

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. M-100, SUB 142

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Implementation of House Bill 356 – An Act)	
To Clarify the Cap on the Utilities Regulatory)	ORDER DECREASING
Fee Reserve, to Set the Regulatory Fee in)	REGULATORY FEE
Statute, and to Allow the Commission to)	EFFECTIVE JULY 1, 2016
Raise or Lower the Fee)	

BY THE COMMISSION: In Session Law 2015-134, the General Assembly amended G.S. 62-302 to set the regulatory fee for noncompetitive jurisdictional revenues at 0.148%.¹ As amended, G.S. 62-302(b)(3) provides as follows:

In the first half of each calendar year, the Commission shall review the estimated cost of operating the Commission and the Public Staff for the next fiscal year, including a reasonable margin for the reserve fund allowed under this section. In making this determination, the Commission shall consider all relevant factors that may affect the cost of operating the Commission or the Public Staff or a possible unanticipated change in competitive and noncompetitive jurisdictional revenues. If the estimated receipts provided for under this section are less than the estimated cost of operating the Commission and the Public Staff for the next fiscal year, including the reasonable margin for the reserve fund, then, the Commission may increase the public utility regulatory fee on noncompetitive jurisdictional revenues effective for the next fiscal year. In no event may the percentage rate of the public utility regulatory fee on noncompetitive jurisdiction revenues exceed seventeen and one-half hundredths of one percent (0.175%). If the estimated receipts provided for under this section are more than the estimated cost of operating the Commission and the Public Staff for the next fiscal year, including the reasonable margin for the reserve fund, then the Commission shall decrease the public utility regulatory fee on noncompetitive jurisdictional revenues effective for the next fiscal year.

¹ The legislation also codified the \$200,000 regulatory fee for electric membership corporations, but did not affect the regulatory fee for subsection (h) and (m) competitive jurisdictional revenues set in S.L. 2014-59.

Section (a) of G.S. 62-302 provides that the amount of the reserve may not exceed one-half of the cost of operating the Commission and the Public Staff as reflected in the certified budget for the previous fiscal year.

Pursuant to G.S. 62-302(b)(3), the Commission has reviewed the estimated cost of operating the Commission and the Public Staff for the next fiscal year, including the reserve margin permitted under G.S. 62-302(a), and has determined that the regulatory fee for noncompetitive jurisdictional revenues should be set at 0.14%, effective July 1, 2016.

IT IS, THEREFORE, ORDERED as follows:

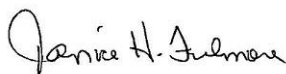
1. That the regulatory fee for noncompetitive jurisdictional revenues shall be, and is hereby, set at 0.14%, effective July 1, 2016.

2. That the Chief Clerk shall serve this Order on all utilities regulated by the Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the 11th day of July, 2016.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk

Chairman Edward S. Finley, Jr. and Commissioner Jerry C. Dockham did not participate in the issuance of this Order.