

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
APRIL 9, 2018**

COMMISSION STAFF

NO AGENDA ITEMS

D. ELECTRIC

P1. APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES

EXPLANATION: The following applications seeking certificates of public convenience and necessity pursuant to G.S. 62-110.1 for construction of solar photovoltaic electric generating facilities were filed pursuant to Commission Rule R8-64.

Duke Energy Carolinas:

- Docket No. SP-2665, Sub 51 – Application filed on October 19, 2017, by Fresh Air Energy II, LLC, for a certificate to construct a 30-MW_{AC} facility in Stanly County, North Carolina
- Docket No. SP-8431, Sub 0 – Application filed on January 16, 2018, by Saw Solar, LLC, for an amended certificate to construct a 4.999-MW_{AC} facility in Rowan County, North Carolina (registration statement previously issued)

Duke Energy Progress:

- Docket No. SP-2665, Sub 50 – Application filed on October 3, 2017, by Fresh Air Energy II, LLC, for a certificate to construct a 72-MW_{AC} facility in Robeson County, North Carolina

The Public Staff has reviewed the applications and determined that they comply with the requirements of G.S. 62-110.1 and Commission Rule R8-64.

Unless otherwise indicated above, the applicants also filed registration statements for new renewable energy facilities pursuant to Commission Rule R8-66(b). The registration statements included certified attestations that: (1) the facility is in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources; (2) the facility will be operated as a new renewable

energy facility; (3) the applicant will not remarket or otherwise resell any renewable energy certificates sold to an electric power supplier to comply with G.S. 62-133.8; and (4) the applicant will consent to the auditing of books and records by the Public Staff insofar as those records relate to transactions with North Carolina electric power suppliers.

RECOMMENDATION: (Lawrence) That the Commission issue orders approving the applications, issuing the requested certificates, and accepting the registration statements for these facilities, as applicable. Proposed orders have been provided to the Commission Staff.

E. WATER

P1. DOCKET NO. W-567, SUB 8 – PRIOR CONSTRUCTION COMPANY, INC. – APPLICATION FOR RATE INCREASE

EXPLANATION: On March 15, 2018, Prior Construction Company, Inc. (Prior or Applicant) filed an application with the Commission seeking authority to increase its rates for water utility service in Deerfield Park, Paynes Park Landing, and Little John Acres Subdivisions in Wake County, North Carolina. Prior presently serves approximately 213 residential customers. The present rates have been in effect since January 1, 2017, when they were adjusted due to implementation of House Bill 998 (Session Law 2013-316), in Docket No. M-100, Sub 138, and Docket No. W-567, Sub 7. The last rates established in a general rate case were in Docket No. W-567, Sub 6, on February 12, 2007.

The Applicant's present and proposed rates are as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Water Rates:</u>		
Base charge, zero usage	\$10.29	\$18.80
Usage charge, per 1,000 gallons	\$ 2.66	\$ 4.90

The proposed rates would increase the average residential monthly water bill from \$21.73 to \$39.87, an 83.5% increase, based on an average monthly usage of 4,300 gallons.

EXHIBIT: The Public Staff's proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Furr/Jayasheela/Cummings) That the Commission issue the Public Staff's proposed order establishing a general rate case, suspending rates, scheduling hearing, and requiring customer notice specifying that if no significant protests are received subsequent to customer notice, the hearing may be canceled and the matter decided without hearing.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-567, SUB 8

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Prior Construction)	
Company, Inc., 957 Rand Road, Garner,)	ORDER ESTABLISHING GENERAL
North Carolina 27529, for Authority to)	RATE CASE, SUSPENDING RATES,
Increase Rates for Water Utility Service in)	SCHEDULING HEARING, AND
Deerfield Park, Paynes Park Landing, and)	REQUIRING CUSTOMER NOTICE
Little John Acres Subdivisions in Wake)	
County, North Carolina)	

BY THE COMMISSION: On March 15, 2018, Prior Construction Company, Inc. (Prior or Applicant) filed an application with the Commission seeking authority to increase its rates for water utility service in Deerfield Park, Paynes Park Landing, and Little John Acres Subdivisions in Wake County, North Carolina. Prior presently serves approximately 213 residential customers. The present rates have been in effect since January 1, 2017, when they were adjusted due to implementation of House Bill 998 (Session Law 2013-316), in Docket No. M-100, Sub 138, and Docket No. W-567, Sub 7. The last rates established in a general rate case were in Docket No. W-567, Sub 6, on February 12, 2007.

The Applicant's present and proposed rates are as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Water Rates:</u>		
Base charge, zero usage	\$10.29	\$18.80
Usage charge, per 1,000 gallons	\$ 2.66	\$ 4.90

The proposed rates would increase the average residential monthly water bill from \$21.73 to \$39.87, an 83.5% increase, based on an average monthly usage of 4,300 gallons.

The Commission is of the opinion that the application constitutes a general rate case, that the proposed new rates should be suspended pending investigation, and that

the matter should be scheduled for customer hearing, subject to cancellation if no significant protests are received subsequent to customer notice.

IT IS, THEREFORE, ORDERED as follows:

1. That this proceeding is declared a general rate case pursuant to G.S. 62-137.

2. That the proposed new rates are suspended for up to 270 days pursuant to G.S. 62-134.

3. That the test period is established as the 12-month period ended December 31, 2017.

4. That the application is scheduled for public hearing at 7:00 p.m., on Wednesday July 18, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, NC. This hearing may be canceled if no significant protests are received subsequent to public notice on or before May 25, 2018.

5. That an officer or representative of the Applicant is required to appear in person before the Commission at the time and place of the hearing to testify concerning any of the information contained in the application. If the Applicant desires to cross-examine any witnesses at the hearing, the Applicant shall be represented by legal counsel at this hearing.

6. That the Notice to Customers, attached as Appendix A, be mailed with sufficient postage or hand delivered by the Applicant to all customers affected by the proposed new rates; that the Notice to Customers be mailed or hand delivered no later than 30 days after the date of this Order; and that the Applicant submit to the Commission the attached Certificate of Service properly signed and notarized not later 45 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of April, 2018.

NORTH CAROLINA UTILITIES COMMISSION

(SEAL)

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-567, SUB 8
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is given that Prior Construction Company, Inc., 957 Rand Road, Garner, North Carolina 27529, filed an application with the North Carolina Utilities Commission on March 15, 2018, for authority to increase rates for water utility service in Deerfield Park, Paynes Park Landing, and Little John Acres Subdivisions in Wake County, North Carolina, as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Water Rates:</u>		
Base charge, zero usage	\$10.29	\$18.80
Usage charge, per 1,000 gallons	\$ 2.66	\$ 4.90

The Commission may consider additional or alternative rate design proposals which were not included in the original application and may order increases or decreases in the rates which differ from those proposed by the Applicant. However, any rate structure considered will not generate more overall revenues than requested.

EFFECT OF RATES

The present water rate has been in effect since January 1, 2017. The last rates established in a general rate case were in Docket No. W-567, Sub 6, on February 12, 2007. The proposed rates would increase the average residential monthly water bill from \$21.73 to \$39.87, an 83.5% increase, based on an average monthly usage of 4,300 gallons.

PUBLIC HEARING

The Commission has scheduled the application for public hearing at 7:00 p.m., on Wednesday July 18, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. This hearing may be canceled and the matter decided on the filings if no significant protests are received from consumers on or before May 25, 2018. Correspondence concerning the proposed rate increase, service problems, or the public hearing should be directed to the Public Staff.

EXHIBIT NO. P-1
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APPENDIX A
PAGE 2 OF 2

The Public Staff is authorized by statute to represent the consumers in proceedings before the Commission. Written statements to the Public Staff should include the name of the subdivision, contact information, and any information that the writer wishes to be considered by the Public Staff in its investigation of the matter, and these statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300. Written statements can also be faxed to (919) 715-6704 or e-mailed to david.furr@psncuc.nc.gov.

The Attorney General is also authorized by statute to represent the consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001.

Written statements are not evidence unless those persons submitting the statements appear at a public hearing and testify concerning the information contained in their written statements.

Persons desiring to present testimony concerning their opinion on this application, or any service problems they may be experiencing, may appear at this public hearing and give such testimony.

Persons desiring to intervene in the matter as formal parties of record should file a motion under North Carolina Utilities Commission Rules R1-6, R1-7, and R1-19 no later than June 8, 2018. Any such motion should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4325.

The details of the proposed new rates have been filed with the North Carolina Utilities Commission. A copy of the application and all filings in this matter are available for review by the public at the Office of the Chief Clerk, 430 North Salisbury Street, Raleigh, North Carolina. Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net under the docket number of this proceeding.

This the ____ day of April, 2018.

NORTH CAROLINA UTILITIES COMMISSION

(SEAL)

M. Lynn Jarvis, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Order Establishing General Rate Case, Suspending Rates, Scheduling Hearing, and Requiring Customer Notice issued by the North Carolina Utilities Commission in Docket No. W-567, Sub 8, by the date specified in the Order.

This the ____ day of _____, _____.

By: _____
Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the Order Establishing General Rate Case, Suspending Rates, Scheduling Hearing, and Requiring Customer Notice was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-567, Sub 8.

Witness my hand and notarial seal, this the ____ day of _____, _____.

Notary Public

Address

(SEAL) My Commission Expires: _____
Date