# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

# STAFF CONFERENCE <u>AGENDA</u> September 30, 2019

## **COMMISSION STAFF**

NO AGENDA ITEMS

## B. NATURAL GAS

P1. DOCKET NO. G-5, SUB 613 – PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC. - APPLICATION FOR APPROVAL OF BI-ANNUAL ADJUSTMENT OF RATES UNDER RIDER C TO ITS TARIFF EXHIBIT NO. P-1

# D. ELECTRIC

P1. APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES

TO: Agenda – Commission Conference – September 23, 2019

FROM: PUBLIC STAFF – North Carolina Utilities Commission

## B. NATURAL GAS

# P1. <u>DOCKET NO. G-5, SUB 613 – PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC. - APPLICATION FOR APPROVAL OF BI-ANNUAL ADJUSTMENT OF RATES UNDER RIDER C TO ITS TARIFF</u>

EXPLANATION: On September 17, 2019, Public Service Company of North Carolina, Inc. (PSNC or Company), filed an application (Application) requesting authority to implement temporary increments and decrements in its rates for residential, small general service, and medium general service customers pursuant to N.C. Gen. Stat. § 62-133.7 and Rider C of the Company's Tariff.

PSNC's Application is in compliance with its Rider C – Customer Usage Tracker (CUT) mechanism of PSNC's Tariffs, which is based on the Customer Usage Deferred Account balances as of July 31, 2019.

According to the CUT, PSNC is to compare actual residential and small and medium general service margins with the margins contained in the most recent Commission approved rates. PSNC is to then apply, on a bi-annual basis, for authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the Customer Usage Deferred Account.

The proposed CUT temporaries, as well as the existing CUT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

Rate Class and Schedule	Customer Usage Deferred Account Balance at 7/31/2019 (\$)	Rate Case Volumes (dts)	Proposed CUT Temporaries (\$/dts)	Existing CUT Temporaries (\$/dts)	Change in CUT Temporaries (\$/dts)
Residential (101)	\$9,944,459	29,824,953	\$0.3334	\$0.1702	\$0.1632
Residential Hi-Efficiency (102)	\$246,719	439,438	\$0.5614	\$0.5238	\$0.0376
Sm Gen Service (125)	\$1,048,961	12,075,370	\$0.0869	\$0.0183	\$0.0686
Sm Gen Service Hi-Efficiency (127)	(\$40,658)	100,097	(\$0.4062)	(\$0.3744)	(\$0.0318)
Med.Gen. Service(140)	\$220,343	3,295,885	\$0.0669	\$0.0327	\$0.0342

The Public Staff has reviewed these proposed rate adjustments and recommends approval as filed.

EXHIBIT: A proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Naba) That the Commission issue the proposed order approving PSNC's proposed rate changes as filed.

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## D. ELECTRIC

# P1. <u>APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES</u>

EXPLANATION: The following applications seeking certificates of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1 for construction of solar photovoltaic electric generating facilities were filed pursuant to Commission Rule R8-64.

### **Duke Energy Carolinas, LLC:**

 <u>Docket No. SP-13524, Sub 0</u> – Application of Friendly Solar, LLC, for a Certificate of Public Convenience and Necessity to Construct a 7-MW Solar Photovoltaic Facility in Davidson County, North Carolina

### North Carolina Eastern Municipal Power Agency:

 <u>Docket No. SP-16459, Sub 0</u> – Application of House Schwarz, LLC, for a Certificate of Public Convenience and Necessity to Construct a 4-MW Solar Photovoltaic Facility in Pitt County, North Carolina

The Public Staff has reviewed the applications and determined that they comply with the requirements of N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

Unless otherwise noted, each applicant has filed a registration statement for a new renewable energy facility. The registration statement includes certified attestations, as required by Commission Rule R8-66(b), 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. Gen. Stat. §. 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.

RECOMMENDATION: (D. Williamson/Lawrence) That the Commission issue orders approving the applications and issuing the requested certificates for these facilities. Proposed orders have been provided to the Commission Staff.

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EXHIBIT NO. P-1 PAGE 1 OF 2

# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. G-5, SUB 613

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application of Public Service Company of North	) ORDER APPROVING
Carolina, Inc., for Approval of Bi-Annual	) RATE ADJUSTMENTS
Adjustment of Rates Under Rider C to Its Tariff	) EFFECTIVE OCTOBER 1, 2019

BY THE COMMISSION: On September 17, 2019, Public Service Company of North Carolina, Inc. (PSNC or Company), filed an application (Application) requesting authority to implement temporary increments and decrements in its rates for residential, small general service, and medium general service customers pursuant to N.C. Gen. Stat. § 62-133.7 and Rider C of the Company's Tariff.

PSNC's Application is in compliance with its Rider C – Customer Usage Tracker (CUT) mechanism of PSNC's Tariffs, which is based on the Customer Usage Deferred Account balances as of July 31, 2019.

According to the CUT, PSNC is to compare actual residential and small and medium general service margins with the margins contained in the most recent Commission approved rates. PSNC is to then apply, on a bi-annual basis, for authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the Customer Usage Deferred Account.

The proposed CUT temporaries, as well as the existing CUT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

Rate Class and Schedule	Customer Usage Defferred Account Balance at 7/31/2019 (\$)	Rate Case Volumes (dts)	Proposed CUT Temporaries (\$/dts)	Existing CUT Temporaries (\$/dts)	Change in CUT Temporaries (\$/dts)
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Sm Gen Service Hi-Efficiency (127)	(\$40,658)	100,097	(\$0.4062)	(\$0.3744)	(\$0.0318)
Med.Gen. Service(140)	\$220,343	3,295,885	\$0.0669	\$0.0327	\$0.0342

The Public Staff presented this matter to the Commission at its September 30, 2019, Staff Conference. The Public Staff stated it had reviewed the proposed rate adjustments and recommended approval as filed.

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

### IT IS, THEREFORE, ORDERED as follows:

- 1. That PSNC is authorized to implement the proposed rate changes as contained in the body of this Order based on its Customer Usage Deferred Account balances as of July 31, 2019, effective for service rendered on and after October 1, 2019.
- 2. That PSNC shall file its revised tariffs consistent with Ordering Paragraph 1 within five (5) days of the date of this Order.
- 3. That PSNC shall give notice to its customers of the rate changes authorized in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_\_ day of September 2019

NORTH CAROLINA UTILITIES COMMISSION

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Kimberley A. Campbell, Chief Clerk