

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE
February 12, 2024

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, February 12, 2024, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

COMMISSIONERS:

Commissioner Duffley
Commissioner Hughes
Commissioner McKissick
Commissioner Kemerait
Commissioner Tucker

COMMISSION STAFF: Mr. Watson, Ms. Fennell, Ms. Duffy, Ms. Harrod, Ms. Walker, Ms. Webb-Shackleford, Ms. Hilburn, Ms. Li, Ms. Jayasheela, Mr. Barley

PUBLIC STAFF: Mr. Ayers, Ms. Edmondson, Ms. Holt, Mr. Creech, Ms. Newell, Mr. Freeman, Mr. Felling, Ms. Boswell, Ms. Zhang, Mr. Brown, Ms. Strickland, Mr. McLawhorn, Mr. Lucas, Mr. Metz, Mr. Michna, Mr. Junis, Ms. Bhatta

ATTORNEY GENERAL:

COURT REPORTER: Ms. Clayton

ELECTRIC*CERTIFICATE OF ENVIRONMENTAL COMPATABILITY AND PUBLIC CONVENIENCE AND NECESSITY***Wake EMC**

1. Docket No. EC-47, Sub 55 – Application by Wake EMC for a Certificate of Environmental Compatibility and Public Convenience and Necessity to Construct New Tap Line in Durham County, North Carolina (*Michna/Creech*)

On November 7, 2023, pursuant to N.C. Gen. Stat. § 62-101 and 102, Wake Electric Membership Corporation (Wake EMC) filed with the Commission a letter of intent to file for a waiver of the notice and hearing requirements of N.C.G.S. §§ 62-102 and 104. On the same date, pursuant to Commission Rule R8-62(k), Wake EMC prefiled with the Public Staff an application for a certificate of environmental compatibility and public convenience and necessity (CEPCN) to construct a new 230-kilovolt (kV) transmission line (Line) of approximately 1,400 feet in length in Durham County, North Carolina. The application stated that this Line would allow Wake EMC to improve electric service and reliability due to load growth in the southeast Durham County area. Wake EMC will tap into an existing Duke Energy Progress, LLC (DEP), 230-kV transmission line and install a new Wake EMC-owned and operated 230-115 kV step-down substation. As detailed in the application, Wake EMC will construct the Line on property that either will be owned by Wake EMC or on which Wake EMC has obtained easement rights from the property owner, and the property owner does not object to a waiver of the notice and notice requirements of N.C.G.S. §§ 62-102 and 104.

On November 9, 2023, Wake EMC filed an amended letter of intent that corrected the voltage of the Line from 115 kV to 230 kV.

The Public Staff stated that the application meets the requirements of N.C.G.S. § 62-102 and Commission Rule R8-62 for a certificate and the conditions of N.C.G.S. § 62-101(d)(1) for waiver of the notice and hearing requirements of N.C.G.S. §§ 62-102 and 104.

The Public Staff recommended that the Commission grant the motion for waiver and issue the requested certificate.

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

*PURCHASED POWER ADJUSTMENT***Western Carolina University**

2. Docket No. E-35, Sub 57 – Application of WCU for approval of annual PPA adjustment effective for bills rendered after February 1, 2024 (*Brown/ Lucas/ Felling*)

On December 15, 2023, in compliance with Commission orders in Docket No. E-35, Subs 17, 19, and 51, Western Carolina University (WCU) filed an application for a change in its Schedule CP Purchased Power Cost Rider (Rider) to be effective for monthly billings beginning with the bills rendered in February 2023. This filing included actual purchased power cost and recovery information only for the period of January 2023 through October 2023.

On January 19, 2024, WCU filed a Motion for Approval of Purchased Power Adjustment (PPA) and Procedural Change. The motion included WCU's final rates for the Rider, incorporating actual purchased power costs and revenues through December 2023.

The Public Staff stated that it had completed its review of the calculations and documentation supporting the Rider requested by WCU and found them to be accurate. The Public Staff agreed with WCU's request to change its future annual PPAs to be applicable to bills rendered on and after March 1, beginning with the next PPA filing.

The Public Staff recommended that the proposed Rider decrement be approved effective for monthly bills rendered on and after February 1, 2024, and before March 1, 2025. The Public Staff further stated that the approval of this Rider should be without prejudice to the right of any party to take issue with it in a general rate case.

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

*AFFILIATE AGREEMENTS***Dominion Energy North Carolina**

3. Docket No. E-22, Sub 677 – Application of DENC for approval to enter into bills of sale and assignment agreements for the sale and conveyance of two solar photovoltaic electric generating facilities to DENC (*Strickland/Metz/Freeman*)

On September 1, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or Company) filed, pursuant to N.C. Gen. Stat. § 62-153(b) and Regulatory Condition 3.1(a) as approved by the North Carolina Utilities Commission's (Commission) Order Approving Merger Subject to Regulatory Conditions and Code of Conduct issued on November 19, 2018, in Docket Nos. E-22, Sub 551, and G-5, Sub 585, an application requesting the Commission's approval to enter into affiliate Bills of Sale and Assignment Agreements (Agreements) for the sale and conveyance by Bellflower

Holdings, LLC (Bellflower Holdings), to the Company of the Bellflower Solar project in Brunswick County, Virginia, and for the sale and conveyance by Chicory Holdings, LLC (Chicory Holdings), to the Company of the Chicory Solar Project in Mecklenburg County, Virginia.

Based on its review, the Public Staff recommends that the Commission approve the Agreements between DENC and Bellflower Holdings and Chicory Holdings, subject to conditions.

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

WATER AND WASTEWATER

ORDER ESTABLISHING GENERAL RATE CASE AND SUSPENDING RATES

Fairfield Water Company

- 4. Docket No. W-1226, Sub 4 – Application for Authority to Adjust and Increase Rates for Water Utility Service in Fairfield Water System in Henderson County, North Carolina (*Bhatta/Sun/Coxton/Newell*)

On January 16, 2024, Fairfield Water Company (Applicant) filed an application with the Commission seeking authority to increase its rates for providing water utility service in Fairfield Water System in Henderson County, North Carolina. The Applicant provides water utility service to 12 customers (11 metered quadraplexes and one meter located at a church).

The Public Staff recommended that an Order be issued, establishing a general rate case and suspending rates.

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

The Minutes of the Regular Commission Staff Conference of February 5, 2024, were approved.

Minutes prepared by Le Anne Ackerman.