

NORTH CAROLINA UTILITIES COMMISSION
MINUTES OF REGULAR COMMISSION STAFF CONFERENCE

April 15, 2024

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, April 15, 2024, at 10:00 a.m., with Chair Mitchell presiding.

The following were present:

COMMISSIONERS:

Commissioner Duffley
Commissioner Hughes
Commissioner Kemerait
Commissioner Brawley
Commissioner Tucker

COMMISSION STAFF: Mr. Watson, Ms. Fennell, Ms. Duffy, Ms. Jarvis, Ms. Harrod, Ms. Murrell, Ms. Olive, Ms. Ziegler, Ms. Cooke, Ms. Hilburn, Mr. Barber, Mr. McCoy

PUBLIC STAFF: Ms. Edmondson, Mr. Creech, Ms. Luhr, Mr. Josey, Mr. Freeman, Ms. Keyworth, Ms. Boswell, Ms. Zhang, Mr. Brown, Mr. McLawhorn, Mr. Lucas

ATTORNEY GENERAL:

COURT REPORTER: Ms. Mitchell

ELECTRIC*GENERAL RATE CASE***Dominion Energy North Carolina**

1. Docket No. E-22, Sub 694 – Application of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina, for Adjustment of Rates and Charges Applicable to Electric Service in North Carolina (*Lucas/Keyworth*)

On March 28, 2024, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application with the Commission requesting authority to adjust and increase its rates for retail electric service in North Carolina effective February 1, 2025. The Company intends to implement proposed rates on a temporary basis subject to refund on November 1, 2024. DENC stated that it intends to file supplemental testimony in August 2024 to replace the estimates of revenues, expenses, and investments included in its initial filing with actual amounts through June 30, 2024.

The Public Staff recommends that the Commission declare the proceeding a general rate case and suspend Dominion's requested rates for up to 270 days.

This item was taken to Executive Conference for further discussion and consideration.

*AFFILIATE AGREEMENT***Dominion Energy North Carolina**

2. Docket No. E-22, Sub 678 – Application by Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina, for Approval to Enter into Amended Renewable Energy Certificate Purchase and Sale Agreement No. 1 (*Brown/Freeman*)

On December 15, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed an application (Application) in the above-captioned docket for approval, pursuant to N.C. Gen. Stat. § 62-153(b) and Regulatory Condition 3.1(a) of the North Carolina Utilities Commission's (Commission) November 19, 2018 Order Approving Merger Subject to Regulatory Conditions and Code of Conduct in Docket Nos. E-22, Sub 551 and G-5, Sub 585 (Merger Order), of a proposed amendment to Renewable Energy Certificate Purchase and Sale Agreement No. 1 (Amended REC Agreement) between the Company and Align RNG Magnolia, LLC (Align Magnolia). Pursuant to the Amended REC Agreement, the Company will continue to purchase renewable energy certificates (RECs) from Align Magnolia.

The Public Staff stated it had completed its investigation and review.

The Public Staff recommended the Commission approve the Amended REC Agreement subject to conditions.

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

SUPPLEMENTAL ELECTRIC*REVISED AFFILIATE SERVICES AGREEMENT***Dominion Energy North Carolina**

3. Docket No. E-22, Sub 563 – Application by Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina, for Approval of an Affiliate Services Agreement (*Zhang/Josey*)

On April 10, 2024, DENC filed its third Application for Approval of Revised Services Agreement and Request for Interim Authority (Application). The Company requests Commission approval of additional revisions to its Current Agreement approved on June 30, 2021, under which the Company and DESC will continue to both provide and receive certain enumerated services on an as-needed basis (Proposed Agreement). The Company represents that the only change to the Current Agreement is to update the effective date and that there are no proposed changes to the service category description and no changes to the selected services. A copy of the Proposed Agreement was provided as Attachment A, including exhibits. A redlined version of the Proposed Agreement reflecting changes from the Current Agreement was attached as Attachment B.

The Public Staff indicated that it is in the process of investigating and reviewing the Application to verify the assertions made by the Company regarding the Proposed Agreement. The Public Staff stated, however, that based on its preliminary review, it does not object to allowing the Company to operate under the Proposed Agreement, on an interim basis, pending the issuance of an order regarding the Proposed Agreement.

The Public Staff recommended approval of the Company's request for interim authority under the conditions for the Current Agreement.

The Public Staff also recommended that the Commission's Order state that, for ratemaking purposes, its action does not constitute approval of the amount of compensation paid pursuant to the interim authority, and that the authority granted by the Order is without prejudice to the right of any party to take issue with any provision of the interim authority in a future proceeding.

The Public Staff further stated that once its review of the Proposed Agreement is complete, it will bring the final recommendations to the Commission, via either a further filing or placement of the matter on a future Regular Staff Conference Agenda.

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

The Minutes of the Regular Commission Staff Conference of April 8, 2024, were approved.

Minutes prepared by Le Anne Ackerman.