) Developers have already paid Aqua the one-time water capital cost recovery charge of \$671,625 (\$6.25 per gallon for allocated capacity of 107,460 gallons per day); (5) Developers have already paid Aqua the one time wastewater capital cost recovery charge of \$1,182,060 (\$11.00 per gallon for the same allocated capacity); (6) Aqua is paying Johnston County an amount equal to the total of the water capital cost recovery charge, purchased bulk wastewater capacity fee, and wastewater capital recovery fee that Aqua received from the Developer; and (7) Aqua is requesting Commission approval to charge its current tariff, including its approved meter fee.

6. Aqua has filed all required exhibits with the Notification.

7. Aqua has the technical, managerial, and financial capacity to provide water and sewer utility service in this franchise location.

8. Aqua proposes to charge Ardmore its uniform statewide water and sewer utility service rates approved in Docket No. W-218, Sub 573, except for the bulk purchased water system usage rate from Johnston County approved in Docket No. W-218, Sub 600.

9. The Public Staff recommended that Aqua be required to post a \$50,000 bond for Ardmore. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,730,000 of bond surety is assigned to specific service areas, and \$270,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$50,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Ardmore at Flowers Plantation should be recognized as meeting the Commission's criteria for the extension; that the meter installation fee and capacity fees for water and sewer utility service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$50,000 of Aqua's unassigned bond surety is assigned to Ardmore. The remaining unassigned bond surety shall be \$120,000 (a total of \$150,000 is being assigned concurrently in Docket No. W-218, Subs 550, 579, and 581);
2. That the contiguous extension of water and sewer utility service from Publix at Flowers to Ardmore in Johnston County, North Carolina, is recognized as meeting the Commission's criteria for the extension pursuant to N.C. Gen. Stat. § 62-110(a), and Appendix A, attached hereto, constitutes Aqua's Certificate of Public Convenience and Necessity covering the contiguous extension;
3. That Aqua's existing Schedule of Rates approved by Commission Orders issued on July 31, 2023, in Docket No. W-218, Sub 573, and on September 19, 2023, in Docket No. W-218, Sub 600, are approved for water and sewer utility services in Ardmore;
4. That a meter installation fee of \$70 and a one-time payment of a water capital cost recovery fee of \$671,625 at a charge of \$6.25 per gallon are approved for Ardmore;
5. That a one-time wastewater capital cost recovery fee of \$1,182,060 at a charge of \$11.00 per gallon for sewer utility service is approved for Ardmore;
6. That Aqua shall follow applicable state and federal laws and Commission guidance with respect to income tax gross-up on contributions in aid of construction pursuant to orders issued in Docket No. W-100, Sub 57;
7. That, to the extent not previously filed in the docket, Aqua shall file, within 14 days of their availability, all completed exhibits to the Agreement with Ardmore at Flowers 1, LLC, and Ardmore at Flowers 2, LLC, including, but not limited to, deeds, easements, warranties, bills of sale, and written certifications of cost; and
8. That, to the extent not previously filed in the docket, Aqua shall file, within 14 days of their availability, copies of documents showing that Aqua has acquired ownership or control of all components of the system and the land on which it is situated, including, but not limited to, bills of sale and properly recorded deeds and easements.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 550

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is given this acknowledgement of
contiguous extension to the
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
pursuant to N.C. Gen. Stat. § 62-110(a)

to provide water and sewer utility service

in

ARDMORE AT FLOWERS PLANTATION

Johnston 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 _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 579

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Notification by Aqua North Carolina, Inc.,)	
202 MacKenan Court, Cary, North Carolina)	
27511, of Intention to Begin Operations in an	)	ORDER RECOGNIZING
Area Contiguous to a Present Service Area to	)	CONTIGUOUS EXTENSION
Provide Water and Sewer Utility Service in	)	AND APPROVING RATES
North District at Flowers Plantation in Johnston)	
County, North Carolina)	

BY THE COMMISSION: On July 12, 2022, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water and sewer utility service in North District at Flowers Plantation (North District) in Johnston County, North Carolina. North District is contiguous to Aqua's POD NE-8 (W-218, Sub 529) and POD 2 and 5 (W-218, Sub 454) service areas. Aqua filed supplements or amendments to the Notification on January 31, May 19, and May 23, 2023. Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service area.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission's Regular Staff Conference on January 22, 2024. The Public Staff stated that it had reviewed the Notification and the supplements and amendments to the Notification and recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

Based on the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 85,000 customers and sewer franchises serving approximately 22,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

2. Aqua does not presently serve any water or sewer customers in North District. Aqua expects eventually to serve 315 water and sewer customers in North District. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, issued a plan approval letter for North District at Flowers, part of Water System No. NC0351195. The plans are approved under serial number 22-00406, dated June 27, 2022.

4. The North Carolina Department of Environmental Quality, Division of Water Resources, issued permit number WQ0043438, dated August 9, 2022, for the construction and operation of the North District wastewater collection system extension.

5. Aqua entered into an Agreement dated June 24, 2022, with Dependable Development, Inc. (Developer), under which (1) Developer is installing the water and wastewater utility systems; (2) Aqua is purchasing the water system from Developer for \$400 per single-family residential equivalent (SFRE) payable quarterly based on the number of water service meters installed during the previous quarter; (3) Aqua is acquiring the wastewater system from the Developer at no cost; (4) Developer is paying Aqua, as a contribution in aid of construction (CIAC), the water capital cost recovery charge of \$7.00 per gallon based on 180 gallons per day per SFRE due to Johnston County; (5) Developer is paying Aqua, as a CIAC, the purchased bulk wastewater capacity fee of \$11.00 per gallon based on 180 gallons per day per SFRE due to Johnston County; and (6) Aqua is requesting Commission approval to charge its current tariff, including its approved meter fee.

6. Aqua has filed all required exhibits with the Notification.

7. Aqua has the technical, managerial, and financial capacity to provide water and sewer utility service in this franchise location.

8. Aqua proposes to charge North District its uniform statewide water and sewer utility service rates approved in Docket No. W-218, Sub 573, except for the bulk purchased water system usage rate from Johnston County approved in Docket No. W-218, Sub 600.

9. The Public Staff recommended that Aqua be required to post a \$50,000 bond for North District. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,730,000 of bond surety is assigned to specific service areas, and \$270,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$50,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in North District should be recognized as meeting the Commission's criteria for the extension; that the meter installation fee and capacity fees for water and sewer utility service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$50,000 of Aqua's unassigned bond surety is assigned to North District. The remaining unassigned bond surety shall be \$120,000 (a total of \$150,000 is being assigned concurrently in Docket No. W-218, Subs 550, 579, and 581);

2. That the contiguous extension of water and sewer utility service from POD NE-8 and POD 2 and 5 service areas into North District in Johnston County, North Carolina, is recognized as meeting the Commission's criteria for the extension pursuant to N.C. Gen. Stat. § 62-110(a), and Appendix A, attached hereto, constitutes Aqua's Certificate of Public Convenience and Necessity covering the contiguous extension;

3. That Aqua's existing Schedule of Rates approved on July 31, 2023, in Docket No. W-218, Sub 573, and on September 19, 2023, in Docket No. W-218, Sub 600, are approved for water and sewer utility service in North District;

4. That a meter installation fee of \$70 and capacity fee of \$7.00 per gallon per day of capacity for water utility service are approved for North District;

5. That a capacity fee of \$11.00 per gallon per day of capacity for sewer utility service is approved for North District;

6. That Aqua shall follow applicable state and federal laws and Commission guidance with respect to income tax gross-up on contributions in aid of construction per orders issued in Docket No. W-100, Sub 57;

7. That, to the extent not previously filed in the docket, Aqua shall file, within 14 days of their availability, all completed exhibits to the Agreement with Dependable Development, Inc., including, but not limited to, deeds, easements, warranties, bills of sale, and written certifications of cost; and

8. That, to the extent not previously filed in the docket, Aqua shall file, within 14 days of their availability, copies of documents showing that Aqua has acquired ownership or control of all components of the system and the land on which it is situated, including, but not limited to, bills of sale and properly recorded deeds and easements.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 579

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is given this acknowledgement of
contiguous extension to the
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
pursuant to N.C. Gen. Stat. § 62-110(a)

to provide water and sewer utility service

in

NORTH DISTRICT AT FLOWERS PLANTATION

Johnston 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 _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 581

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Notification by Aqua North Carolina, Inc.,)	
202 MacKenan Court, Cary, North Carolina)	
27511, of Intention to Begin Operations in an	)	ORDER RECOGNIZING
Area Contiguous to a Present Service Area to	)	CONTIGUOUS EXTENSION
Provide Water and Sewer Utility Service in	)	AND APPROVING RATES
Castlewood Subdivision at Flowers Plantation)	
in Johnston County, North Carolina)	

BY THE COMMISSION: On January 19, 2023, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water and sewer utility service in Castlewood subdivision (Castlewood) in Johnston County, North Carolina. Castlewood subdivision is contiguous to Aqua's Plantation Pointe, Phase V (W-274, Sub 511) and Watson's Mill, Phase II (W-274, Sub 514). Aqua filed supplements or amendments to the Notification on August 14, and September 20, 2023. Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service areas.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission's Staff Conference on January 22, 2024. The Public Staff stated that it had reviewed the Notification and the supplements and amendments to the Notification and recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

Based on the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 85,000 customers and sewer franchises serving approximately 22,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

2. Aqua does not presently serve any water or sewer customers in Castlewood subdivision. Aqua expects eventually to serve 36 water and sewer customers in Castlewood subdivision. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, issued a plan approval letter for Castleberry Road subdivision, part of Water System No. NC0351195. The plans are approved under serial number 23-00330, dated June 8, 2023.

4. The North Carolina Department of Environmental Quality, Division of Water Resources, issued permit number WQ0044307, dated August 11, 2023, for the construction and operation of Castleberry Road subdivision wastewater collection system extension.

5. Aqua entered into an Agreement dated December 1, 2022, with MHB Development Company, LLC (Developer), under which (1) Developer is installing the water and wastewater utility systems; (2) Aqua is purchasing the water system from Developer for \$400 per single-family residential equivalent (SFRE), payable quarterly based on the number of water service meters installed during the previous quarter; (3) Aqua is acquiring the wastewater system from Developer at no cost; (4) Developer shall pay Aqua, as a contribution in aid of construction (CIAC), the water capital cost recovery charge of \$7.00 per gallon per day of capacity due to Johnston County; (5) Developer shall pay Aqua, as a CIAC, the purchased bulk wastewater capacity fee of \$11.00 per gallon per day of capacity due to Johnston County; and (6) Aqua is requesting Commission approval to charge its current tariff, including a meter installation fee of \$70 for water service for a meter less than one inch.

6. Aqua has filed all required exhibits with the Notification.

7. Aqua has the technical, managerial, and financial capacity to provide water and sewer utility service in this franchise location.

8. Aqua proposes to charge Castlewood its uniform statewide water and sewer utility service rates approved in Docket No. W-218, Sub 573, except for the bulk purchased water system usage rate from Johnston County approved in Docket No. W-218, Sub 600.

9. The Public Staff recommended that Aqua be required to post a \$50,000 bond for Castlewood. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,730,000 of bond surety is assigned to specific service areas, and \$270,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$50,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Castlewood should be recognized as meeting the Commission's criteria for the extension; that the meter installation fee and capacity fees for water and sewer utility service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$50,000 of Aqua's unassigned bond surety is assigned to Castlewood. The remaining unassigned bond surety shall be \$120,000 (a total of \$150,000 is being assigned concurrently in Docket No. W-218, Subs 550, 579, and 581);
2. That the contiguous extension of water and sewer utility service from Plantation Pointe, Phase V and Watson's Mill, Phase II service areas into Castlewood in Johnston County, North Carolina, is recognized as meeting the Commission's criteria for the extension pursuant to N.C. Gen. Stat. § 62-110(a), and Appendix A, attached hereto, constitutes Aqua's Certificate of Public Convenience and Necessity covering the contiguous extension;
3. That Aqua's existing Schedule of Rates approved on July 31, 2023, in Docket No. W-218, Sub 573, and on September 19, 2023, in Docket No. W-218, Sub 600, are approved for water and sewer utility service in Castlewood;
4. That a meter installation fee of \$70 and capacity fee of \$7.00 per gallon per day of capacity for water utility service are approved for Castlewood;
5. That a capacity fee of \$11.00 per gallon per day of capacity for sewer utility service is approved for Castlewood;
6. That Aqua shall follow applicable state and federal laws and Commission guidance with respect to income tax gross-up on contributions in aid of construction per orders issued in Docket No. W-100, Sub 57;
7. That, to the extent not previously filed in the docket, Aqua shall file, within 14 days of their availability, all completed exhibits to the Agreement with the MHB Development Company, LLC, including, but not limited to, deeds, easements, warranties, bills of sale, and written certifications of cost; and
8. That, to the extent not previously filed in the docket, Aqua shall file, within 14 days of their availability, copies of documents showing that Aqua has acquired ownership or control of all components of the system and the land on which it is situated, including, but not limited to, bills of sale and properly recorded deeds and easements.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 581

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is given this acknowledgement of
contiguous extension to the
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
pursuant to N.C. Gen. Stat. § 62-110(a)

to provide water and sewer utility service

in

CASTLEWOOD SUBDIVISION

Johnston 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 _____, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-55, SUB 1575

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Interconnection Agreement between BellSouth) ORDER APPROVING
Telecommunications, LLC, d/b/a AT&T North) AMENDMENT
Carolina, and Charter Fiberlink NC-CCO, LLC)

BY THE COMMISSION: On November 21, 2023, BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina, and Charter Fiberlink NC-CCO, LLC (collectively, the Parties), filed, for Commission approval, an amendment to their existing interconnection agreement approved by the Commission on October 28, 2005.

The amendment modifies certain provisions related to Operational Support Systems between the Parties.

The filing was made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Commission considered the amendment at its Regular Staff Conference on January 22, 2024. The Public Staff recommended that the amendment be approved, and the Commission approved the recommendation.

IT IS, THEREFORE, ORDERED that the amendment, filed on November 21, 2023, to the existing agreement between the Parties is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-55, SUB 1860

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Interconnection Agreement between BellSouth) ORDER APPROVING
Telecommunications, LLC, d/b/a AT&T North) AMENDMENT
Carolina, and DukeNet Communications, LLC)

BY THE COMMISSION: On November 21, 2023, BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina, and DukeNet Communications, LLC (collectively, the Parties), filed, for Commission approval, an amendment to their existing interconnection agreement approved by the Commission on June 12, 2012.

The amendment modifies certain provisions related to Data Connection Security Requirements between the Parties.

The filing was made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Commission considered the amendment at its Regular Staff Conference on January 22, 2024. The Public Staff recommended that the amendment be approved, and the Commission approved the recommendation.

IT IS, THEREFORE, ORDERED that the amendment, filed on November 21, 2023, to the existing agreement between the Parties is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-21, SUB 82

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Interconnection Agreement between Ellerbe	)	ORDER APPROVING
Telephone Company, and Level 3	)	AGREEMENT
Communications, LLC)	

BY THE COMMISSION: On December 20, 2023, Ellerbe Telephone Company, and Level 3 Communications, LLC (collectively, the Parties), filed an interconnection agreement for Commission approval.

The filing was made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Commission considered the agreement at its Regular Staff Conference on January 22, 2024. The Public Staff recommended that the agreement be approved, and the Commission approved the recommendation.

IT IS, THEREFORE, ORDERED that the interconnection agreement, filed on December 20, 2023, between the Parties is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk