

CRISP & PAGE, PLLC

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March 31, 2020

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
Dobbs Building, Fifth Floor
430 North Salisbury Street
Raleigh, North Carolina 27602

VIA EFILE

Re: Docket No. E-7, Sub 1237; Duke Energy Carolinas, LLC's; Docket No. E-2, Sub 1249 Duke Energy Progress, LLC; and Docket No. E-22, Sub 585; Virginia Electric and Power Company, Inc., d/b/a Dominion Energy North Carolina ("DENC") - CUCA's Petition for Expedited Approval of Temporary Adjustments to Electricity Billing Demand Charges

Dear Ms. Campbell:

We electronically submit for filing in the above-referenced matter, on behalf of Carolina Utility Customers Association, Inc. ("CUCA"), a Petition for Expedited Approval of Temporary Adjustments to Billing Demand (minimum and maximum) Charges.

Pursuant to the North Carolina Utilities Commission's (Commission) Order Suspending Requirement for filing Paper Copies, issued on March 27, 2020, we understand that the requirement to file additional paper copies of electronically filed documents with the Commission has been suspended until April 16, 2020, unless further extended by a subsequent Order of the Commission.

Please let me know, at your early convenience, if you have any questions concerning this filing.

Very truly yours,

CRISP & PAGE, PLLC


Robert F. Page

Enclosures

cc: Mr. Kevin Martin
Parties of Record

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-2, SUB 1249
DOCKET NO. E-7, SUB 1237
DOCKET NO. E-22, SUB 585

In the Matter of)	
Petition for Expedited Approval of)	Petition of Carolina Utility Customers
Temporary Adjustments to Electricity)	Association, Inc. for Expedited
Billing Demand Charges)	Approval of Temporary Adjustments
)	to Electricity Billing Demand Charges

Carolina Utility Customers Association, Inc. ("CUCA"), by and through its undersigned counsel, files this Petition seeking the North Carolina Utilities Commission's expedited approval of temporary adjustments to electricity billing demand (minimum and maximum) charges for customers served under Duke Energy Carolinas (DEC) Rate Schedules LGS, OPT-V, HP, OPT-E, SGS, SGS-TOU-CPP, SGS-TOU-DPP; Duke Energy Progress (DEP) Rate Schedules LGS, LGS TOU, LGS-RTP, MGS; and Virginia Electric and Power Company, Inc., d/b/a Dominion Energy North Carolina ("DENC") Rate Schedules 10, 5, 5C, 5P, 6C, 6L, 6P, 6VP, 7.

1. CUCA is a corporation duly organized, validly existing, and in good standing under the laws of the State of North Carolina, with its principal office located at Suite 210, Trawick Professional Center, 1708 Trawick Road, Raleigh, North Carolina 27604. The names and addresses of its principal officers are:

Chair: David J. Lyons
Gerdau Long Steel North America
384 Old Grassdale Road NE
Cartersville, GA 30121

Vice Chair: Sean M. Finsel
Moen, Inc.
2609 Cox Mill Road
Sanford, NC 27332-9727

Executive Director: Kevin N. Martin
Carolina Utility Customers Association, Inc.
Suite 210, Trawick Professional Center
1708 Trawick Road
Raleigh, North Carolina 27604
Email: kmartin@cucainc.org

2. CUCA's attorney, to whom all communications and pleadings should be addressed, is shown below. Copies of all communications and pleadings should also be served on CUCA's Executive Director Kevin Martin.

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3. CUCA is an organization of industrial utility customers whose member companies maintain numerous industrial manufacturing facilities and employ thousands of workers throughout the State of North Carolina, including the territory in which DEP and DEC have been authorized by the Commission to sell electricity at retail. CUCA's member companies use electricity sold by DEP and/or DEC in the operation of their manufacturing plants. The availability of an adequate supply of electricity at a reasonable price is critical to the economic viability of CUCA's member companies.

4. The purpose of this petition is to bring to the Commission's attention and seek approval to address the immediate and adverse economic ramifications that certain minimum and maximum monthly demand charges will have on industrial and commercial ratepayers whose energy usage is being temporarily curtailed as either a voluntary or compelled response to the COVID-19 State of Emergency. Alternatively, some industries are ramping up production to meet additional needs related to COVID-19, which could cause some businesses to exceed their maximum contract demand charges. Pursuant to approved tariffs, industrial customers who have ceased or curtailed energy consumption to combat COVID-19 are still required to pay certain monthly minimum demand charges. The businesses that exceed their current contract demand should not be penalized for increased consumption due to increased production to meet Covid-19-related product demand.

Those minimum demand charges are set based on a range of 50% to 80% of previous demands during prior billing months, or other tariff minimum demands. For many manufacturing and energy-intensive businesses, these minimum charges will result in millions of dollars of liabilities for energy and capacity not used or useful and, worse yet, at a time when significantly less to no revenue is being realized from curtailed operations.

The minimum and/or maximum monthly charges do not appear to be exempted from any waiver or force majeure provisions in the tariffs and related service contracts. And, public utility commissions and regulated utilities in other states have already acted to address these charges and other tariff provisions impacted by the current state of emergency. For example, the Public Utilities Commission of Ohio (“PUCO”) initiated Case No. 20-591-AU-UNC, directing “all public utilities under its jurisdiction to review their service disconnection policies, practices, and tariff provisions and to promptly seek any necessary approval to suspend otherwise applicable requirements that may impose a service continuity hardship on residential and non-residential customers or create unnecessary COVID-19 risks associated with social contact.”

In response to this order, AEP has sought approval to, inter alia, “temporarily eliminate the minimum billing demand charges, in order to help those customers avoid demand ratchet charges as a consequence of operational curtailments during the declared emergency” and to “develop process and system modifications to implement this component of the Plan” whereby a portion of the “resulting costs of charges avoided by customers will be added to the financial deferral for future recovery.”

5. CUCA asks that the Commission require the State’s regulated electric utilities to take immediate action to temporarily eliminate both the monthly minimum billing demand charges and maximum contract demand charges, prorate those current monthly demand charges for partial month of operation for sites that have significantly curtailed or expanded consumption, and review other tariff provisions to provide as much flexibility as possible while customers’ normal operations have been disrupted during the pendency of the current state of emergency


(State of Emergency Proceeding, March 10; <https://governor.nc.gov/news/governor-cooper-declares-state-emergency-respond-coronavirus-covid-19>.) Furthermore, we ask that any such action taken remain in force for the duration of NC's state of emergency and for a recommended time period afterwards to allow for normal operations to be resumed. We recommend that time period to be 60 days for affected commercial sectors and 6 months for affected industrial sectors. Such an action is within the public interest where customers should not be directly responsible for the cost of a service they were required to forgo and on which they were unable to earn revenue to pay for that service. In addition, customers who have ramped up their operations to produce items needed to combat COVID-19 should not be subjected to "excess demand" charges.

CUCA agrees to accept electronic service of all filings in the Docket.

WHEREFORE, CUCA respectfully requests that the Commission enter an order approving this Petition to immediately require DEC, DEP, and DENC to temporarily make adjustments to the minimum and maximum demand levels for customers served under DEC Rate Schedules LGS, OPT-V, HP, OPT-E, SGS, SGS-TOU-CPP, SGS-TOU-DPP; DEP Rate Schedules LGS, LGS TOU, LGS-RTP, MGS; and DENC Rate Schedules 10, 5, 5C, 5P, 6C, 6L, 6P, 6VP, 7.

This, the 31st day of March, 2020.

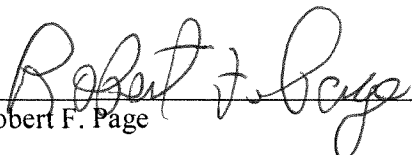
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By: 
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CERTIFICATE OF SERVICE

I, the undersigned counsel for CUCA, do hereby certify that a copy of the foregoing Petition was served upon all parties of record in this proceeding, or their legal counsel, by electronic mail.

This, the 31st day of March, 2020.


Robert F. Page

Electronic Service List

Mr. Lawrence B. Somers, Duke Energy Corporation – bo.somers@duke-energy.com

Ms. Kendrick Fentress, Duke Energy Corporation – Kendrick.Fentress@duke-energy.com

Mr. David Tsai, Progress Energy Carolinas – David.Tsai@duke-energy.com

Ms. Dawn Sutton, Duke Energy Progress – dawn.sutton@duke-energy.com

Mr. Robert W. Kaylor, Law Office of Robert W. Kaylor – bkaylor@rwkaylorlaw.com

Ms. Mary Lynne Grigg, McGuire Woods, LLP – mgrigg@mcguirewoods.com

Mr. David T. Drooz, Public Staff-NCUC – david.drooz@psncuc.nc.gov

Ms. Jennifer T. Harrod, Special Deputy Attorney General - jharod@ncdoj.gov

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF WAKE

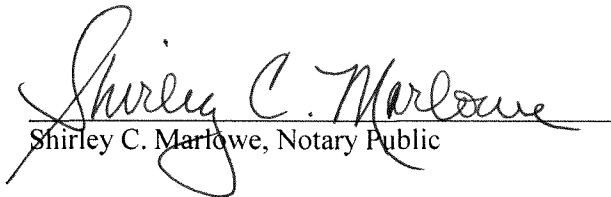
Kevin Martin, being duly sworn, deposes and says that he is the Executive Director of Carolina Utility Customers Association, Inc., the Petitioner herein; that he has read the foregoing Petition of Carolina Utility Customers Association, Inc. for Expedited Approval of Temporary Adjustments to Electricity Billing Demand Charges, and knows the contents thereof, and that the same is true of his own knowledge, except as to those matters herein state upon information and belief, and as to those, he believes them to be true; and that this verified petition be used as an affidavit.

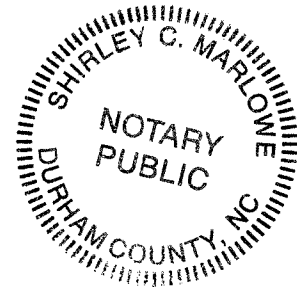
This, the 31st day of March, 2020.



Kevin Martin

SWORN to and subscribed before me,
This, the 31st day of March 2020.


Shirley C. Marlowe, Notary Public



My Commission Expires: May 10, 2024