

**NORTH CAROLINA UTILITIES COMMISSION**  
**MINUTES OF REGULAR COMMISSION STAFF CONFERENCE**

**May 20, 2024**

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, May 20, 2024, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

**COMMISSIONERS:**

Commissioner Hughes  
Commissioner McKissick  
Commissioner Kemerait  
Commissioner Brawley  
Commissioner Tucker

**COMMISSION STAFF:** Mr. Watson, Ms. Fennell, Ms. Duffy, Ms. Harrod, Ms. Murrell, Ms. Walker, Ms. Hilburn, Ms. Jayasheela, Ms. Winstead, Mr. McCoy

**PUBLIC STAFF:** Ms. Edmondson, Ms. Jost, Mr. Creech, Ms. Luhr, Ms. Coxton, Ms. Keyworth, Mr. Bernier, Mr. D. Williamson, Mr. T. Williamson, Mr. Junis, Ms. Darden, Ms. Bhatta

**ATTORNEY GENERAL:**

**COURT REPORTER:** Ms. Mitchell

**ELECTRIC***DEMAND SIDE MANAGEMENT PROGRAM***Duke Energy Carolinas, LLC**

1. Docket No. E-7, Sub 1032 – Application of DEC for modifications to existing PowerShare® non-residential load curtailment program (*D. Williamson/Keyworth*)

On October 9, 2023, Duke Energy Carolinas, LLC (DEC), filed an application for approval to modify (Proposed Modifications) its existing PowerShare Nonresidential Load Curtailment Program (Program). The Commission initially approved the Program on February 26, 2009.

The Public Staff recommended that (1) the Proposed Modifications be approved; (2) the Program continue to be considered a “new” DSM program pursuant to Commission Rule R8-68; and (3) the Commission determine the appropriate recovery of costs, net lost revenues, and utility incentives associated with the Program in the annual DSM/EE rider proceedings, consistent with N.C. Gen. Stat. § 62-133.9, Commission Rule R8-69, and the currently approved DSM/EE cost recovery mechanism.

Christina Cress, energy/utilities regulatory attorney with Bailey & Dixon, appeared and commented on behalf of Carolina Industrial Group for Fair Utility Rates (CIGFUR).

It was moved and passed that the Public Staff’s recommendations be adopted.

*CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY***EnergyUnited EMC**

2. Docket No. SP-65305, Sub 0 – Application of Hep Energy USA Development, LLC for a CPCN for a 2 MW solar photovoltaic generating facility in Mecklenburg County, North Carolina (*T. Williamson/Keyworth*)

On October 23, 2023, Hep Energy USA Development, LLC (Applicant), filed an application seeking a certificate of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1(a) for construction of a 2-megawatt (MW)<sub>AC</sub> solar photovoltaic generating facility (Facility) to be located at 824 Jim Kidd Road, Huntersville, Mecklenburg County, North Carolina. The Applicant plans to sell the electricity generated by the Facility to Energy United.

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 recommended approval of the certificate for the Facility.

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

## **WATER AND WASTEWATER**

### *ORDER GRANTING FRANCHISE AND APPROVING RATES*

#### **Pluris Hampstead, LLC**

3. Docket No. W-1305, Sub 25 – Application for a Certificate of Public Convenience and Necessity and for Approval of Rates to Provide Sewer Utility Service to Highlands Business Park in Pender County (*Darden/Lentz/Bernier*)

On February 5, 2020, Pluris Hampstead, LLC (Pluris), filed an Application for a Certificate of Public Convenience and Necessity and for Approval of Rates (Application) to provide sewer utility service to Highlands Business Park in Pender County, North Carolina, in accordance with N.C. Gen. Stat. § 62-110.

On February 20, 2024, Pluris filed an Amended Application in response to the Public Staff's letter outlining deficiencies. On March 6 and March 14, 2024, Pluris filed additional information and an Amended Application in response to a second Public Staff letter outlining deficiencies. On March 21, 2024, Pluris filed additional information and an Amended Application in response to a third Public Staff letter outlining deficiencies. On April 5, 2024, the Public Staff filed a letter with the Commission indicating that this docket now includes all the information required for a complete application.

The Public Staff recommended that the Commission issue an order granting the franchise and approving the requested rates.

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

4. Docket No. W-1305, Sub 26 – Application for a Certificate of Public Convenience and Necessity and for Approval of Rates to Provide Sewer Utility Service to Hampstead Enterprises in Pender County (*Darden/Lentz/Bernier*)

On February 18, 2020, Pluris Hampstead, LLC (Pluris), filed an Application for a Certificate of Public Convenience and Necessity and for Approval of Rates (Application) to provide sewer utility service to Hampstead Enterprises in Pender County, North Carolina in accordance with N.C. Gen. Stat. § 62-110.

On February 22, 2024, Pluris filed an Amended Application in response to the Public Staff's letter outlining deficiencies. On March 6, 2024, Pluris filed additional information in response to a second Public Staff letter outlining deficiencies. On March 22, 2024, April 8, 2024, and April 19, 2024, Pluris filed additional information and amended applications in response to a third Public Staff letter outlining deficiencies. On April 19, 2024, the Public

Staff filed a letter with the Commission indicating that this docket now includes all the information required for a complete application.

The Public Staff recommended that the Commission issue an order granting the franchise and approving the requested rates.

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

*ORDER APPROVING TARIFF REVISION*

**Lake Junaluska Assembly, Incorporated**

5. Docket No. W-1274, Sub 12 – Application Seeking to Amend Its Tariff to Increase Water and Sewer Connection Fees for the Lake Junaluska Assembly Service Area in Haywood County (*Darden/Feasel/Bernier*)

On December 11, 2023, Lake Junaluska Assembly, Incorporated (LJA), filed a petition with the Commission seeking to amend its tariff for the purpose of increasing its water and sewer connection fees for its service area in Haywood County, North Carolina.

The Public Staff recommended approval of the water and sewer connection fee increases as requested by LJA.

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

*MOTION FOR APPROVAL OF ASSET TRANSFER*

**Old North State Water Company, Inc.**

6. Docket No. W-1300, Sub 94 and W-1320, Sub 4 – Motion for Approval of Asset Transfer (*Darden/Feasel /Coxton*)

On November 9, 2023, Old North State Water Company, Inc. (ONSWC), filed a Motion for Approval of Asset Transfer (Transfer Motion) in the above-captioned docket. The Transfer Motion seeks Commission approval of transfer of the force main providing service at the Briar Chapel development in Chatham County, North Carolina, and related assets (Force Main), from ONSWC-Chatham North, LLC (ONSWC-CN), to ONSWC under terms set out in an Asset Purchase Agreement.

The Public Staff recommends that the Commission issue the revised Joint Proposed Order Approving the Asset Transfer.

It was moved and passed that the Public Staff's recommendation be adopted with the modification that the net book value is no longer confidential. That information has now been added to the proposed order.

Commissioner Kemerait did not participate in this decision.

*ORDER APPROVING CONSERVATION PILOT PROGRAM REVENUE RECONCILIATION SURCHARGE*

**Aqua North Carolina, Inc.**

7. Docket No. W-218, Sub 573A – Request for Conservation Pilot Program Annual Revenue Reconciliation and Requiring Customer Notice (*Darden/Feasel/Jost*)

On April 1, 2024, Aqua North Carolina, Inc. (Aqua), filed a Conservation Pilot Program annual revenue reconciliation request pursuant to the Commission's Order Approving Partial Settlement Agreement and Stipulation, Deciding Contested Issues, Granting Partial Rate Increase, and Requiring Customer Notice issued on October 26, 2020, in Docket No. W-218, Sub 526.

The Public Staff recommended that the Commission issue an order allowing Aqua to implement a surcharge to recover a revenue deficit in the amount of \$379,160.98 through a surcharge calculated on a volumetric basis at a rate of \$1.04 per 1,000 gallons of usage beginning with its next billing cycle and continuing through December 31, 2024.

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

*ORDER CANCELING FRANCHISE*

**Aqua North Carolina, Inc.**

8. Docket No. W-218, Sub 509 – Motion to Cancel the Franchise and the Certificate of Public Convenience and Necessity Granted for Water Utility Service in Wetrock Farm, Phase 1 Subdivision in Durham County (*Darden/Feasel/Jost*)

On March 3, 2021, the Commission issued an Order Granting Franchise and Approving Rates granting the application of Aqua North Carolina, Inc. (Aqua), for a certificate of public convenience and necessity (CPCN) to provide water utility service in Wetrock Farm, Phase 1 Subdivision (Wetrock Farm) in Durham County, North Carolina.

On April 23, 2024, Aqua filed a Motion to Cancel Franchise requesting that the Commission issue an order cancelling the CPCN issued in this docket.

The Public Staff stated that Aqua informed the Public Staff that it did not have any stranded costs associated with Wetrock Farm.

The Public Staff recommended that the Commission issue an order canceling the CPCN and that the \$10,000 bond surety assigned to Wetrock Farm in the Commission's March 3, 2021 Order Granting Franchise and Approving Rates be reclassified as unassigned bond surety.

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

*ORDER RECOGNIZING CONTIGUOUS EXTENSION AND APPROVING OF RATES*

**Aqua North Carolina, Inc.**

9. Docket No. W-218, Sub 554 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water Utility Service in Prescott Manor Subdivision in Wake County (*Darden/Morgan/Coxton*)

On May 2, 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 utility service for Prescott Manor Subdivision (Prescott Manor) in Wake County, North Carolina. Aqua filed supplements or amendments to the Notification on May 19, 2023, June 6, 2023, and June 30, 2023. Prescott Manor is contiguous to Aqua's Stoney Bend service area recognized in Docket No. W-218, Sub 368. Aqua proposes to charge the rates currently approved for its New Light Master System service areas.

The Public Staff stated that it had reviewed the Notification and the supplements and amendments to the Notification.

The Public Staff recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

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

10. Docket No. W-218, Sub 583 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Sewer Utility Service in The Views at Flowers Plantation in Johnston County (*Bhatta/ Morgan/ Jost*)

On January 20, 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 The Views at Flowers Plantation (The Views) in Johnston County, North Carolina. The Views is contiguous to Aqua's Bedford Subdivision recognized in Docket No. W-218, Sub 477. Aqua filed supplements and amendments to the Notification on June 30 and July 14, 2023. Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service area.

The Public Staff recommended that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

It was moved and passed that the Public Staff's recommendations with Commission modifications be adopted. The modifications were minor and non-substantive. Each modification was read by Mr. Junis into the record.

11. Docket No. W-218, Sub 591 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Sewer Utility Service in The Waterfront District at Flowers Plantation in Johnston County (*Bhatta/Feasel/Coxton*)

On February 7, 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 The Waterfront District at Flowers Plantation (The Waterfront District) in Johnston County, North Carolina. Aqua filed supplements or amendments to the Notification on May 2, 2023, May 15, 2023, May 19, 2023, May 24, 2023, and June 6, 2023. The Waterfront District is contiguous to Aqua's POD NE-8 service area recognized in Docket No. W-218, Sub 529. Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service areas.

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.

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

12. Docket No. W-218, Sub 593 – Notification of Intention to Begin Operations in an Area Contiguous to a Present Service Area to Provide Water and Sewer Utility Service for Thales Academy at Flowers Plantation in Johnston County (*Bhatta/Feasel/Coxton*)

On January 20, 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 for Thales Academy at Flowers Plantation (Thales Academy) in Johnston County, North Carolina. Thales Academy is contiguous to Aqua's Forrest and Whitley Corner service areas recognized in Docket Nos. W-218, Subs 522 and 542, respectively. Aqua filed supplements or amendments to the Notification on May 10, 2023, May 19, 2023, and June 26, 2023. Aqua proposes to charge the rates currently approved for its Flowers Plantation Master System service areas.

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.

It was moved and passed that the Public Staff's recommendations with Commission modifications be adopted. The modifications were minor and non-substantive. Each modification was read by Mr. Junis into the record.

The Minutes of the Regular Commission Staff Conference of May 13, 2024, were approved.

Minutes prepared by Le Anne Ackerman.