

**NORTH CAROLINA UTILITIES COMMISSION**  
**MINUTES OF REGULAR COMMISSION STAFF CONFERENCE**

**August 31, 2020**

The Regular Commission Staff Conference of the North Carolina Utilities Commission was held on Monday, August 31, 2020, at 10:00 a.m., with Chair Mitchell, presiding. The remote meeting was conducted by use of simultaneous communication (via Webex) pursuant to N.C. Gen. Stat. § 166A-19.24, streamed live online, and available to the public.

The following were present during the entirety of the remote meeting:

**COMMISSIONERS**

Commissioner Brown-Bland  
Commissioner Gray  
Commissioner Clodfelter  
Commissioner Duffley  
Commissioner Hughes  
Commissioner McKissick

**COMMISSION STAFF:** Ms. Lowell, Mr. Watson, Mr. Buffkin, Ms. Jarvis, Mr. Mertz, Ms. Fennell, Ms. Cooper, Ms. Hicks, Ms. Barnes, Ms. Condie, Ms. Jones, Ms. Paschal, Ms. Hilburn, Ms. Zhang, Ms. Eastwood, Ms. Jayasheela, Ms. Burns

**PUBLIC STAFF:** Mr. Ayers, Ms. Downey, Ms. Culpepper, Ms. Holt, Ms. Cummings, Ms. Edmondson, Ms. Coxton, Ms. Perry, Mr. McLawhorn, Mr. Floyd, Mr. Gilbert, Ms. Naba, Ms. Patel, Mr. Furr, Ms. Proffitt

**ATTORNEY GENERAL:**

**COURT REPORTER:** Ms. Mitchell

**B. NATURAL GAS****P1. DOCKET NO. G-5, SUB 585 – PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC. – PETITION FOR WAIVER OF CODE OF CONDUCT GUIDELINE**

This Item was Withdrawn from Consideration.

**P2. DOCKET NO. G-5, SUB 624 – APPLICATION OF PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC., FOR BI-ANNUAL ADJUSTMENT OF RATES UNDER RIDER E TO ITS TARIFF**

Pursuant to Public Service Company of North Carolina, Inc.'s (PSNC or Company) Integrity Management Tracker (IMT), Rider E of the Company's Tariff, PSNC is required to file with the Commission by January 31 and July 31 of each year information showing the computation of the Integrity Management Revenue Requirement (IMRR) that supports the bi-annual Integrity Management (IM) Adjustment of the IMT. PSNC is also required to file bi-annual adjustments to its rates based upon qualifying capital investments in integrity and safety projects as of December 31 and June 30, respectively. Rider E of the Company's tariff requires PSNC to make a filing with the Commission by February 15 and August 15 of each year showing the computation of the IM rate adjustment for each rate schedule that it proposes to charge during the six-month period beginning the following March 1 and September 1, respectively, and then file revisions to its tariffs.

On July 31, 2020, pursuant to Rider E of the Company's Tariff, PSNC filed in Docket No. G-5, Sub 565C, the computation for the IMRR that supports the bi-annual IM rate adjustment, effective September 1, 2020, based on the Company's Integrity Management (IM) Plant Investment through June 30, 2020.

On August 14, 2020, PSNC filed an Application of Public Service Company of North Carolina, Inc. for Bi-Annual Adjustment of Rates Under Rider E to its Tariff (Application), which included the schedule showing the computation of the IM rate adjustments for each rate schedule and the revised tariffs, effective for service rendered on and after September 1, 2020.

On August 19, 2020 and August 24, 2020, PSNC filed amended Applications correcting some wording and clerical errors consisting of the docket number and the address of the counsel.

The proposed IM rate adjustments, expressed in dollars per therm (\$/therm), are as follows:

Description	Residential Rates 101, 102, 115	Commercial Rates 125, 126, 127, 140	Firm Large General Rates 145, 175	Interruptible Large General Rates 135, 150, 160, 165, 180
Customer Class Percentage	69.89%	19.92%	7.25%	2.94 %
IMRR for Recovery	\$21,472, 194	\$6,119,990	\$2,227,406	\$903,252
Rate Case Volumes (therms)	302,709,607	154,775,495	202,384,732	148,716,728
IM Rate Increment (per therm)	\$0.07093	\$0.03954	\$0.01101	\$0.00607
Current IM Increment	\$0.06381	\$0.03557	\$0.00990	\$0.00546
Adjustment to IM Increment	\$0.00712	\$0.00397	\$0.00111	\$0.00061

The Public Staff reviewed the proposed IM rate adjustments and recommended that the Commission issue an order approving the rate adjustments as filed by PSNC.

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

**P3. DOCKET NO. G-40, SUB 157 – APPLICATION OF FRONTIER NATURAL GAS COMPANY FOR AN ADJUSTMENT OF ITS RATES AND CHARGES TO TRACK CHANGES IN ITS WHOLESALE COSTS OF GAS**

On August 17, 2020, Frontier Natural Gas Company (Frontier) filed an application pursuant to N.C. Gen. Stat. § 62-133.4, Commission Rule R1-17(k)(3), and Appendix A of Frontier's Gas Service Rules & Regulations seeking authority to decrease its sales rates by \$1.50 per dekatherm (dt) effective September 1, 2020. The decrease is a result of a change in Frontier's Benchmark City Gate Delivered Cost of Gas from \$4.95 per dt to \$3.45 per dt.

The Public Staff reviewed the application and recommended that the Commission issue an order approving the rate changes proposed by Frontier.

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

**C. COMMUNICATIONS****P1. FILING OF INTERCONNECTION AGREEMENT AMENDMENTS BY AT&T NORTH CAROLINA**

The following interconnection agreement amendments were filed for Commission approval on June 19, 2020:

**BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina (AT&T)**

*Docket No. P-55, Sub 1811* – Amendment filed on June 19, 2020, to an existing interconnection agreement with Comporium, Inc. and Springboard Telecom, LLC. The Commission approved the initial interconnection agreement between AT&T and Springboard Telecom, LLC, on July 16, 2010. The agreement was amended to add Comporium, Inc., an affiliate of Springboard Telecom, LLC, as a party; the Commission approved the amendment on June 20, 2016.

The present amendment implements the changes mandated by the Federal Communications Commission (FCC) in two orders issued in WC Docket No. 18-141, specifically: FCC 19-66, released on July 12, 2019, and FCC 19-72, released on August 2, 2019 (collectively, “FCC UNE and Resale Forbearance Order”).

*Docket No. P-55, Sub 1829* – Amendment filed on June 19, 2020, to the existing interconnection agreement with CenturyLink Communications, LLC, f/k/a Qwest Communications Company, LLC, which the Commission approved February 23, 2011. The amendment implements changes pursuant to the *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order issued by the FCC on November 18, 2011, in FCC 11-161, and as amended on December 23, 2011, in FCC 11-189 (FCC ICC Reform Order). The amendment also modifies certain provisions related to Customer Information Services (CIS) pursuant to WC Docket No. 16-13, approved March 15, 2016.

The amendment adds Access Customer Name Abbreviations (ACNAs) and Operating Company Numbers (OCNs) to the agreement, and adds Exhibit A (Attachment 06), which specifies terms and conditions for Operator Services and Directory Assistance, formerly known as Customer Information Services (CIS), and related Pricing Sheets in Exhibit B. In addition, the amendment implements intercarrier compensation rates for the termination of all Section 251(b)(5) traffic, and deletes the rates, terms and conditions related to the unbundling of 64 kbps voice-grade channels in situations where a cooper loop has been retired. The amendment also replaces Section N of the agreement, which addresses Notices and the contact information to be used by the companies, with new language.

Docket No. P-55, Sub 1889 – Amendment filed on June 19, 2020, to an interconnection agreement with Cebirge Telecom, LLC, approved by the Commission on September 17, 2013. The amendment implements the changes mandated by the FCC UNE and Resale Forbearance Order.

Docket No. P-55, Sub 1915 – Amendment filed on June 19, 2020, to an existing interconnection agreement with RiverStreet Communications of North Carolina, Inc., which the Commission approved on April 18, 2016. The amendment implements the changes mandated by the FCC UNE and Resale Forbearance Order.

These filings were made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Act provides for the filing of such agreements and amendments with the state commission and approval or rejection by the state commission within 90 days after filing. On June 18, 1996, the Commission issued an Order in Docket No. P-100, Sub 133, allowing interim operation under negotiated agreements filed as public records prior to Commission approval of the agreements.

The Public Staff reviewed these filings and recommended that the Commission issue orders approving the amendments effective on the date they were filed.

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

Minutes of the Regular Commission Staff Conference for August 17, 2020, were approved.

Minutes prepared by Portia Barnes.