

1 STAFF CONFERENCE

OCTOBER 3, 2022

2 CHAIR MITCHELL: All right. Good morning.  
3 Let's come to order and go on the record, please. I'm  
4 Charlotte Mitchell, Chair of the Utilities Commission,  
5 and with me this morning are Commissioners  
6 Brown-Bland, Duffley, Hughes, McKissick, and Kemerait.

7 In compliance with the State Government  
8 Ethics Act, I remind Members of the Commission of our  
9 duty to avoid conflicts of interest and inquire, at  
10 this time, as to whether any member of the Commission  
11 has a known conflict with respect to matters coming  
12 before us.

13 (No response)

14 CHAIR MITCHELL: The record will reflect  
15 that no conflicts have been identified, so we'll  
16 proceed with Public Staff, Item 1.

17 MS. JOHNSON: Good morning. Sonja Johnson  
18 with the Public Staff Accounting Division. Item 1 is  
19 Docket No. G-9, Sub 772, Natural Gas Firm  
20 Transportation Service and Minimum Margin Commitment  
21 Agreement between Piedmont Natural Gas and Charlotte  
22 Pipe and Foundry Company.

23 On August 11th, 2020, Piedmont filed a  
24 confidential Minimum Margin Agreement with the

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1 Charlotte Pipe and Foundry. Public Staff reviewed the  
2 agreement and recommends allowing the agreement to  
3 become effective subject to the conditions set out in  
4 the proposed Order. A company representative is here  
5 to answer any questions the Commission may have.

6 COMMISSIONER BROWN-BLAND: Move approval of  
7 the recommendation.

8 COMMISSIONER DUFFLEY: Second.

9 CHAIR MITCHELL: It's been moved and  
10 seconded that the item be approved as recommended by  
11 the Public Staff. Questions or discussion on the  
12 motion?

13 (No response)

14 CHAIR MITCHELL: Hearing none, all in favor,  
15 indicate with an aye.

16 (All Commissioners say aye)

17 CHAIR MITCHELL: Is there anyone opposed?

18 (No response)

19 CHAIR MITCHELL: Motion carries. Thank you,  
20 Ms. Johnson. We will proceed now to Public Staff  
21 Items 2 and 3.

22 MS. PROFFITT: Good morning. My name is  
23 Karen Proffitt of Public Staff Water, Sewer, and  
24 Telephone Division. Communications Items 2 and 3

1 present an interconnection amendment and agreement  
2 filed by Verizon South and Service Telephone Company  
3 in August. The Public Staff has reviewed the filings  
4 and recommends that orders be issued approving the  
5 agreements and the amendment -- of the agreement and  
6 amendment, I'm sorry, effective on the date they were  
7 filed. The Public Staff has provided proposed Orders  
8 to the Commission Staff.

9 COMMISSIONER BROWN-BLAND: Move approval of  
10 the recommendation.

11 COMMISSIONER DUFFLEY: Second.

12 CHAIR MITCHELL: It's been moved and  
13 seconded that the items be approved as recommended by  
14 the Public Staff. Are there any questions or  
15 discussion on that motion?

16 (No response)

17 CHAIR MITCHELL: Hearing none, all in favor,  
18 indicate with an aye.

19 (All Commissioners say aye)

20 CHAIR MITCHELL: Is there anyone opposed?

21 (No response)

22 CHAIR MITCHELL: That motion carries. Thank  
23 you, Ms. Proffitt. All right. We will proceed to  
24 Public Staff, Item 4.

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1 MS. BHATTA: Good morning. My name is  
2 Shashi Bhatta, Engineer, Public Staff Water, Sewer,  
3 and Telephone Division. Item No. 4 Docket, W-4, Sub  
4 23. Joyceton Water Works, Inc. filed an application  
5 for authority to transfer its franchise for providing  
6 water utility service in Caldwell County, to the City  
7 of Lenoir, which is exempt from Commission  
8 regulations. One customer has submitted a statement  
9 in protest of future rate increases. However, that  
10 does not qualify as significant protest requiring  
11 public hearing.

12 The Public Staff has reviewed the  
13 application and recommends that the Commission issue a  
14 proposed Order approving transfer to owner exempt from  
15 regulations, canceling franchise, and Requiring  
16 Customer Notice.

17 COMMISSIONER BROWN-BLAND: Move approval of  
18 the recommendation.

19 COMMISSIONER HUGHES: Second.

20 CHAIR MITCHELL: It's been moved and  
21 seconded that the item be approved as recommended by  
22 the Public Staff. I'll take a question from  
23 Commissioner McKissick.

24 COMMISSIONER MCKISSICK: Just one quick

1 question. I noticed in the proposed Order the Town of  
2 Lenoir is picking up the water customers, but it  
3 specifically points out that they're not purchasing, I  
4 guess, the water tanks and the fire pump. So I assume  
5 Lenoir has its own fire suppression systems and  
6 hydrants, and things like that, so what's going to  
7 become of that equipment that's still out there that  
8 theoretically either needs to be taken down,  
9 disassembled or I guess sits there as a relic? What  
10 becomes of the water tanks and the fire pump?

11 MS. BHATTA: Okay. From my conversation  
12 with the City of Lenoir personnel Public Utilities  
13 Director, I think, what he said was the fire pumps and  
14 the tanks are all non-portable. They're on the  
15 non-portable side, which some of the facilities may  
16 require fire protection for insurance purposes, so  
17 that's what was installed. And some items are not  
18 even in use currently, and the waterlines within this  
19 development is small size waterlines, two inch or  
20 three inch, which do not have fire hydrants. So what  
21 the City had said was that is the fire protection  
22 system that's currently in use, if it is, is all  
23 non-portable. The City's not going to take over any  
24 of that, but over time, they do plan to replace some

1 of the waterlines within there to make it large sizes  
2 and maybe install fire hydrants at that time. The  
3 City did not want those fire protection system because  
4 it's on the non-portable side, and they don't see a  
5 use for it, but the Joyceton -- if I can have our  
6 attorney kind of point out on the e-mail that we got  
7 was that they might find somebody to use the fire  
8 protection system as some private entity that's within  
9 this development maybe able to use it.

10 MS. COXTON: Ms. Bhatta is correct. That's  
11 the information that we received. Just to reiterate,  
12 essentially, they tried to find a purchaser for the  
13 fire system and they weren't able to find anyone who  
14 was interested, so I think what they indicated is that  
15 once the transfer actually goes through to the City of  
16 Lenoir, they will make a decision about what they  
17 would like to do with the extra fire system  
18 infrastructure.

19 COMMISSIONER McKISSICK: So I raise the  
20 question I take it based upon the type of fire system  
21 that it is, it's more likely the voluntary fire  
22 company would be, I guess, using it more so than  
23 anybody else. Is that a reasonable assumption to  
24 make?

1 MS. BHATTA: Well sometimes, the service  
2 connections may need additional sprinkler systems  
3 within their building. So if there's a facility like  
4 that that could use it for personal use, they could  
5 sell it to somebody like that.

6 COMMISSIONER McKISSICK: Well, it was just  
7 something that appeared to me that it was being --  
8 kind of an oversight that nobody was doing anything  
9 with it because it looked like this water company  
10 basically was -- for all practical purposes, it only  
11 had 100 customers or so basically, I assumed, going  
12 out of business, I want to say, of other facilities in  
13 that area that I'm unaware of. Do they have any other  
14 customers in that area?

15 MS. COXTON: No, sir. This was --

16 COMMISSIONER McKISSICK: I didn't think so.  
17 So this is it.

18 MS. COXTON: Yes.

19 COMMISSIONER McKISSICK: I support the item  
20 but I would suggest that you guys go back and find out  
21 what they're going to do with it. I mean, it  
22 shouldn't just sit there as a relic. I mean,  
23 something needs to become of it. Even if they donate  
24 it to something like a voluntary fire company that

1 might access it if they have a voluntary fire company  
2 in the area rather than just sit there unattended to  
3 and rusting away.

4 MS. BHATTA: Yeah. Yeah.

5 COMMISSIONER McKISSICK: Thank you.

6 MS. BHATTA: Sure.

7 CHAIR MITCHELL: All right. Any additional  
8 questions or discussion?

9 (No response)

10 CHAIR MITCHELL: All in favor of the motion,  
11 indicate with an aye.

12 (All Commissioners say aye)

13 CHAIR MITCHELL: Is there anyone opposed?

14 (No response)

15 CHAIR MITCHELL: That motion carries.

16 Commission has before us our minutes of the  
17 September 26 Staff Conference for approval. Take a  
18 motion?

19 COMMISSIONER DUFFLEY: Move approval of the  
20 minutes.

21 COMMISSIONER McKISSICK: Second.

22 CHAIR MITCHELL: Questions or discussion on  
23 that motion?

24 (No response)

1 CHAIR MITCHELL: Hearing none, all in favor,  
2 indicate an aye.

3 (All Commissioners say aye)

4 CHAIR MITCHELL: Is there anyone opposed?

5 (No response)

6 CHAIR MITCHELL: Our minutes are approved.  
7 Before we adjourn, just checking in to see if there's  
8 any additional business for the Commission this  
9 morning.

10 (No response)

11 CHAIR MITCHELL: I'm not seeing any, so we  
12 will be adjourned. Thank you very much everybody.  
13 Let's go off the record.

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15 WHEREUPON, this conference is adjourned.

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C E R T I F I C A T E

I, TONJA VINES, DO HEREBY CERTIFY that the  
proceedings in the above-captioned matter were taken  
before me, that I did report in stenographic shorthand  
the Proceedings set forth herein, and the foregoing  
pages are a true and correct transcription to the best  
of my ability.



Tonja Vines