STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

STAFF CONFERENCE AGENDA – MAY 23, 2022

Link to view staff conference will be posted on the commission website, ncuc.net

ELECTRIC

PROGRAM MODIFICATION (Lawrence/Edmondson)

North Carolina Green Power

1. Docket No. E-100, Sub 90 – Application of NC Green Power to amend NC GreenPower Program to amend and expand its offerings.

NATURAL GAS

ENERGY EFFICIENCY TRACKER (Johnson/Maness/Holt)

Public Service Company of North Carolina, Inc.

2. Docket No. G-5, Sub 644 – Application for annual adjustment of rates under Rider F.

INTEGRITY MANAGEMENT (Patel/Culpepper)

Piedmont Natural Gas Company, Inc.

3. Docket No. G-9, Sub 804 – Application for biannual adjustment of rates and charges to track changes in costs related to its Integrity Management Rider IMR.

PURCHASED GAS ADJUSTMENT TRACKER (Nader/Pappas/Patel/Holt/Culpepper)

Public Service Company of North Carolina, Inc.

4. Docket No. G-5, Sub 646 – Application for adjustment of rates and charges to track changes in wholesale costs of gas.

Piedmont Natural Gas Company, Inc.

5. Docket No. G-9, Sub 805 – Application for adjustment of rates and charges to track changes in wholesale costs of gas.

COMMUNICATIONS

INTERCONNECTION AGREEMENTS AND AMENDMENT (Proffitt/Coxton)

Carolina Telephone and Telegraph Company, LLC and Central Telephone Company, d/b/a CenturyLink

6. Docket Nos. P-7, Sub 1301, and P-10, Sub 914 – Agreement with American Messaging Services, LLC.

Mebtel, Inc. d/b/a CenturyLink

7. Docket No. P-35, Sub 158 – Agreement with American Messaging Services, LLC.

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

STATE OF NORTH CAROLINA
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RALEIGH

DOCKET NO. E-100, SUB 90

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Petition by NC GreenPower for Approval of Revisions to Programs	)))	ORDER APPROVING REVISIONS

BY THE COMMISSION: On March 30, 2022, NC GreenPower filed a request for flexibility to modify its programs and services consistent with its stated mission and objectives to adapt to the fast-changing needs of consumers without the need for further Commission approval.

NC GreenPower's mission statement provides that "NCGP's mission is to expand public knowledge and acceptance of cleaner energy technologies to all North Carolinians through local, community-based initiatives." Its objectives are to: "improve the quality of the environment, increase the amount of generation from renewables, mitigate greenhouse gases, maximize the amount of investment in renewable generation, maximize the number of participants, and provide renewable energy education to communities."

NC GreenPower's request indicates that the NC GreenPower Board unanimously approved this request to be filed with the Commission. Upon Commission approval, NC GreenPower intends to immediately begin engaging with interested parties to begin work on the programs and services discussed in its petition.

NC GreenPower requests to continue to offer its REC purchase program, Carbon Offset purchase program, Solar+ Schools program, and Investor and Crowdsource Funded Renewable Energy Pilot. In addition to offering these programs, NC GreenPower requests to operate within its stated mission and objectives by offering services and modifying programs to best fit NC GreenPower's needs. Potential services include: (1) larger solar installations for schools or community solar projects; (2) solar projects for affordable housing neighborhoods; (3) education and technical assistance for local governments, colleges and universities, and companies with sustainability goals; (4) energy efficiency services for schools; and (5) carbon assessments and verification. These programs and services are intended to help NC GreenPower to operate revenue-positive products to help offset losses from programs such as the Solar+ Schools program, where expenses often exceed revenues.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on May 23, 2022. The Public Staff stated that it had reviewed the request and recommends that the Commission approve NC GreenPower's request as filed.

Based on the foregoing, the Commission is of the opinion that NC GreenPower's request to modify its programs and services should be approved as filed.

IT IS, THEREFORE, ORDERED:

1. That NC GreenPower's proposed modification to its programs and services is hereby approved as filed, effective this date.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of May, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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STATE OF NORTH CAROLINA
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DOCKET NO. G-5, SUB 644

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Public Service Company of North Carolina, Inc. for Annual Adjustment of Rates Under Rider F to its Tariff	)))))	ORDER APPROVING EE TRACKER – RIDER F RATES

BY THE COMMISSION: On April 14, 2022, pursuant to Section 62-140(c) of the North Carolina General Statutes, and Rule R6-95 of the Rules of Practice and Procedure of the North Carolina Utilities Commission (Commission), Public Service Company of North Carolina, Inc. (the Applicant, Company, or PSNC) filed an application for approval of the proposed Energy Efficiency (EE) Tracker – Rider F (Rider F) rates to be effective June 1, 2022 (Application).

On April 1, 2021, PSNC filed an application in Docket No. G-5, Sub 634: (1) requesting Commission authority to expand the Energy Efficiency Rebate Program and High Efficiency Discount Rate Program; (2) requesting approval of the following three new conservation programs: Residential New Construction Program, Residential Home Energy Report Program, and Residential Low Income Program; and (3) proposing to continue the Conservation Education Program (collectively, the Conservation Programs).

Also on April 1, 2021, PSNC filed an application in Docket No. G-5, Sub 632, pursuant to N.C. Gen. Stat. §§ 62-133 and 62-134, requesting authority to adjust and increase its retail natural gas rates and charges, effective May 1, 2021 (Rate Case Application). As part of the Rate Case Application, PSNC requested approval to recover Conservation Program costs through deferred accounting treatment and approval of a new rider, Rider F. PSNC stated that Rider F would allow PSNC to adjust its rates annually to recover costs associated with implementing the Conservation Programs.

On May 4, 2021, the Public Staff – North Carolina Utilities Commission (Public Staff) filed a Motion to Consolidate Dockets in Docket No. G-5, Subs 632 and 634, requesting the Commission issue an order consolidating the two dockets. On May 18, 2021, the Commission issued an Order granting the Public Staff's motion and consolidating Docket No. G-5, Sub 632 with Docket No. G-5, Sub 634 (Consolidated Dockets).

On October 15, 2021, PSNC, the Public Staff, Carolina Utility Customers Association, Inc., and Evergreen Packaging, LLC filed a Stipulation of Settlement (Stipulation) in the Consolidated Dockets. In Section 27 of the Stipulation, the stipulating parties agreed that PSNC's Conservation Programs should be authorized for a three-year pilot program in order to collect operational data, perform evaluation, measurement, and verification (EM&V), and assess cost-effectiveness, and that such pilot program would commence within six months of the Commission's final order in the proceeding. The stipulating parties further agreed that PSNC should be allowed to recover costs associated with certain Conservation Programs[1] through a Rider F recovery mechanism, and that within 15 business days of the filing of the Stipulation, PSNC and the Public Staff shall file with the Commission a mechanism to: (1) allow PSNC to recover all reasonable and prudent costs incurred for adopting, implementing, and operating cost-effective EE measures and programs; and (2) establish certain requirements for requests by PSNC for approval and continued operation of Conservation Programs consistent with the provisions for the piloting of PSNC's Conservation Programs.

On October 29, 2021, PSNC filed a Motion for Extension of Time to file an agreed form of EE mechanism with the Commission as contemplated in Paragraph 27 of the Stipulation in the Consolidated Dockets. On November 9, 2021, the Commission issued an Order in the Consolidated Dockets that extended the date for filing the EE mechanism. On November 10, 2021, PSNC and the Public Staff filed a Joint Motion for Extension of Time to file an agreed form of EE mechanism in the Consolidated Dockets.

On November 19, 2021, the Commission issued a second Order extending the date for filing the EE mechanism in the Consolidated Dockets.

On December 6, 2021, PSNC and the Public Staff filed in the Consolidated Dockets PSNC's proposed EE Tracker – Rider F and Cost Recovery Mechanism for Energy Efficiency Programs Pilot (EE Mechanism). Paragraph 39 of the EE Mechanism states:

> The initial rider, effective as of the date that PSNC's effective base rates no longer include recovery of Costs for Measures and Programs, which is November 1, 2021, will be $0 per therm. PSNC and the Public Staff shall work together to determine the second set of EE rider rates consistent with this Mechanism, and shall file such proposed rates with the Commission no later than 45 days after the Commission's order approving base rates in Docket No. G-5, Sub 632. If approved by the Commission, these rider rates shall become effective by May 1, 2022, if possible, but no later than June 1, 2022. The parties acknowledge that it may be impossible to fully meet the

[1] Pursuant to Section 28 of the Stipulation, the stipulating parties agreed that the costs associated with the High Efficiency Discount Rate Program shall be recovered through base rates as opposed to Rider F.

5 requirements of paragraphs 36 and 37 of this Mechanism, but will make all reasonable efforts to do so.

On January 21, 2022, the Commission issued its Order Approving Stipulation, Granting Rate Increase, and Requiring Customer Notice (Rate Case Order) in the Consolidated Dockets, approving the Stipulation and finding it reasonable and appropriate to allow the proposed three-year pilot for certain Conservation Programs to commence as of November 1, 2021. The Rate Case Order also found it reasonable and appropriate for PSNC to recover costs associated with those Conservation Programs through the Rider F recovery mechanism as set forth in Section 27 of the Stipulation and in the EE Mechanism.

On March 2, 2022, PSNC filed a letter in the Consolidated Dockets explaining that pursuant to the EE Mechanism, PSNC was to file the second set of EE rates on March 7, 2022, to be effective no later than June 1, 2022. However, PSNC stated that it was working with the Public Staff on the second set of EE rates, but needed additional time to finalize such rates, and therefore requested until April 15, 2022, to file the second set of EE rates.

On March 8, 2022, the Commission issued an Order granting PSNC's request for an extension of time to file the second set of EE rates.

As previously noted, PSNC filed its Application on April 14, 2022. In the Application, the Company requested that the Rider F billing rates be set at $0.00914 per therm for service provided under Residential Rate Schedules 101 and 102, and $0.00170 per therm for service provided under Commercial Rate Schedules 125, 126, 127, and 140. PSNC also proposed that actual and estimated Rider F costs incurred from November 1, 2021, through April 30, 2023, remain subject to audit through the next Rider F annual adjustment proceeding, due to there being less time available for the Public Staff and Commission to review the Rider F rates to be effective June 1, 2022, in accordance with the timing provisions of the EE Mechanism.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on May 23, 2022. The Public Staff stated that it had reviewed the application, and other information provided by the Company, and recommended approval as filed. The Public Staff also noted that it had informed the Company it had some concerns regarding the allocation of costs between rate classes, but that making an adjustment to address those concerns in this proceeding would not result in a change in the proposed rates. The Public Staff stated that it had proposed to the Company that the allocation methodology used in this case not be considered precedential for purposes of future Rider F proceedings, and that the Company had agreed to this proposal.

The Commission, based upon the review of the application and the recommendation of the Public Staff, is of the opinion that the proposed Rider F rates should be allowed to become effective June 1, 2022.

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC is authorized to implement the proposed Energy Efficiency Tracker – Rider F rates proposed in its April 14, 2022 Application, effective June 1, 2022;

2. That the actual and estimated Rider F costs incurred from November 1, 2021, through April 30, 2023, remain subject to audit through the next Rider F annual adjustment proceeding.

3. That the methodology used in this proceeding to allocate the May 31, 2022 deferred account balance and projected costs between the residential and commercial classes is not precedential for purposes of future proceedings;

4. That any adjustment due to EM&V will be subject to review in future, annual Rider F adjustment proceedings; and

5. That PSNC shall give notice to its customers of the rates authorized by this Order.

ISSUED BY ORDER OF THE COMMISSION

This the _____ day of May, 2022.

NORTH CAROLINA UTILITIES COMMISSION

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A. Shonta Dunston, Chief Clerk

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DOCKET NO. G-9, SUB 804

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Piedmont Natural Gas Company, Inc., for Approval of Bi-Annual Adjustment of Rates Under Appendix E of its Service Regulations	))))	ORDER APPROVING RATE ADJUSTMENTS EFFECTIVE JUNE 1, 2022

BY THE COMMISSION: On January 6, 2022, in Docket No. G-9, Sub 781, the Commission approved the continuation of an Integrity Management Rider (IMR) mechanism for Piedmont Natural Gas Company, Inc. (Piedmont or Company), which is Appendix E of the Piedmont's North Carolina Service Regulations (IMR Mechanism). The IMR Mechanism requires that Piedmont file with the Commission every October 31st and April 30th the computation of the Integrity Management Revenue Requirement (IMRR) that forms the basis for the bi-annual rate adjustment of the IMR. Piedmont is also required to file bi-annual adjustments to its rates every December 1st and June 1st based upon qualifying capital investments in integrity and safety projects as of October 31st and March 31st, respectively.

On April 29, 2022, Piedmont filed the computation for the IMRR bi-annual rate adjustment effective June 1, 2022, based on the Company's Integrity Management (IM) Plant Investment through March 31, 2022. In addition, the Company proposed a true-up adjustment effective June 1, 2022, for the IM Deferred Account based on the actual account balance on March 31, 2022.

On May 13, 2022, Piedmont filed the schedule showing the computation of the proposed IM rate adjustment for each rate schedule and the revised tariffs effective June 1, 2022.

The proposed IM rate adjustments, expressed in dollars per dekatherm ($/dt), are as follows:

Line No.	Description	Residential Rate 101	Small & Medium General Rate 102, 142, 144, 152	Firm Large General Rate 103, 113, T-10	Interruptible Large General Rate 104, 114
1	Rate Class Percentage	64.72%	30.34%	2.96%	1.98%
2	IMRR	$8,821,852	$4,135,584	$403,472	$269,890
3	IM Deferred Account Balance	$203,030	$95,178	$9,286	$6,211
4	Total Amount for recovery	$9,024,882	$4,230,762	$412,757	$276,101
5	Rate Case Volumes (dts)	39,264,450	30,085,644	36,569,388	29,466,652
6	IM Increment per dt	$0.2298	$0.1406	$0.0113	$0.0094
	Remove Previous Increment	$0.0939	$0.0537	$0.0044	$0.0044
	Change in IM Increment per dt	$0.1359	$0.0869	$0.0069	$0.0050

The Public Staff presented this matter to the Commission at its May 23, 2022 Regular Staff Conference. The Public Staff stated it had reviewed the application and the proposed IM rate adjustments, and recommended approval as filed.

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

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is authorized to implement the proposed IM rate adjustments as contained in the body of this Order, including its IM Deferred Account balance as of March 31, 2022, effective for service rendered on and after June 1, 2022.

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

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 May, 2022.

NORTH CAROLINA UTILITIES COMMISSION

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A. Shonta Dunston, Chief Clerk

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DOCKET NO. G-5, SUB 646

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Public Service Company of North Carolina, Inc., for an Adjustment of its Rates and Charges to Track Changes in its Wholesale Costs of Gas Under Rider D to its Tariff	))))))	ORDER APPROVING RATE CHANGES EFFECTIVE JUNE 1, 2022

BY THE COMMISSION: On May 13, 2022, Public Service Company of North Carolina, Inc. (PSNC or Company), filed an application, pursuant to N.C. Gen. Stat. § 62-133.4, Commission Rule R1-17(k)(3), and (5)(d), requesting authority to increase its sales rates by $1.0098 per dekatherm (dt)[1] and its transportation rates by $0.0098 per dt, considering the effects of unaccounted-for gas and company-use gas effective June 1, 2022. The increase is a result of a change in PSNC's Benchmark Commodity Gas Cost from $4.75 per dt to $5.75 per dt, as well as the change in the company use and unaccounted for gas as described in PSNC's Rider D.

On May 16, 2022, PSNC filed a Revised Schedule C to its application as filed on May 13, 2022, in this same proceeding. The Public Staff has reviewed and agrees to the Company's rates as filed in Schedule C.

The Public Staff presented this matter to the Commission at its May 23, 2022, Regular Staff Conference. The Public Staff stated that it had reviewed the proposed rate changes and recommended approval as filed.

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

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC is authorized to increase its sales rates by $1.0098 per dt effective for service rendered on and after June 1, 2022.

2. That PSNC is authorized to increase its transportation rates by $0.0098 per dt effective for service rendered on and after June 1, 2022.

[1] PSNC last adjusted its Benchmark Cost of Gas by Order dated December 21, 2021, in Docket No. G-5, Sub 638.

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

4. 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 May, 2022.

NORTH CAROLINA UTILITIES COMMISSION

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A. Shonta Dunston, Chief Clerk

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DOCKET NO. G-9, SUB 805

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Piedmont Natural Gas Company, Inc., for an Adjustment of its Rates and Charges to Track Changes in its Wholesale Costs of Gas	))))	ORDER APPROVING RATE ADJUSTMENTS EFFECTIVE JUNE 1, 2022

BY THE COMMISSION: On May 13, 2022, 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)(3), and Appendix A of Piedmont's North Carolina Service Regulations, seeking authority to increase its Benchmark Cost of Gas from the current rate of $4.00 per dekatherm (dt)[1] to a rate of $6.00 per dt.

Piedmont states that, based on the wholesale cost of gas as reported by the New York Mercantile Exchange and the forecasted normalized throughput levels, it projects a material under-collection in its sales customers gas cost deferred account at its currently approved Benchmark Cost of gas rate. To mitigate such an under-collection, Piedmont proposes to increase its benchmark Cost of Gas from $4.00 per dt to $6.00 per dt.

The Public Staff presented this matter to the Commission at its May 23, 2022 Regular Staff Conference. The Public Staff stated it had reviewed the application and the proposed benchmark Cost of Gas adjustment on Schedule B, as well as the rate changes reflected on Schedule A, and recommended approval as filed.

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

IT IS, THEREFORE, ORDERED as follows:

1. That Piedmont is authorized to increase its sales rates by $2.00 per dt effective for service rendered on and after June 1, 2022.

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

[1] Piedmont last adjusted its Benchmark Cost of Gas by Order dated December 21, 2021, in Docket No. G-9, Sub 796.

3. 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 May, 2022.

NORTH CAROLINA UTILITIES COMMISSION

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A. Shonta Dunston, Chief Clerk

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DOCKET NO. P-7, SUB 1301
DOCKET NO. P-10, SUB 914

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Interconnection Agreement between Carolina Telephone and Telegraph Company LLC and Central Telephone Company d/b/a CenturyLink, and American Messaging Services, LLC	))))))	ORDER APPROVING AGREEMENT

BY THE COMMISSION: On March 31, 2022, Carolina Telephone and Telegraph Company LLC and Central Telephone Company d/b/a CenturyLink, and American Messaging Services, LLC (collectively, the Parties) filed an interconnection agreement for Commission approval.

The agreement specifies the terms and conditions for interconnection and supersedes all previous agreements 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 matter at its Regular Staff Conference on May 23, 2022. The Public Staff recommended that the agreement be approved, and the Commission approved the recommendation.

IT IS, THEREFORE, ORDERED that the interconnection agreement between Carolina Telephone and Telegraph Company LLC and Central Telephone Company d/b/a CenturyLink, and American Messaging Services, LLC, filed in the above dockets on March 31, 2022, is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of May, 2022.

NORTH CAROLINA UTILITIES COMMISSION

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A. Shonta Dunston, Chief Clerk

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DOCKET NO. P-35, SUB 158

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Interconnection Agreement between Mebtel, Inc. d/b/a CenturyLink, and American Messaging Services, LLC	))))	ORDER APPROVING AGREEMENT

BY THE COMMISSION: On March 31, 2022, Mebtel, Inc. d/b/a CenturyLink, and American Messaging Services, LLC, filed an interconnection agreement for Commission approval.

The agreement specifies the terms and conditions for interconnection and supersedes all previous agreements 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 matter at its Regular Staff Conference on May 23, 2022. The Public Staff recommended that the agreement be approved, and the Commission approved the recommendation.

IT IS, THEREFORE, ORDERED that the interconnection agreement between Mebtel, Inc. d/b/a CenturyLink, and American Messaging Services, LLC, filed in the above docket on March 31, 2022, is hereby approved effective on the date of filing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of May, 2022.

NORTH CAROLINA UTILITIES COMMISSION

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A. Shonta Dunston, Chief Clerk

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