

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
APRIL 23, 2018**

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

B. NATURAL GAS

- P1. DOCKET NO. G-5, SUB 590 – PETITION OF PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC. TO AMEND CERTAIN RATE SCHEDULES OF ITS TARIFF AND FOR A PARTIAL WAIVER OF COMMISSION RULE R6-14

EXPLANATION: On April 09, 2018, Public Service Company of North Carolina, Inc. (PSNC or Company), filed a petition pursuant to G.S. 62-138 and Commission Rules R1-5 and R6-5.1 seeking Commission authorization to amend Rate Schedules 125, 127, 140, 145, 150, 175, and 180 of its tariff and for a partial waiver of Commission Rule R6-14.

PSNC states that in its last general rate case, Docket No. G-5, Sub 565, it requested and was granted authority to add language to the large general service and transportation rate schedules to indicate that “[r]ates expressed in Therms in the Summary of Rates and Charges *shall* be converted to Dekatherms prior to billing.” This language was specifically added to Rate Schedules 145, 150, 175, and 180. Due to complexities with the programming required to implement billing in dekatherms, the change was postponed and will be implemented in May 2018 effective with bills rendered for April 2018 service.

PSNC states that the programming necessary to bill in dekatherms will affect all metering that collects data on an hourly basis. During the development of this programming, PSNC determined that some Rate 145, 150, 175, and 180 customers do not have the type of metering that could enable billing in dekatherms, and some of the larger Rate 125, 127, and 140 customers have the type of metering that will enable billing in dekatherms. In order to address the above-mentioned anomalies, PSNC is now requesting to modify the language in Rate Schedules 125, 127, 140, 145, 150, 175, and 180 to indicate that “[r]ates expressed in Therms in the Summary of Rates and Charges *may* be converted to Dekatherms prior to billing.”

PSNC is also requesting a partial waiver of Commission Rule R6-14(1), which requires customers’ bills to show “[t]he reading of the meter at the beginning and at the end of the

period for which the bill is rendered.” The waiver would apply to all Rate Schedule 125, 127, 140, 145, 150, 175, and 180 customers with meters that collect data on an hourly basis and do not register monthly beginning and ending readings. Rather than beginning and end-of-month meter readings, these customers’ daily consumption will be included in their bills.

The Public Staff has reviewed the petition and recommends approval of the amended tariff and a partial waiver of Commission Rule R6-14.

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

RECOMMENDATION: (Naba) That the Commission issue the proposed order approving PSNC’s amended tariff and partial waiver.

D. ELECTRIC

P1. APPLICATION FOR AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY

EXPLANATION: The following application seeking an amended certificate of public convenience and necessity pursuant to G.S. 62-110.1 for construction of a solar photovoltaic electric generating facility was filed pursuant to Commission Rule R8-64.

Dominion Energy North Carolina:

- Docket No. SP-5436, Sub 0 – Application filed on February 8, 2018, by Chestnut Solar, LLC, for an amended certificate to construct a 74.9-MW_{AC} facility in Halifax County, North Carolina (no registration statement)

The Public Staff has reviewed the application and determined that it complies with the requirements of G.S. 62-110.1 and Commission Rule R8-64.

RECOMMENDATION: (Lucas) That the Commission issue an order approving the application and issuing the requested amended certificate. A proposed order has been provided to the Commission Staff.

P2. DOCKET NO. E-2, SUB 1171 – DUKE ENERGY PROGRESS, LLC – APPLICATION FOR CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC CONVENIENCE AND NECESSITY AND MOTION FOR WAIVER OF NOTICE AND HEARING

EXPLANATION: On March 9, 2018, pursuant to G.S. 62-101 and G.S. 62-102, and Commission Rule R8-62(k), Duke Energy Progress, LLC (DEP or the Company), filed with the Commission a letter of intent to file for a waiver of the notice and hearing requirements of G.S. 62-102 and 62-104. On that same date, pursuant to Commission Rule R8-62(k), DEP filed with the Public Staff an application for a certificate of environmental compatibility and public convenience and necessity to construct a new 230-kV transmission tap line approximately 150 feet in length, and a 230-kV breaker station (Tap Line) in Pender County, North Carolina to serve a new 35 megawatt (MW) solar photovoltaic electric generating facility to be constructed by Heelstone Energy (Heelstone). Heelstone Development, LLC, an affiliate of Innovative Solar 67, LLC, was issued a certificate of public convenience and necessity to construct the generating facility by Order Issued August 13, 2014, and then amended on March 6, 2018, in Docket No. SP-3689, Sub 0. The prefiled application stated that the proposed Tap Line will connect the new solar facility to DEP's existing Sutton Plant-Wallace 230-kV transmission line. Heelstone will build a new 230kV/50kV substation that will be placed adjacent to the DEP breaker station. As detailed in DEP's prefiled certificate application, the Company will construct the Tap Line on property for which it has purchased the right of way from the property owner, and the property owner does not object to a waiver of the hearing and notice requirements of G.S. 62-102 and G.S. 62-104.

On March 29, 2018, DEP formally filed the application for a certificate and motion for waiver of notice and hearing.

G.S. 62-101(d)(1) authorizes the Commission to waive the notice and hearing requirements of G.S. 62-102 and G.S. 62-104 when it finds that the owners of the land to be crossed by the proposed transmission line do not object to the waiver and either the transmission line is less than one mile long or to connect an existing transmission line to a substation, to another public utility, or to a public utility customer when any of these is in proximity to the existing transmission line. The application states that the Company will construct the Tap Line on property for which it has acquired an easement from the property owners whose land will be crossed by the Tap Line, the property owner does not object to the waiver of notice or hearing, and that the total length of the line is approximately 150 feet. Thus, the conditions of G.S. 62-101(d)(1) for a waiver of notice and hearing have been met. The application is also supported by a Certificate Application Report. This report satisfies the requirements of G.S. 62-102(a).

Based on its review, the Public Staff has determined that the application meets the requirements of G.S. 62-102 and Commission Rule R8-62 for a certificate and the conditions of G.S. 62-101(d)(1) for waiver of the notice and hearing requirements of G.S. 62-102 and G.S. 62-104. The Public Staff, therefore, recommends that the Commission grant the motion for waiver and issue the requested certificate.

EXHIBIT: A proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (D. Williamson/Fennell) That the Commission issue an order waiving the notice and hearing requirements of G.S. 62-102 and G.S. 62-104 and issue the requested certificate for the construction of the Tap Line.

P3. DOCKET NO. SP-100, SUB 33 – REQUEST FOR DECLARATORY RULING BY PHW ENERGY, LLC

EXPLANATION: On February 20, 2018, PHW Energy, LLC (PHW), filed a request for declaratory ruling (“Request”) that: (1) organic waste material resulting from the rendering or processing of swine or poultry products (Press Cake), when combusted or combined with swine manure or with poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies as “swine waste” or “poultry waste” for the purposes of G.S. 62-133.8(e) or 62-133.8(f), respectively, and (2) the electric or thermal power generated by the Press Cake when combusted or combined with swine or poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies for the respective swine waste or poultry waste set-aside, in proportion to the percentage of energy attributable to the swine waste or poultry waste.

PHW intends for Press Cake to be consumed by registered renewable energy facilities for earning the appropriate number and type of renewable energy certificates (RECs) attributable to the amount and energy content of each type of waste in the Press Cake.

PHW acknowledges that swine waste RECs can only be derived from electrical energy, not thermal energy, and it further acknowledges that any renewable energy facility intending to use Press Cake as fuel should be required to file with the Commission, and obtain approval for, the proposed fuel content and methodology for determining the amount of energy and RECs that will be produced by the Press Cake, pursuant to Commission Rules R8-66(b)(2), (b)(3) and R8-67(g)(4).¹

PHW’s Request is substantially similar to the request made by BioEnergy Technologies, LLC (BioEnergy) for approval of the use of Dissolved Air Flotation cake sludge (DAF Cake) in Docket No. SP-100, Sub 26. Press Cake is a form of DAF Cake. Both products are derived from the same materials, i.e., waste products with high fat content and high heat content. The only difference between PHW’s request and BioEnergy’s request is the process used to produce energy. In SP-100, Sub 26, BioEnergy planned solely to operate an anaerobic digestion renewable biogas facility, while PHW may operate facilities generating energy from either anaerobic digestion or combustion of renewable energy resources.

EXHIBIT: A proposed order is attached as Exhibit No. P-3.

RECOMMENDATION: (Lucas) That the Commission approve PHW’s request, that (1) organic waste material resulting from the rendering or processing of swine or poultry products (Press Cake), when combusted or combined with swine manure or with poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies as “swine waste” or “poultry waste” for the purposes of G.S. 62-133.8(e) or 62-133.8(f), respectively, and that (2) the electric or thermal energy generated by Press Cake, when combusted or combined with swine or poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies for the swine waste or poultry waste set-aside, as appropriate, in

¹ The February 20, 2018 filing erroneously referenced Rule R8-67(b)(2) and R8-67(b)(3).

proportion to the percentage of energy attributable to the swine waste or poultry waste (swine waste RECs can only be derived from electrical energy).

That in order to reduce the number of similar requests in the future, the Commission determine that the organic waste material resulting from the rendering or processing of swine or poultry products, in general, constitutes acceptable material to earn the type of REC attributable to each type of waste, subject to review by the Commission and the Public Staff.

E. WATER

P1. DOCKET NO. W-1300, SUB 35 – OLD NORTH STATE WATER COMPANY, LLC–
APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY

EXPLANATION: On October 6, 2017, Old North State Water Company, LLC (Old North State), filed an amended application seeking a certificate of public convenience and necessity to provide water utility service in Avalyn Subdivision in Wake County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates. Old North State expects eventually to serve thirty water customers in Avalyn Development. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Avalyn Subdivision. The plans are approved under serial number 17-00186, dated June 14, 2017.

Old North State has entered into a Water Agreement with Silvermist Investments, LLC, (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is not requesting a connection fee. Old North State is purchasing the water system for \$500 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

Old North State presently holds water franchises serving approximately 161 customers and wastewater franchises serving approximately 2,150 customers in North Carolina. Old North State's record of service is satisfactory.

Old North State has filed all exhibits required with the application.

The Public Staff is of the opinion that Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the certificate of public convenience and necessity be issued. The Public Staff recommends approval of the meter installation fee of \$70. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Avalyn Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission, which includes \$200,000 of unassigned funds, from which \$10,000 may be assigned to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-4.

RECOMMENDATION: (Quant/Feasel/Grantmyre) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

P2. DOCKET NO. W-1300, SUB 39 – OLD NORTH STATE WATER COMPANY, LLC–
APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY

EXPLANATION: On August 29, 2017, Old North State Water Company, LLC (Old North State), filed an amended application seeking a certificate of public convenience and necessity to provide water utility service in Ashcroft Park Subdivision in Guilford County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates. Old North State expects eventually to serve sixty eight water customers in Ashcroft Park Subdivision. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Ashcroft Park Subdivision. The plans are approved under serial number 17-00221, dated May 27, 2017.

Old North State has entered into a Water Agreement with Venn Burton Farms, LLC, (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is requesting a connection fee of \$500 per SFRE. Old North State is purchasing the water system for \$1,000 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

Old North State presently holds water franchises serving approximately 161 customers and wastewater franchises serving approximately 2,150 customers in North Carolina. Old North State's record of service is satisfactory.

Old North State has filed all exhibits required with the application.

The Public Staff is of the opinion that Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the certificate of public convenience and necessity be issued. The Public Staff recommends approval of the meter installation fee of \$70. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Ashcroft Park Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission, which includes \$200,000 of unassigned funds, from which \$10,000 may be assigned to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-5.

RECOMMENDATION: (Quant/Feasel/Grantmyre) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. G-5, SUB 590

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Petition of Public Service Company of North Carolina, Inc., to Amend Certain Rate Schedules of its N.C.U.C. Tariff and for a Waiver of NCUC Rule R6-14) ORDER ALLOWING PETITION TO AMEND TARIFF AND FOR A PARTIAL WAIVER

BY THE COMMISSION: On April 09, 2018, Public Service Company of North Carolina, Inc. (PSNC or Company), filed a petition pursuant to G.S. 62-138 and Commission Rules R1-5 and R6-5.1 seeking Commission authorization to amend Rate Schedules 125, 127, 140, 145, 150, 175, and 180 of its tariff and for a partial waiver of Commission Rule R6-14.

PSNC stated that in its last general rate case, Docket No. G-5, Sub 565, it requested and was granted authority to add language to the large general service and transportation rate schedules to indicate that “[r]ates expressed in Therms in the Summary of Rates and Charges **shall** be converted to Dekatherms prior to billing.” This language was specifically added to Rate Schedules 145, 150, 175, and 180. Due to complexities with the programming required to implement billing in dekatherms the change was postponed and will be implemented in May 2018 effective with bills rendered for April 2018 service.

PSNC stated that the programming necessary to bill in dekatherms will affect all metering that collects data on an hourly basis. During the development of this programming, PSNC determined that some Rate 145, 150, 175, and 180 customers do not have the type of metering that could enable billing in dekatherms, and some of the larger Rate 125, 127, and 140 customers have the type of metering that will enable billing in dekatherms. In order to address the above-mentioned anomalies, PSNC is now requesting to modify the language in Rate Schedules 125, 127, 140, 145, 150, 175, and 180 to indicate that “[r]ates expressed in Therms in the Summary of Rates and Charges **may** be converted to Dekatherms prior to billing.”

PSNC also requested a partial waiver of Commission Rule R6-14(1), which requires customers’ bills to show “[t]he reading of the meter at the beginning and at the

end of the period for which the bill is rendered.” The waiver would apply to all Rate Schedule 125,127, 140, 145, 150, 175, and 180 customers with meters that collect data on an hourly basis and do not register monthly beginning and ending readings. Rather than beginning and end-of-month meter readings, these customers’ daily consumption will be included in their bills.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on April 23, 2018. The Public Staff stated that it had reviewed the petition and recommended approval.

Based on its review of the filing and the recommendation of the Public Staff, the Commission concludes that PSNC’s request to amend its tariff and for a partial waiver should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC is authorized to amend Rate Schedules 125, 127, 140, 145, 150, 175, and 180 of its tariff as described in the body of this order.
2. That PSNC is granted a partial waiver of Commission Rule R6-14 as detailed in the body of this order.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of April, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1171

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Duke Energy Progress, LLC, for a)	
Certificate of Environmental Compatibility and Public)	ORDER WAIVING
Convenience and Necessity and Motion for Waiver of)	NOTICE AND HEARING
Notice and Hearing Pursuant to N.C. Gen. Stat. §§)	REQUIREMENT AND
62-100 <u>et seq.</u> to Construct Approximately 150 feet of)	ISSUING CERTIFICATE
New 230 kV Transmission Line in Pender County,)	
North Carolina)	

BY THE COMMISSION: On March 9, 2018, pursuant to G.S. 62-101 and G.S. 62-102, and Commission Rule R8-62(k), Duke Energy Progress, LLC (DEP or the Company), prefiled with the Commission a letter of intent to file for a waiver of the notice and hearing requirements of G.S. 62-102 and 62-104. On that same date, pursuant to Commission Rule R8-62(k), DEP filed with the Public Staff an application for a certificate of environmental compatibility and public convenience and necessity to construct a new 230-kV transmission tap line approximately 150 feet in length, and a 230-kV breaker station (Tap Line) in Pender County, North Carolina to serve a new 35 megawatt (MW) solar photovoltaic electric generating facility to be constructed by Heelstone Energy (Heelstone). Heelstone Development, LLC, an affiliate of Innovative Solar 67, LLC, was issued a certificate of public convenience and necessity to construct the generating facility by Order Issued August 13, 2014, and then amended on March 6, 2018, in Docket No. SP-3689, Sub 0. The prefiled application stated that the proposed Tap Line will connect the new solar facility to DEP's existing Sutton Plant-Wallace 230-kV transmission line. Heelstone will build a new 230kV/50kV substation that will be placed adjacent to the DEP breaker station. Included in the prefiled application was a motion for waiver of the notice and hearing requirements of G.S.62-102, G.S. 62-104, and Commission Rule R8-62, as provided for in G.S. 62-101(d)(1). As detailed in DEP's prefiled certificate application, the Company will construct the Tap Line on property for which it has purchased the right of way from the property owner, and the property owner does not object to a waiver of the hearing and notice requirements of G.S. 62-102 and G.S. 62-104.

On March 29, 2018, DEP formally filed the application for a certificate and motion for waiver of notice and hearing.

G.S. 62-101(d)(1) authorizes the Commission to waive the notice and hearing requirements of G.S. 62-102 and G.S. 62-104 when it finds that the owners of the land to be crossed by the proposed transmission line do not object to the waiver and either the transmission line is less than one mile long or to connect an existing transmission line to a substation, to another public utility, or to a public utility customer when any of these is in proximity to the existing transmission line. The application states that the Company will construct the Tap Line on property for which it has acquired an easement from the property owner whose land will be crossed by the Tap Line, the property owner does not object to the waiver of notice or hearing, and that the total length of the line is approximately 150 feet. Thus, the conditions of G.S. 62-101(d)(1) for a waiver of notice and hearing have been met. The application is also supported by a Certificate Application Report. This report satisfies the requirements of G.S. 62-102(a).

The Public Staff presented this matter at the Commission's regular Staff Conference on April 23, 2018. The Public Staff stated that the application meets the requirements of G.S. 62-102 and Commission Rule R8-62 for a certificate and the conditions of G.S. 62-101(d)(1) for waiver of the notice and hearing requirements of G.S. 62-102 and G.S. 62-104. The Public Staff recommended that the Commission grant the motion for waiver and issue the requested certificate.

Based on the foregoing and the recommendation of the Public Staff, the Commission finds and concludes that the notice and hearing requirements of G.S. 62-102 and G.S. 62-104 should be waived as allowed by G.S. 62-101(d)(1) and that a certificate of environmental compatibility and public convenience and necessity should be issued for the proposed construction of a new 230-kV transmission tap line.

IT IS, THEREFORE, ORDERED as follows:

1. That, pursuant to G.S. 62-101, the requirement for publication of notice and hearing is waived.

2. That, pursuant to G.S. 62-102, a Certificate of Environmental Compatibility and Public Convenience and Necessity to construct approximately 150 feet of new 230-kV transmission line in Pender County, North Carolina, as described in DEP's application is issued, and the same is attached as Appendix A.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-2, SUB 1171

Know All Men by These Presents, That

DUKE ENERGY PROGRESS, LLC

is hereby issued this

**CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC
CONVENIENCE AND NECESSITY PURSUANT TO G.S. 62-102**

to construct approximately 150 feet of new 230-kV transmission line to connect
Heelstone Development, LLC's solar facility to the DEP Sutton Plant-Wallace
230-kV transmission line in Pender County, North Carolina

subject to receipt of all federal and state permits as required by existing and
future regulations prior to beginning construction and further subject to all other orders,
rules, regulations, and conditions as are now or may hereafter be lawfully made by the
North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-100, SUB 33

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Request for a Declaratory Ruling) ORDER ON REQUEST FOR
by PHW Energy, LLC) DECLARATORY RULING

BY THE COMMISSION: On February 20, 2018, PHW Energy, LLC (PHW), filed a request for declaratory ruling (“Request”) that: (1) organic waste material resulting from the rendering or processing of swine or poultry products (Press Cake), when combusted or combined with swine manure or with poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies as “swine waste” or “poultry waste” for the purposes of G.S. 62-133.8(e) or 62-133.8(f), respectively, and (2) the electric or thermal power generated by the Press Cake when combusted or combined with swine or poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies for the respective swine waste or poultry waste set-aside, in proportion to the percentage of energy attributable to the swine waste or poultry waste.

PHW intends for Press Cake to be consumed by registered renewable energy facilities for earning the appropriate number and type of renewable energy certificates (RECs) attributable to the amount and energy content of each type of waste in the Press Cake.

PHW acknowledges that swine waste RECs can only be derived from electrical energy, not thermal energy, and it further acknowledges that any renewable energy facility intending to use Press Cake as fuel should be required to file with the Commission, and obtain approval for, the proposed fuel content and methodology for determining the amount of energy and RECs that will be produced by the Press Cake, pursuant to Commission Rules R8-66(b)(2), (b)(3) and R8-67(g)(4).²

PHW’s Request is substantially similar to the request made by BioEnergy Technologies, LLC (BioEnergy) for approval of the use of Dissolved Air Flotation cake sludge (DAF Cake) in Docket No. SP-100, Sub 26. Press Cake is a form of DAF Cake. Both products are derived from the same materials, i.e., waste products with high fat content and high heat content. The only difference between PHW’s request and BioEnergy’s request is the process used to produce energy. In SP-100, Sub 26,

² The February 20, 2018 filing erroneously referenced Rule R8-67(b)(2) and R8-67(b)(3).

BioEnergy planned solely to operate an anaerobic digestion renewable biogas facility, while PHW may operate facilities generating energy from either anaerobic digestion or combustion of renewable energy resources.

This matter was brought before the Commission at its Regular Staff Conference on April 23, 2018. The Public Staff recommended that, based upon the facts and representations made by PHW in its Request, the Commission should determine that (1) organic waste material resulting from the rendering or processing of swine or poultry products (Press Cake), when combusted or combined with swine manure or with poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies as "swine waste" or "poultry waste" for the purposes of G.S. 62-133.8(e) or 62-133.8(f), respectively, and (2) the electric or thermal energy generated by the Press Cake, when combusted or combined with swine or poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies for the swine waste or poultry waste set-aside, as appropriate, in proportion to the percentage of energy attributable to the swine waste or poultry waste (except that swine waste RECs can only be derived from electrical energy).

As noted above, PHW's Request is substantially similar to the request made by BioEnergy in Docket No. SP-100, Sub 26. In order to reduce the number of similar requests in the future, the Public Staff recommended that the Commission determine that, pursuant to G.S. 62-133.8(e) and 62-133.8(f), the organic waste material resulting from the rendering or processing of swine or poultry products, in general, constitutes acceptable material to earn the type of REC attributable to each type of waste, subject to review by the Commission and the Public Staff.

Based upon the foregoing, a careful consideration of the record in this docket, and the Public Staff's recommendation, the Commission concludes, based upon the facts and representations in PHW's Request, that (1) organic waste material resulting from the rendering or processing of swine or poultry products (Press Cake), when combusted or combined with swine manure or with poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies as "swine waste" or "poultry waste" for the purposes of G.S. 62-133.8(e) or 62-133.8(f), respectively, and that (2) the electric or thermal energy generated by Press Cake, when combusted or combined with swine or poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies for the swine waste or poultry waste set-aside, as appropriate, in proportion to the percentage of energy attributable to the swine waste or poultry waste (except that swine waste RECs can only be derived from electrical energy). Also, the Commission concludes that the organic waste material resulting from the rendering or processing of swine or poultry products, in general, constitutes acceptable material to earn the type of REC attributable to each type of waste, subject to review by the Commission and the Public Staff.

IT IS, THEREFORE, ORDERED that, based upon the facts and representations made in PHW's Request, that (1) organic waste material resulting from the rendering or processing of swine or poultry products (Press Cake), when combusted or combined with swine manure or with poultry manure, wood shavings, straw, rice hulls, or other bedding material, qualifies as "swine waste" or "poultry waste" for the purposes of G.S. 62-133.8(e) or 62-133.8(f), respectively, and that (2) the electric or thermal energy generated by Press Cake, when combusted or combined with swine or poultry manure, wood shavings, straw, rice hulls, or other bedding material (except that), qualifies for the swine waste or poultry waste set-aside, as appropriate, in proportion to the percentage of energy attributable to the swine waste or poultry waste (except that swine waste RECs can only be derived from electrical energy).

IT IS FURTHER ORDERED that the organic waste material resulting from the rendering or processing of swine or poultry products, in general, constitutes acceptable material to earn the type of REC attributable to each type of waste, subject to review by the Commission and the Public Staff.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of April, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 35

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application by Old North State Water Company,)
LLC, 4700 Homewood Court, Suite 108,)
Raleigh, NC 27609, for a Certificate of Public)
Convenience and Necessity to Provide Water)
Utility Service in Avalyn Subdivision in Wake)
County, North Carolina)

ORDER GRANTING
FRANCHISE AND
APPROVING RATES

BY THE COMMISSION: On October 6, 2017, Old North State Water Company, LLC (Old North State), filed an amended application seeking a certificate of public convenience and necessity to provide water utility service in Avalyn Subdivision in Wake County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on April 23, 2018.

Based upon the verified application and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Old North State presently holds water franchises serving approximately 161 customers and wastewater franchises serving approximately 2,150 customers in North Carolina. Old North State’s record of service is satisfactory.
2. Old North State expects eventually to serve thirty water customers in Avalyn Subdivision. The service area is shown on plans filed with the application.
3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Avalyn Subdivision. The plans are approved under serial number 17-00186, dated June 14, 2017.

4. Old North State has entered into a Water Agreement with Silvermist Investments, LLC (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is not requesting a connection fee. Old North State is purchasing the water system for \$500 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Old North State has filed all exhibits required with the application.

6. Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Old North State be required to post a \$10,000 bond for Avalyn Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission. Of this amount, \$400,000 of bond surety is assigned to specific subdivisions, and \$200,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of Old North State's unassigned bond surety should be assigned to Avalyn Subdivision; that the water utility franchise requested by Old North State in Avalyn Subdivision should be granted; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Old North State's unassigned surety bond is assigned to Avalyn Subdivision. The remaining unassigned bond surety shall be \$180,000 (a total of \$20,000 is being assigned concurrently in Docket Nos. W-1300, Sub 35 and Sub 39.

2. That Appendix A constitutes the Certificate of Public Convenience and Necessity.

3. That the Schedule of Rates attached as Appendix B is approved for Old North State in the Avalyn Subdivision.

4. That Old North State is granted a Certificate of Public Convenience and Necessity to provide water utility service in Avalyn Subdivision in Wake County, North Carolina.

5. That a meter installation fee of \$70 is approved for Avalyn Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 35

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Avalyn Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

OLD NORTH STATE WATER COMPANY, LLC

for providing water utility service in

Avalyn Subdivision

Wake County, North Carolina

<u>Monthly Base Rate:</u>	\$ 15.00
<u>Water Usage Rate:</u>	\$ 5.00/1,000 gallons
<u>Connection Fee:</u>	\$ None
<u>Meter Installation Fee</u>	\$ 70.00
<u>New Account Fee:</u>	\$ 20.00
<u>Reconnection Charge if Service is Discontinued by Utility:</u>	\$35.00
<u>Reconnection Charge if Service is Discontinued by Customer:</u>	\$5.00
<u>Bills Due:</u>	On billing date
<u>Bills Past Due:</u>	15 days after billing date
<u>Billing Frequency:</u>	Shall be monthly for service in arrears
<u>Finance Charges for Late Payment:</u>	1.0% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1300, Sub 35, on this the ____ day of _____, 2018.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 39

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Old North State Water Company,)	
LLC, 4700 Homewood Court, Suite 108,)	
Raleigh, NC 27609, for a Certificate of Public)	ORDER GRANTING
Convenience and Necessity to Provide Water)	FRANCHISE AND
Utility Service in Ashcroft Park Subdivision in)	APPROVING RATES
Guilford County, North Carolina)	

BY THE COMMISSION: On August 29, 2017, Old North State Water Company, LLC (Old North State), filed an amended application seeking a certificate of public convenience and necessity to provide water utility service in Ashcroft Park Subdivision in Guilford County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on April 23, 2018.

Based upon the verified application and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Old North State presently holds water franchises serving approximately 161 customers and wastewater franchises serving approximately 2,150 customers in North Carolina. Old North State’s record of service is satisfactory.
2. Old North State expects eventually to serve sixty eight water customers in Ashcroft Park Subdivision. The service area is shown on plans filed with the application.
3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Ashcroft Park Subdivision. The plans are approved under serial number 17-00221, dated May 27, 2017.

4. Old North State has entered into a Water Agreement with Venn Burton Farms, LLC (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is requesting a connection fee of \$500 per SFRE. Old North State is purchasing the water system for \$1,000 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Old North State has filed all exhibits required with the application.

6. Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Old North State be required to post a \$10,000 bond for Ashcroft Park Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission. Of this amount, \$400,000 of bond surety is assigned to specific subdivisions, and \$200,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of Old North State's unassigned bond surety should be assigned to Ashcroft Park Subdivision; that the water utility franchise requested by Old North State in Ashcroft Park Subdivision should be granted; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Old North State's unassigned surety bond is assigned to Ashcroft Park Subdivision. The remaining unassigned bond surety shall be \$180,000 (a total of \$20,000 is being assigned concurrently in Docket Nos. W-1300, Sub 35 and Sub 39).

2. That Appendix A constitutes the Certificate of Public Convenience and Necessity.

3. That the Schedule of Rates attached as Appendix B is approved for Old North State in the Ashcroft Park Subdivision.

4. That Old North State is granted a Certificate of Public Convenience and Necessity to provide water utility service in Ashcroft Park Subdivision in Guilford County, North Carolina.

5. That a meter installation fee of \$70 is approved for Ashcroft Park Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 39

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Ashcroft Park Subdivision

Guilford County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

OLD NORTH STATE WATER COMPANY, LLC

for providing water utility service in

Ashcroft Park Subdivision

Guilford County, North Carolina

<u>Monthly Base Rate:</u>	\$	15.00	
<u>Water Usage Rate:</u>	\$	5.00/1,000 gallons	
<u>Connection Fee:</u>	\$	500.00	
<u>Meter Installation Fee</u>	\$	70.00	
<u>New Account Fee:</u>	\$	20.00	
<u>Reconnection Charge if Service is Discontinued by Utility:</u>			\$35.00
<u>Reconnection Charge if Service is Discontinued by Customer:</u>			\$5.00
<u>Bills Due:</u>		On billing date	
<u>Bills Past Due:</u>		15 days after billing date	
<u>Billing Frequency:</u>		Shall be monthly for service in arrears	
<u>Finance Charges for Late Payment:</u>		1.0% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.	

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1300, Sub 39, on this the ____ day of _____, 2018.