

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. GR-100, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Rulemaking to Implement North Carolina) ORDER ADOPTING
Session Law 2017-172 (House Bill 799)) FINAL RULES AND FORMS

BY THE COMMISSION: On July 21, 2017, House Bill 799 (S.L. 2017-172) was enacted into law. This legislation, entitled “An Act to Allow for Landlords to Charge Individual Tenants for Shared Cost of Natural Gas Service Provided to Leased Premises,” authorizes in G.S. 62-110(i) for lessors of a single-family dwelling, residential building, or multiunit apartment complex that has individually metered units for natural gas service in the lessor’s name to charge for the actual costs of providing natural gas service to each lessee. House Bill 799 outlines the provisions that apply to the natural gas service charges so authorized and requires the Commission to adopt rules to implement the legislation and to develop an application that lessors must submit for Commission approval to obtain a certificate to resell natural gas service. In addition, House Bill 799 modified certain terminology used in G.S. 42-42.1, Water, Electricity, and Natural Gas Conservation.

On November 7, 2018, the Commission issued an Order Initiating Rulemaking Proceeding to adopt rules to regulate the reselling of natural gas service consistent with the General Assembly’s directive. In that Order, the Commission adopted on an interim basis: (1) the Rules and Regulations in Chapter 24 – Provision of Natural Gas Service by Lessors, (2) Form GR-1: Application for Certificate of Authority to Resell Natural Gas Service, and Form GR-2: Application for Transfer of Authority to Resell Natural Gas Service. That Order also set a schedule for receipt of petitions to intervene, initial comments, and reply comments. Finally, that Order made Piedmont Natural Gas Company, Inc. (PNG), Public Service Company of North Carolina (PSNC), Frontier Natural Gas Company, LLC, and Toccoa Natural Gas, parties to this proceeding. A copy of that Order was served upon the North Carolina Attorney General’s Office, the North Carolina Justice Center, and the Apartment Association of North Carolina.

On November 29, 2017, PSNC and PNG filed initial comments. No other filings were submitted in this proceeding.

SUMMARY OF COMMENTS

In its comments, PSNC states that it does not have any objections to the interim Rules and Regulations of Chapter 24, Form GR-1, or Form GR-2.

In its comments, PNG requests that the Commission affirm that the adoption of Chapter 24 “will not in any material way, change, disrupt or impact the metering and billing practices of [PNG] with respect to natural gas distribution service provided to individually metered ‘units’ within a provider’s multiunit apartment complex, residential building, or single-family home – except to the extent that bills for such service shall be aggregated and transmitted to the provider for payment in lieu of delivery to individual customers within such units.” Such affirmation, according to PNG, is necessary to ensure that PNG and its customers are held harmless by the implementation of flow-through billing, as contemplated by House Bill 799 and the Rules and Regulations of Chapter 24.

In addition, PNG states that revisions to its existing tariffs and rate schedules are needed as a result of the legalization of the reselling of natural gas service by lessors. For example, PNG’s current tariffs and rate schedules expressly prohibit the resale of natural gas service. As a result, PNG requests that the Commission “acknowledge the need for such conforming tariff filings to be made and approved before the flow-through billing regimen anticipated by Chapter 24 is fully implemented.”

Finally, PNG provides several suggested modifications to the Commission’s interim Rules and Regulations of Chapter 24, including that: (1) the term “unit” should be defined, although PNG did not propose a definition for the same; (2) a consolidated definition for the term “provider,” which could subsume other defined terms, including “landlord” and “lessor,” is needed; and (3) the term “leased premises” should be defined, although PNG also did not propose a definition for this term.

DISCUSSION AND CONCLUSIONS

After initiating this rulemaking proceeding, issuing on an interim basis the Rules and Regulations of Chapter 24, Form GR-1, and Form GR-2 and receiving comments from interested parties, the Commission finds good cause to issue this Order adopting final rules and forms. In so doing, the Commission endeavored to give full effect to the intent of the Legislature as evidenced through the plain language of House Bill 799. The Commission also attempted, where possible, to ensure consistency between the regulatory processes for the reselling of electric service and natural gas service. The Commission carefully considered the few comments received in this proceeding and responds accordingly below. The Commission also raises a few issues not addressed by any party to this proceeding.

Issues Raised by PNG

The Commission notes that PNG is correct in its assessment that the Rules and Regulations of Chapter 24 provide for a flow-through billing mechanism, through which a non-wholesale customer of the gas public utility may resell natural gas service in a manner consistent with applicable law and Commission Rules.

The Commission also recognizes that PNG, as well as other gas public utility companies, as necessary, may need to revise their current tariff and rate schedule

language to ensure consistency with newly enacted laws and Commission Rules. The Commission does not, however, agree with PNG that the implementation of the Rules and Regulations of Chapter 24 should be delayed until such time as a tariff revision may be applied for and approved by the Commission. The Rules and Regulations of Chapter 24 were adopted on an interim basis on November 8, 2017 and already have been in effect since that date. As such, the Commission does not deem it necessary or appropriate to delay the final adoption of the Rules and Regulations of Chapter 24 to allow for any proposed tariff revisions, as necessary, to be reviewed by the Commission and implemented. Instead, the Commission directs any gas public utility that must, as a result of the adoption of the Rules and Regulations of Chapter 24, apply for revisions to its existing tariffs or rate schedules to do so by filing such requests both in this proceeding and in a separate company-specific proceeding.

With regard to PNG's suggested revisions to the interim Rules and Regulations of Chapter 24, the Commission notes that PNG's suggestions largely were not substantive in nature. In response to PNG's concern that the term "leased premises" is used throughout Chapter 24 without a corresponding definition in the rules, the Commission agrees and has modified accordingly its definitions of "multiunit apartment complex," "residential building," and "single-family dwelling" to clarify that a "leased premises" is synonymous and may be used interchangeably to refer to one or more multiunit apartment complex, residential building, or single-family dwelling.

In response to PNG's suggestion that a definition for the term "unit" is needed, the Commission notes that PNG did not explain its rationale for this suggestion. After reviewing the statutory changes effectuated by the passage of House Bill 799 in the context of the interim definitions adopted, the Commission disagrees with PNG that a definition for the term "unit" would make the Rules and Regulations of Chapter 24 any more precise or clearer. The Commission likewise disagrees with PNG's suggestion to subsume into the definition of "provider" the terms "landlord" and "lessor." The Commission notes that, while a provider must also be a lessor pursuant to Chapter 24, a lessor is not necessarily or automatically considered to be a provider. The Commission, therefore, declines to adopt this recommendation. In addition, the Commission similarly declines to refer to a "lessor" as a "landlord," on the grounds that it would be inconsistent with legislative intent, as evidenced in House Bill 799 through the replacement in multiple places of the term "landlord" in favor of the term "lessor."

Issues Not Raised by the Parties in the Instant Proceeding

The Commission notes that the Public Staff, in Docket No. WR-100, Sub 10, suggested in its comments to include in the rules governing water and/or sewer service resellers appropriate language to ensure that lessees do not have to travel unreasonable distances to examine the records pertaining to their accounts. In that proceeding, the Public Staff opined that an organization in the business of leasing single-family dwellings on a nationwide basis may have only a single business office in North Carolina; nonetheless, a lessee renting a residence in Murphy should not be required to travel to the lessor's business office in Raleigh or Charlotte to view his or her water and/or sewer

service account records. Though the Public Staff did not file comments in the instant proceeding, the Commission finds that the concern expressed by the Public Staff in Docket No. WR-100, Sub 10 is similarly applicable to the instant proceeding. Therefore, the Commission finds good cause to modify substantively interim Rule 24-6(b), as reflected in the final Rules attached to this Order, consistent with the changes recently adopted in Rule R18-5(a).¹

The Commission also notes that the Public Staff, in Docket No. ER-100, Sub 4, suggested in its comments to amend the rules governing electric service resellers by adding the following underlined sentence to Rule 22-4(b):

(b) An applicant may submit for authority to charge for electric service for more than one property in a single application. Information relating to all properties covered by the application need only be provided once in the application. However, if any of the information required by the application differs for different properties, the differences must be clearly explained.

The Public Staff recommended the modification to Rule R22-4(b) “so that it can be discerned if all the properties listed in the application comply with the rules and regulations.” Because the natural gas reseller rules also provide for the option to submit a single application for more than one property, the Commission finds that the suggestion expressed by the Public Staff in the context of electric service reseller rules is similarly applicable to the instant proceeding. Therefore, the Commission finds good cause to modify substantively interim Rule 24-4(b), as reflected in the final Rules attached to this Order, consistent with the Public Staff’s recommendation in Docket No. ER-100, Sub 4.

While in the process of reviewing and modifying the interim Rules and Forms, the Commission notes that a number of formatting, typographical, and other minor corrections are necessary to ensure that accurate information about the resale of natural gas service is provided to both lessors and lessees. For example, the Commission corrected the telephone number information in Rule 24-7(g)(3) to reflect that the Public Staff’s Consumer Services Division’s toll-free number may be utilized by both out-of-state and in-state callers. The Commission, therefore, finds good cause to make these and other such changes, as reflected in the final Rules and Forms attached to this Order.

Finally, while in the process of reviewing and modifying existing rules governing the electric resellers, the Commission notes that a number of changes are necessary to ensure consistency, where possible, between the rules and forms governing electric resellers and those governing natural gas resellers. The Commission, therefore, finds good cause to make such revisions, as reflected in the final Rules and Forms attached to this Order.

¹ See Order Adopting Final Rules and Forms, Docket No. WR-100, Sub 10 (April 4, 2018).

Based upon the foregoing and the entire record in this proceeding, the Commission adopts as final the Rules and Regulations of Chapter 24, as set forth in Appendix A to this Order; Form GR-1, as set forth in Appendix B to this Order; and Form GR-2, as set forth in Appendix C to this Order.

IT IS, THEREFORE, ORDERED as follows:

1. That the Rules and Regulations of Chapter 24 – Provision of Natural Gas Service by Lessors, attached to this Order as Appendix A; Form GR-1: Application for Certificate of Authority to Resell Natural Gas Service, attached to this Order as Appendix B; and Form GR-2: Application for Transfer of Authority to Resell Natural Gas Service, attached to this Order as Appendix C are hereby promulgated and supersede the existing Interim Rules and Forms adopted by the Commission in its November 8, 2017 Order;

2. That any natural gas public utility which must propose revisions to its existing tariffs or rate schedules as a result of the adoption of the Rules and Regulations of Chapter 24 shall do so by filing the requested revisions both in this proceeding and in a separate company-specific proceeding; and

3. That the Chief Clerk shall serve a copy of this Order on every party to this proceeding, the Public Staff, and the Attorney General's Office.

ISSUED BY ORDER OF THE COMMISSION.

This the 6th day of April, 2018.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in dark ink, appearing to read "Janice H. Fulmore", is written over a light gray circular stamp.

Janice H. Fulmore, Deputy Clerk

**CHAPTER 24.
PROVISION OF NATURAL GAS SERVICE BY LESSORS.**

Rule R24-1. Application.

Rule R24-2. Definitions.

Rule R24-3. Utility Status; Certificate.

Rule R24-4. Application for Authority.

Rule R24-5. Bills of the Provider.

Rule R24-6. Records, Reports and Fees.

Rule R24-7. Disconnection; Billing Procedure.

Chapter 24 Appendix.

Rule R24-1. APPLICATION.

Pursuant to G.S. 62-110(i), this Chapter governs the resale of natural gas by a lessor of a single-family dwelling, residential building, or multiunit apartment complex that has individually metered units for natural gas service in the lessor's name, where the lessor charges the actual costs of providing natural gas service to each lessee.

Rule R24-2. DEFINITIONS.

- (a) *Lessee*. A person who purchases natural gas service from a provider.
- (b) *Lessor*. A person, entity, corporation, or agency who owns a residential building, single-family dwelling, or multiunit apartment complex which is available for lease.
- (c) *Multiunit apartment complex*. Premises where one or more buildings containing multiple residential dwelling units under common ownership are available for rent to lessees. One or more multiunit apartment complexes may be known as the leased premises.
- (d) *Provider*. A lessor who purchases natural gas service from a supplier and charges for the costs of providing the service to lessees. A provider must be the owner of the premises served.
- (e) *Residential building*. A townhouse, row house, condominium, mobile home, building, or other structure used for residential purposes. One or more residential buildings may be known as the leased premises.
- (f) *Single-family dwelling*. An individual, freestanding, unattached dwelling unit, typically built on a lot larger than the structure itself, resulting in an area surrounding the house known as a yard, which is rented or available for rental as a residence. One or more single-family dwellings may be known as the leased premises.
- (g) *Supplier*. A public utility or an agency or organization exempted from regulation from which a provider purchases natural gas service.

(h) *Supplier's Unit Natural Gas Service Bill.* The actual amount charged by the supplier for the unit as a whole less any amount charged by the supplier that is not recoverable from the lessees, such as connection or disconnection charges, provider late fees, or amounts attributed to excess usage as provided in Rule R24-7(f).

(i) *Common Area.* The parts of the rental property that are not otherwise leased to tenants and that are available to or otherwise accessible to all tenants.

Rule R24-3. UTILITY STATUS; CERTIFICATE.

(a) Every provider is a public utility as defined by G.S. 62-3(23)a.1. and shall comply with and be subject to all applicable provisions of the Public Utilities Act and all applicable rules and regulations of the Commission, except as hereinafter provided.

(b) A provider who charges for natural gas service under this Rule:

- (1) is solely responsible for the prompt payment of all bills rendered by the supplier and is the retail customer of the supplier subject to all rules, regulations, tariffs, riders, and service regulations associated with the provision of residential natural gas service to retail customers of the supplier; and
- (2) is not considered a wholesale customer of the supplier.

(c) No provider shall begin charging for the costs of providing natural gas service prior to applying for and receiving a certificate of authority from the Commission.

Rule R24-4. APPLICATION FOR AUTHORITY.

(a) Every application for authority to charge for the costs of providing natural gas service shall be in such form and detail as the Commission may prescribe and shall include:

- (1) a description of the lessor, who is the applicant, including legal name and type of business entity, and a description of the property to be served, including business or marketing name, if any, street address, and number of units;
- (2) a description of the proposed billing method and billing statements;
- (3) the proposed method of allocating the supplier's charges to the lessees;
- (4) the administrative fee per lessee, returned check charge, and late payment charge, if any, proposed to be charged by the applicant, and the number of days after the bill is mailed or otherwise delivered when the late payment fee would begin to be applied;
- (5) the applicant's plans for retention and availability of records;
- (6) the name of and contact information for the applicant and its agents, including mailing address, email address, and telephone number;

- (7) the name of and contact information for the supplier of natural gas service to the applicant's rental property;
 - (8) the current schedule of charges from the supplier;
 - (9) a copy of the lease forms to be used by the applicant for lessees who are billed for natural gas service pursuant to this Chapter;
 - (10) a statement indicating the particular provisions of the lease forms pertaining to billing for natural gas service;
 - (11) the verified signature of the applicant or applicant's authorized representative;
 - (12) the required filing fee;
 - (13) one (1) original and seven (7) collated copies of the application; and
 - (14) any additional information that the Commission may require.
- (b) An applicant may submit for authority to charge for natural gas service for more than one property in a single application. Information relating to all properties covered by the application need only be provided once in the application. However, if any of the information required by the application differs for different properties, the differences must be clearly explained.
- (c) The Commission shall approve or disapprove an application within 60 days of the filing of a completed application with the Commission. If the Commission has not issued an Order disapproving a completed application within 60 days, the application shall be deemed approved; provided, however, no person or entity may charge for natural gas service in a manner inconsistent with Chapter 62 of the North Carolina General Statutes.
- (d) An approved certificate of authority from the Commission to charge for the costs of providing natural gas service under these rules shall be delivered to the supplier from which the provider purchases natural gas service and include information in Rule R24-4(a)(1) and (6).

Rule R24-5. BILLS OF THE PROVIDER.

- (a) Bills for natural gas service sent by the provider to the lessee shall contain all of the following information:
- (1) the Supplier's Unit Natural Gas Service Bill for the unit as a whole and the amount of charges allocated to the lessee during the billing period;
 - (2) the name of the supplier;
 - (3) the beginning and ending dates for the usage period and, if provided by the supplier, the date the meter for the unit was read for that usage period;
 - (4) the past-due date, which shall not be less than 25 days after the bill is mailed or otherwise delivered to the lessee;

- (5) the name of the provider and a local or toll-free telephone number and address of the provider that the lessees can use to obtain more information about the bill;
 - (6) the amount of administrative fee, returned check charge, and the late payment charge approved by the Commission and included in the bill, if any; and
 - (7) a statement of the lessee's right to address questions about the bill to the provider and the lessee's right to file a complaint with, or otherwise seek recourse from, the Commission if the lessee cannot resolve a natural gas service billing dispute with the provider.
- (b) The provider or the provider's billing agent shall equally divide the actual amount of the Supplier's Unit Natural Gas Service Bill for a unit among all the lessees in the unit and shall send one bill to each lessee.
- (c) The amount charged shall be prorated when a lessee has not leased the unit for the same number of days as the other lessees in the unit during the billing period.
- (d) Each bill may include an administrative fee no greater than the amount authorized in Rule R18-6 for water service and, when applicable, a late payment charge no greater than the amount authorized in Rule R12-9(d) and a returned check charge no greater than the amount authorized in G.S. 25-3-506.
- (e) A late payment charge may be applied to the balance in arrears after the past-due date.
- (f) The provider may impose a returned check charge, not to exceed the maximum authorized by G.S. 25-3-506, for a check on which payment has been refused by the payor bank because of insufficient funds or because the lessee did not have an account at that bank.
- (g) The provider shall not charge the cost of natural gas from any other unit or common area in a lessee's bill.
- (h) No provider shall charge or collect any greater compensation for the costs of providing natural gas service than the rates approved by the Commission.
- (i) The provider may, at the provider's option, pay any portion of any bill sent to a lessee, in accordance with the provisions of the lease; provided, however, that (1) the provider must still send each lessee bills in accordance with the other provisions in Rule R24-5; (2) the provider must credit lessee bills or otherwise refund to lessees the amount, if any, by which the amount specified in the lease exceeds the amount actually owed by the lessee for natural gas usage in the immediately preceding month; and (3) the provider must comply with G.S. 62-140 regarding non-discrimination in billing for utility service.

Rule R24-6. RECORDS, REPORTS AND FEES.

- (a) The provider shall maintain for a minimum of 36 months records that demonstrate how each lessee's allocated costs were calculated for natural gas service, as well as any other natural gas service-related fees charged to each lessee.
- (b) All records required to be maintained by the provider pursuant to section (a) shall be kept at the onsite management office or office(s) of the provider in North Carolina, or shall be made available at its onsite management office in North Carolina upon request, and shall be available during regular business hours for examination by the Commission or Public Staff or their duly authorized representatives. Within three business days after a written request to the provider, a lessee may examine the records pertaining to the lessee's account during regular business hours and may obtain a copy of those records at a reasonable cost, which shall not exceed 25¢ per page. However, if a provider does not have an onsite management office at the multi-unit complex or in close proximity to the leased single-family dwelling, then the provider shall in good faith, upon written request, establish with the lessee a mutually-acceptable arrangement for the lessee to examine the records pertaining to the natural gas service for the leased dwelling unit occupied or previously occupied by the lessee. In the event that a provider and lessee are unable to reach agreement within 10 business days, the lessee may contact the Public Staff – North Carolina Utilities Commission, Consumer Service Division, at (866) 380-9816 (toll-free) or (919) 733-9277, or may write to the Public Staff – North Carolina Utilities Commission, Consumer Services Division, at 4326 Mail Service Center, Raleigh, North Carolina 27699-4300 for assistance in resolving the dispute. If the Public Staff determines that it cannot reasonably resolve the disagreement, the matter shall be referred to the Commission.
- (c) Providers shall not be required to file an annual report to the Commission as required by Rule R1-32.
- (d) Providers shall pay a regulatory fee and file a regulatory fee report as required by Rule R15-1.
- (e) Special reports shall also be made concerning any particular matter upon request by the Commission.

Rule R24-7. DISCONNECTION; BILLING PROCEDURE.

- (a) Any payment to the provider shall be applied first to the rent owed and then to charges for natural gas service, unless otherwise designated by the lessee.
- (b) No charge for connection or disconnection or late fee or deposit paid by the provider to the supplier shall be allowed, and no provider may terminate a lease for nonpayment of natural gas service.

- (c) No provider may disconnect or request the supplier to disconnect natural gas service for the lessee's nonpayment of a bill.
- (d) Bills shall be rendered at least monthly.
- (e) The date after which a bill for natural gas service is due (the past-due date) shall be disclosed on the bill and shall not be less than twenty-five (25) days after the bill is mailed or otherwise delivered to the lessee.
- (f) A provider shall not bill for or attempt to collect for excess usage resulting from a meter malfunction or other natural gas condition in appliances such as water heaters, HVAC systems, or ranges furnished by the provider to the lessee, when the malfunction is not known to the lessee or when the malfunction has been reported to the provider.
- (g) Every provider shall provide to each lessee at the time the lease agreement is signed, and shall maintain in its business office, in public view, near the place where payments are received, the following:
 - (1) A copy of the rates, rules, and regulations of the provider applicable to the premises served from that office, with respect to natural gas service;
 - (2) A copy of these rules and regulations (Chapter 24); and
 - (3) A statement advising lessees that they should first contact the provider's office with any questions they may have regarding bills or complaints about service, and that in cases of dispute, they may contact the Commission either by calling the Public Staff - North Carolina Utilities Commission, Consumer Services Division, at (866) 380-9816 (toll-free) or (919) 733-9277, or by appearing in person or writing to the Public Staff - North Carolina Utilities Commission, Consumer Services Division, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.
- (h) Each provider shall adopt a means of informing its lessees initially and on an annual basis as to the provider's method of allocating bills to the individual lessees and its administrative fee, returned check charge, and late fee, if any. A copy of the supplier's current schedule of charges shall also be included in these disclosures.
- (i) Every provider shall promptly notify the Commission in writing of any change in the information required in Rule R24-4(a), except for changes in the rates and charges of the supplier (Rule R24-4(a)(8)).
- (j) If a provider anticipates that it will not pay a supplier's bill on time, or if the provider receives notice from the supplier of pending disconnection, whichever comes first, the provider must within 24 hours provide written notice to the Commission and all of the provider's affected lessees of the anticipated nonpayment or disconnection notice. A provider may not abandon or cease providing natural gas service to its lessees without advance permission from the Commission.

CHAPTER 24.
APPENDIX.

DOCKET NO. GR-_____, SUB _____
FILING FEE RECEIVED _____

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

APPLICATION FOR CERTIFICATE OF AUTHORITY TO RESELL NATURAL GAS SERVICE IN ACCORDANCE WITH
G.S. 62-110(i) and NORTH CAROLINA UTILITIES COMMISSION CHAPTER 24

INSTRUCTIONS

If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable."

Utility laws, the Commission's Rules, and other information may be accessed at <http://www.ncuc.net/index.htm>

APPLICANT

1. Name of owner: _____
(Individual name if the owner is a sole proprietor or business name if not a sole proprietor.)
2. Type of Business Entity: _____
3. Business mailing address of owner: _____
City and state: _____ Zip code: _____
4. Business telephone number: _____ Business fax number: _____
5. Business email address: _____
6. Person to Contact Concerning this Application (Name, Telephone, and Email):

PROPOSED UTILITY SERVICE AREA
(Attach additional sheets if more than one property)

7. Name of Single-Family Dwelling, Residential Building, or Apartment Complex (hereinafter leased premises): _____
8. Street Address of leased premises: _____
9. County: _____
10. Name, address and telephone number of the supplier of natural gas: _____
11. Number of lessees that can be served at this leased premises: _____

RESALE PROVISIONS

12. Describe the method Applicant proposes to use to allocate the supplier's individual natural gas bill for a unit among all the lessees in the unit (NCUC Rule R24-5): (Note: if it is a single-family dwelling or residential building, there may be no allocation method): _____

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13. Monthly administrative fee per bill: _____
(Pursuant to NCUC Rule R24-5(d), no more than \$3.75 per month, the maximum amount authorized for water resellers by NCUC Rule R18-6, may be added as an administrative fee to the cost of natural gas service. The amount of the administrative fee, up to the maximum amount, should be justified by Applicant's actual costs.)
14. Bills will be past due _____ days after they are mailed or otherwise delivered to lessees. (NCUC Rule R24-7(f) specifies that bills shall not be past due less than twenty-five (25) days after mailing or other delivery to lessees.)
15. Late fee amount: _____ (Pursuant to NCUC Rule 24-5(d) and (e), a late fee of no more than 1% per month of the balance in arrears may be assessed.)
16. Returned check charge: _____ (Pursuant to NCUC Rule 24-5(f) and G.S. 25-3-506, a returned check fee of no more than \$25.00 may be assessed.)
17. Statement of Applicant's plans for retention and availability of records (see NCUC Rule R24-6(a) and (b)): _____

PERSONS TO CONTACT

- | | <u>NAME</u> | <u>ADDRESS</u> | <u>TELEPHONE</u> |
|--|--------------------|-----------------------|-------------------------|
| 18. Management: | _____ | _____ | _____ |
| | | _____ | |
| | | Email _____ | |
| 19. Complaints or Billing: | _____ | _____ | _____ |
| | | _____ | |
| | | Email _____ | |
| 20. Emergency Service: | _____ | _____ | _____ |
| | | _____ | |
| | | Email _____ | |
| 21. Filing and Payment of Regulatory Fees to NCUC: | _____ | _____ | _____ |
| | | _____ | |
| | | Email _____ | |

OTHER PROVISIONS

22. Applicant must notify the Commission in writing within 30 days following the change of any information supplied on this form.
23. Applicant must also file quarterly Regulatory Fee Reports and make regulatory fee payments. Details are set out in NCUC Rule R15-1.

REQUIRED EXHIBITS

24. If Applicant is a corporation, LLC, LP, or other legal business entity, enclose a copy of the certification from the North Carolina Department of the Secretary of State (Articles of Incorporation or Application for Certificate of Authority for Limited Liability Company, etc.). **(Must match name on Line 1 of application.)**
25. If Applicant is a partnership, enclose a copy of the partnership agreement. **(Must match name on Line 1 of application.)**

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26. Enclose a copy of a Warranty Deed showing that the Applicant has ownership of all the property necessary to operate the utility. **(Must match name on Line 1 of application.)**
27. Enclose a vicinity map showing the location of the leased premises in sufficient detail for someone not familiar with the county to locate the leased premises. (A county roadmap with the leased premises outlined is suggested.)
28. Enclose a copy of the supplier's schedule of rates that will be charged to the Applicant for natural gas service.
29. Enclose a copy of any agreements or contracts that Applicant has entered into covering the provision of billing and collections services to the leased premises.
30. Indicate the number of apartment buildings, residential buildings, or single-family dwellings to be served, the number of units in each apartment building or residential building, and the number of bedrooms in each unit.
31. Enclose a copy of the template or form used for billing statements.
32. Enclose a copy of all forms used for the lease to lessees, including a statement of which parts of the lease relate to billing for natural gas service.

FILING INSTRUCTIONS

33. Electronic filing is available at www.ncuc.net for application submittal, or mail one (1) original application with required exhibits and original **notarized signature**, plus three (3) additional collated copies to:

USPS Address:

OR

Overnight Delivery at Street Address:

Chief Clerk's Office
 North Carolina Utilities Commission
 4325 Mail Service Center
 Raleigh, North Carolina 27699-4300

Chief Clerk's Office
 North Carolina Utilities Commission
 430 North Salisbury Street
 Raleigh, NC 27603-5918

34. Enclose a filing fee as required by G.S. 62-300. A Class A utility (annual natural gas reseller revenues of \$1,000,000 or more) requires a \$250 filing fee. A Class B utility (annual natural gas reseller revenues between \$200,000 and \$1,000,000) requires a \$100 filing fee. A Class C utility (annual natural gas reseller revenues less than \$200,000) requires a \$25 filing fee. **MAKE CHECK PAYABLE TO N.C. DEPARTMENT OF COMMERCE/UTILITIES COMMISSION.**

SIGNATURE

35. Application shall be signed and verified by an authorized representative of Applicant.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

36. (Typed or Printed Named) _____, personally appearing before me and, being first duly sworn, says that the information contained in this application and in the exhibits attached hereto is true to the best of his/her knowledge and belief.

This the _____ day of _____, 20____.

Signature of Notary Public_____
Name of Notary Public – Typed or Printed

My Commission Expires: _____

Date

(NOTARY SEAL)

SELLER DOCKET NO.	GR-_____
PURCHASER DOCKET NO.	GR-_____
FILING FEE RECEIVED	_____

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

APPLICATION FOR TRANSFER OF AUTHORITY TO RESELL NATURAL GAS SERVICE FOR LEASED PREMISES

INSTRUCTIONS

If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable".

SELLER

1. Name of current certified owner: _____
2. Mailing address: _____
3. Business telephone number: _____

PURCHASER ("Applicant")

4. Name of purchaser: _____
5. Business mailing address of purchaser: _____
City and state: _____ Zip code: _____
6. Business telephone number: _____ Business fax number: _____
7. Business email address: _____

UTILITY SERVICE AREA

8. Street Address of Leased Premises: _____
9. Name of Leased Premises: _____
10. County (or counties): _____
11. Supplier of natural gas: _____

RESALE PROVISIONS

12. Describe the method Applicant proposes to use to allocate the supplier's individual natural gas bill for a unit among all the lessees in the unit (NCUC Rule R24-5): _____
13. Monthly administrative fee per bill: _____
(Pursuant to NCUC R24-5(d), no more than \$3.75 per month, the maximum amount authorized for water resellers by Commission Rule R18-6, may be added as an administrative fee to the cost of natural gas service. The amount of the administrative fee, up to the maximum amount, should be justified by Applicant's actual costs.)
14. Bills will be past due _____ days after they are mailed or otherwise delivered to lessees. (NCUC Rule R24-7(e) specifies that bills shall not be past due less than twenty-five (25) days after mailing or other delivery to lessees.)
15. Late fee amount: _____
(Pursuant to NCUC Rule R24-5(d) and (e), no more than 1% per month on the balance in arrears may be assessed.)

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16. Returned check charge: _____
(Pursuant to NCUC Rule R24-5 and G.S. 25-3-506, no more than \$25.00.)
17. Statement of Applicant's plans for retention and availability of records (see NCUC Rule R24-6(a) and (b)):

PERSONS TO CONTACT

	<u>NAME</u>	<u>ADDRESS</u>	<u>TELEPHONE</u>
18. Management:	_____	_____	_____

		Email _____	
19. Complaints or Billing:	_____	_____	_____

		Email _____	
20. Emergency Service:	_____	_____	_____

		Email _____	
21. Filing and Payment of Regulatory Fees to NCUC:	_____	_____	_____

		Email _____	

OTHER PROVISIONS

22. Applicant must notify the Commission in writing within 30 days following the change of any information supplied on this form.
23. Applicant must also file quarterly Regulatory Fee Reports and make regulatory fee payments. Details are set out in NCUC Rule R15-1.

REQUIRED EXHIBITS

24. If the Purchaser is a corporation, LLC, LP, etc., enclose a copy of the certification from the North Carolina Secretary of State (Articles of Incorporation or Application for Certificate of Authority for Limited Liability Company, etc.). **(Must match name on Line 4 of application.)**
25. If the Purchaser is a partnership, enclose a copy of the partnership agreement. **(Must match name on Line 4 of application.)**
26. Enclose a copy of a Warranty Deed showing that the Purchaser has ownership of all the property necessary to operate the utility. **(Must match name on Line 4 of application.)**
27. Enclose a vicinity map showing the location of the leased premises in sufficient detail for someone not familiar with the county to locate the leased premises. (A county roadmap with the leased premises outlined is suggested.)
28. Enclose a copy of the supplier's schedule of rates that will be charged to the Applicant for natural gas.
29. Enclose a copy of any agreements or contracts that the Applicant has entered into covering the provision of billing and collections services to the leased premises.
30. Indicate the number of apartment buildings, residential buildings, or single-family dwellings to be served, the number of units in each apartment building or residential building and the number of bedrooms in each unit.
31. Enclose a copy of the template or form used for billing statements.

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32. Enclose a copy of all forms used for the lease to lessees, including a statement of which parts of the lease relate to billing for natural gas service.

FILING INSTRUCTIONS

33. Electronic filing is available at www.ncuc.net for application submittal or mail one (1) original application with required exhibits and original **notarized signature**, plus three (3) additional collated copies to:

USPS Address:

OR

Overnight Delivery at Street Address:

Chief Clerk's Office

Chief Clerk's Office

North Carolina Utilities Commission

North Carolina Utilities Commission

4325 Mail Service Center

430 North Salisbury Street

Raleigh, North Carolina 27699-4300

Raleigh, NC 27603-5918

34. Enclose a filing fee as required by G.S. 62-300. A Class A utility (annual natural gas reseller revenues of \$1,000,000 or more) requires a \$250 filing fee. A Class B utility (annual natural gas reseller revenues between \$200,000 and \$1,000,000) requires a \$100 filing fee. A Class C utility (annual natural gas reseller revenues less than \$200,000) requires a \$25 filing fee. **MAKE CHECK PAYABLE TO N.C. DEPT. OF COMMERCE/UTILITIES COMMISSION.**
35. This application may be filed before title to the property passes to the new purchaser. In that event, the deed required in Item 26 above shall be filed with the Commission as a follow-up to the initial transfer application once the deed has been executed and recorded with the Register of Deeds. The Commission may approve the transfer application on the condition that it is not effective until the deed is executed, recorded, and has been filed with the Commission.

SIGNATURES

36. Application shall be signed by an authorized representative of the seller.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

37. Application shall be signed and verified by an authorized representative of the purchaser.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

38. (Typed or printed name of the purchaser's representative) _____, personally appearing before me and, being first duly sworn, says that the information contained in this application and in the exhibits attached hereto is true to the best of his/her knowledge and belief.

This the _____ day of _____, 20____

Signature of Notary Public_____
Name of Notary public – Typed or printed

My Commission Expires: _____

Date

(NOTARY SEAL)