

North Carolina Utilities Commission Public Staff

**Christopher J. Ayers
Executive Director**

Public Staff

- Established in 1977 by N.C. Gen. Stat. § 62-15
- Represents the using and consuming public in North Carolina Utilities Commission (NCUC) proceedings
- 89 full-time positions
 - Currently 73 filled positions

Key Functions

- Present testimony and recommendations to NCUC on behalf of utility customers
- Investigate customer complaints
- Audit public utilities in NCUC proceedings
- Interface with general public on utilities issues
- Assist legislative staff and legislators regarding proposed legislation and constituent service
- Work with other State agencies (e.g., DENR), counties and municipalities on regulated utility matters
- Provide information and guidance to parties who intervene in cases before the NCUC
- Undertake studies and make recommendations to NCUC
 - Proposed new service offerings and changes to existing services
 - Proposed construction of generating facilities and transmission lines
 - Mergers and acquisitions involving public utilities
- Assist in North Carolina economic development efforts

Public Staff Activities (July 2012 – June 2013)

- Involved in **2,530** formal proceedings before the NCUC
- Participated in **58** hearings in contested cases
- Reviewed **11,417** filings made with NCUC and **2,704** orders issued by NCUC
- Investigated **14,272** complaints (2013) as of November 30

Differences Between NCUC and Public Staff

- Independent agencies
 - Separate staffs, leadership and budgets
- NCUC does not direct or oversee the Public Staff's operations
- Public Staff appears as a party before the NCUC
 - Public Staff may appeal decisions to appellate courts
 - Public Staff subject to ex parte rules and cannot independently communicate with NCUC on pending matters
 - Public Staff does not participate in NCUC decision-making
- Staff roles
 - NCUC staff is an advisory staff
 - Public Staff is an audit/advocacy staff

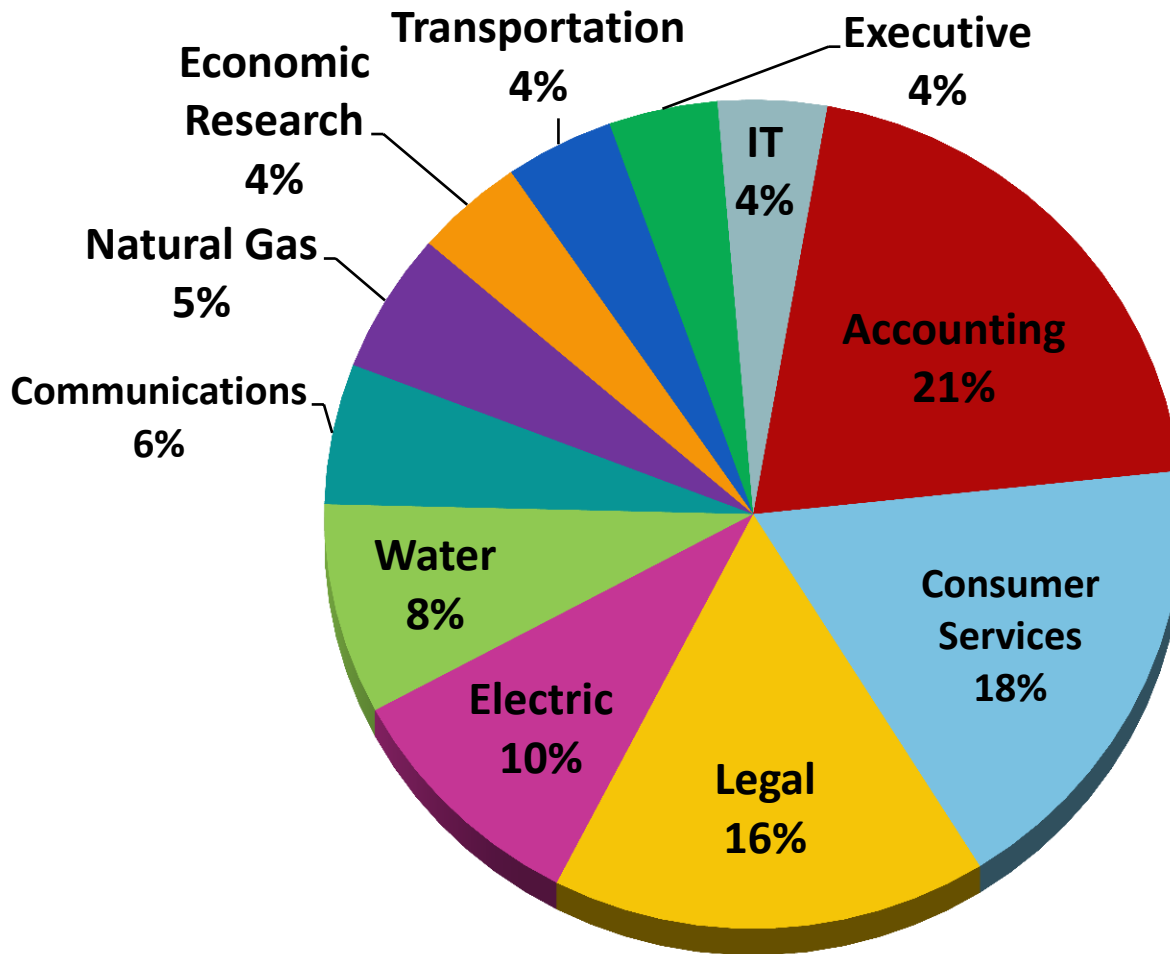
Differences Between Public Staff and Attorney General

- Both the Public Staff and the Attorney General represent the using and consuming public
- Public Staff's sole responsibility is to represent the using and consuming public before the NCUC
 - Attorney General may intervene at his discretion (N.C. Gen. Stat. § 62-20)
- Public Staff has a full-time staff of engineers, accountants, economists, analysts and attorneys
 - Attorney General has attorneys in Consumer Protection section and may hire expert witnesses
- Public Staff and Attorney General are completely independent of one another

Public Staff Professional Divisions

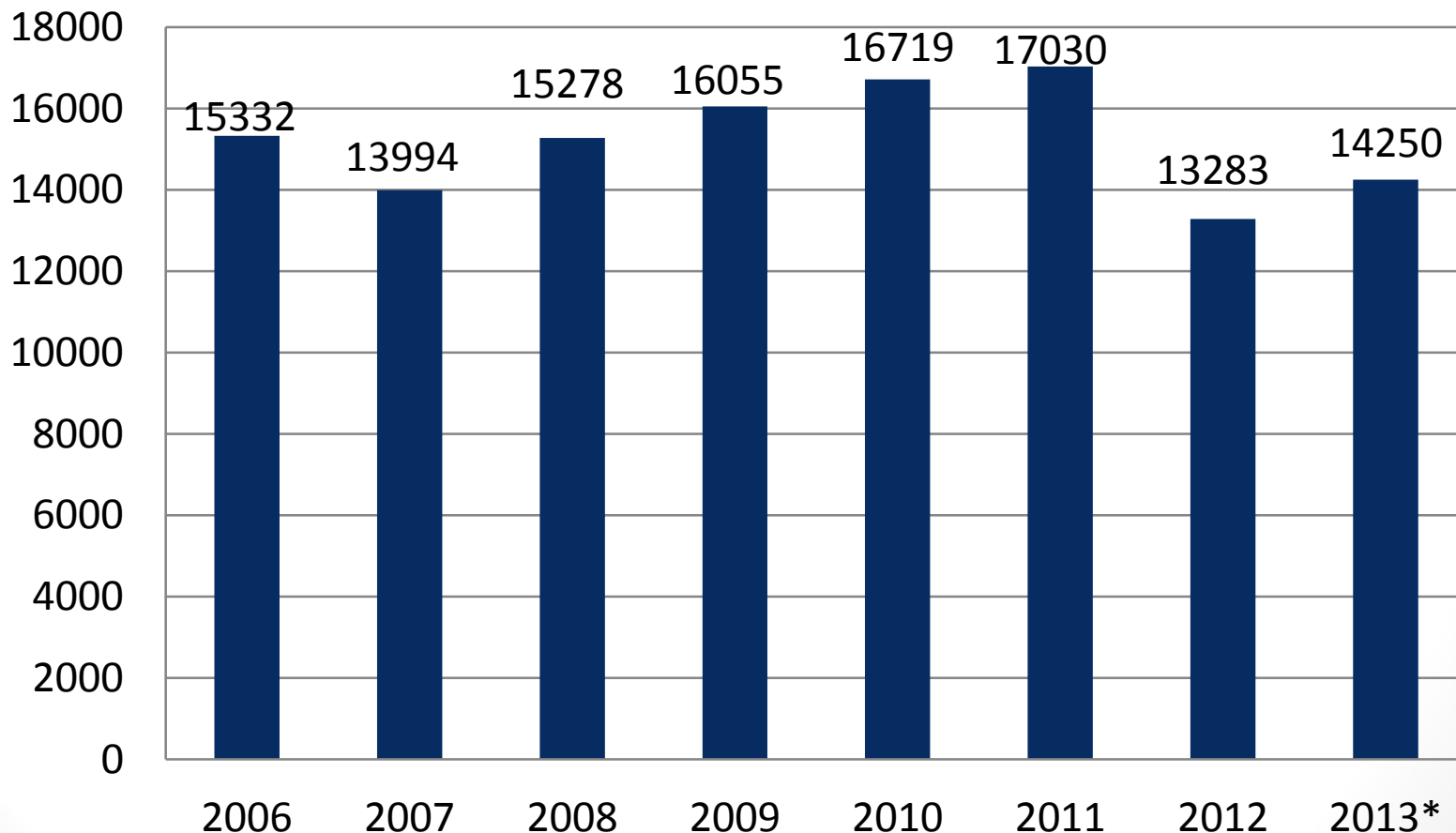
<u>Division</u>	<u>Number of Employees</u>
Accounting	15
Consumer Services	13
Legal	12
Electric	7
Water	6
Communications	4
Natural Gas	4
Economic Research	3
Transportation	3
Executive	3
IT	3

Staff Allocation By Division



Consumer Services Division

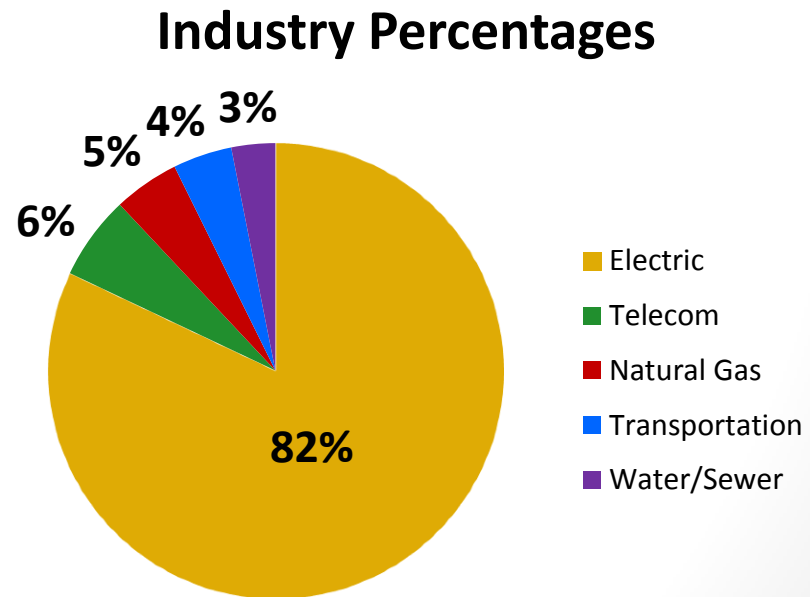
Annual Complaints Received



Note: 2013 data through November 30

Consumer Services Division

- Complaint breakdown by industry in 2013 (as of Nov 30)
 - Electric – 11,691
 - Duke Energy Carolinas – 5,975
 - Duke Energy Progress – 5,408
 - Dominion NC Power – 308
 - Telecommunications – 850
 - Natural Gas – 667
 - Water/Sewer – 444
 - Transportation -- 620



Electric Division

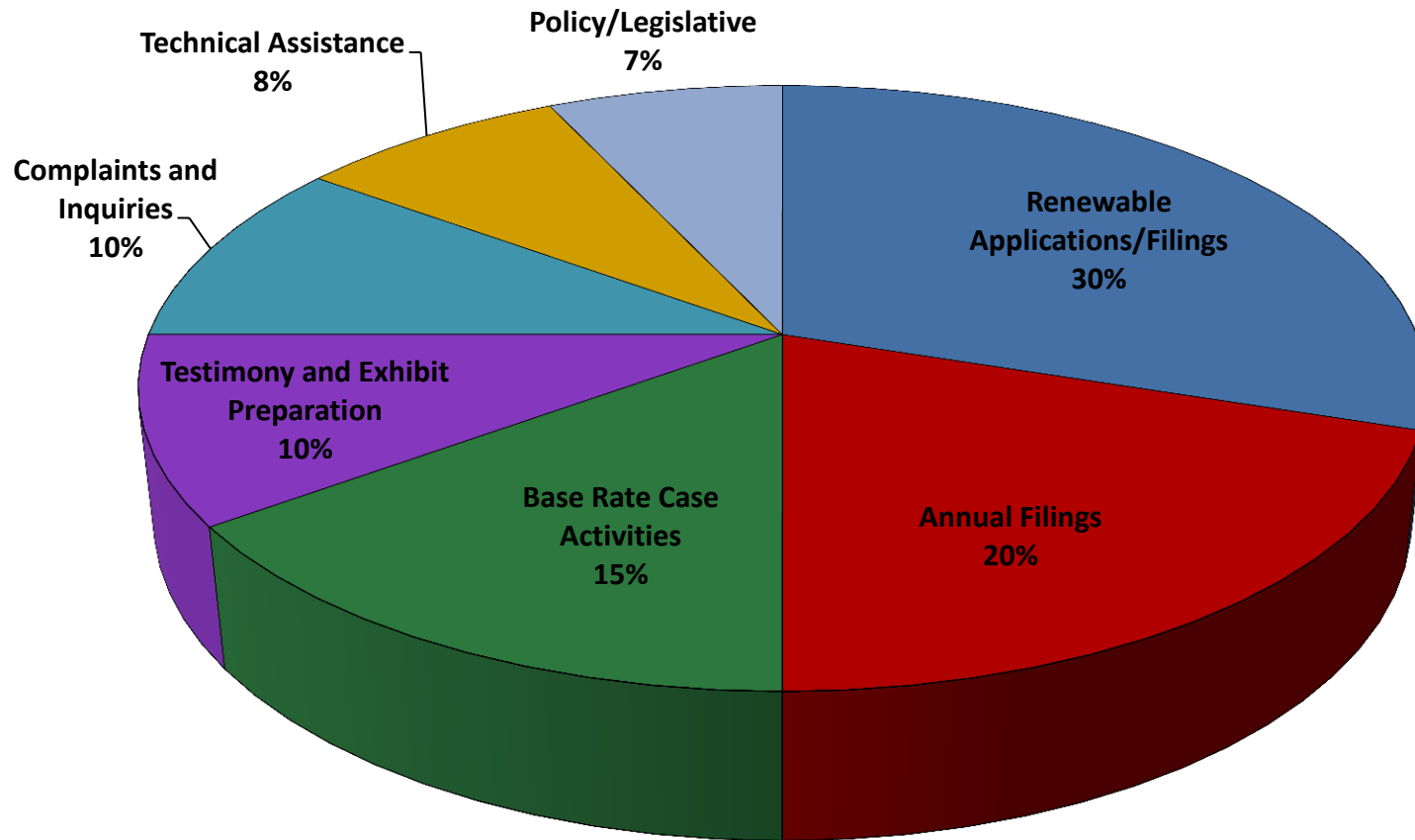
Rate proceedings (Base rates and DSM/fuel/energy efficiency/renewable energy riders)	40%
Senate Bill 3 issues/REPS compliance/Renewable facility applications	40%
Customer Complaints	10%
Transmission, Resource Planning and Service Reliability	7.5%
Electric Resellers	2.5%

Electric/power producer docket filings made with NCUC in FY 2012-13: 6,077

Electric/power producer docket orders issued by NCUC in FY 2012-13: 1,092

Approximately 30% of the Electric Division workload is related to entities that do not pay a regulatory fee.

Electric Division



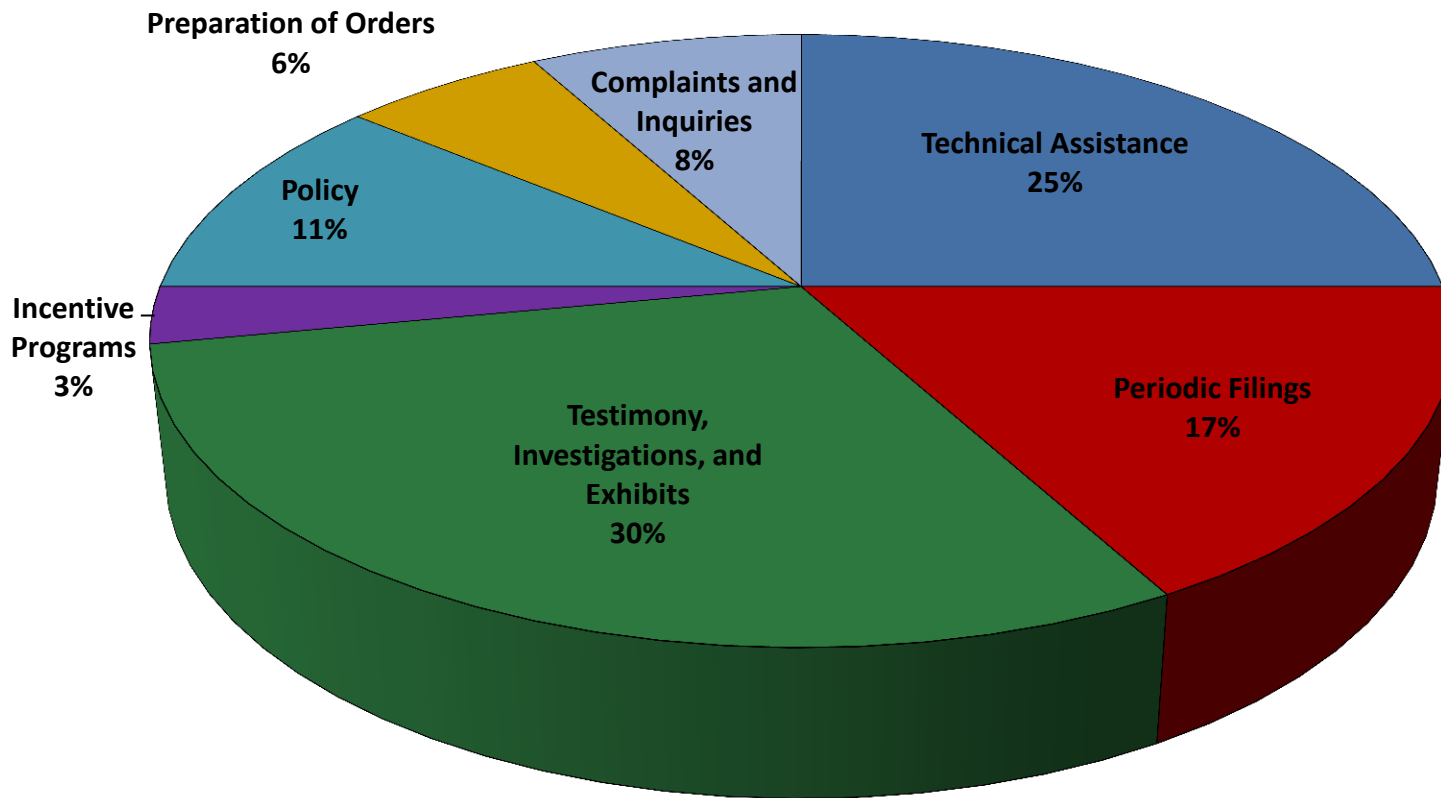
Natural Gas Division

- Research, analysis and testimony in general rate cases and riders
- Oversight of Customer Usage Tracker and Margin Decoupling Tracker mechanisms
- Assist Consumer Services with customer complaint investigations
- Monitor and report on use of expansion funds
- Annual gas cost review
- Purchased gas adjustments

Natural gas docket filings made with NCUC in FY 2012-13: 506

Natural gas orders issued by NCUC in FY 2012-13: 82

Natural Gas Division



Communications Division

- Review 1,900 annual retail (75%) and wholesale (25%) filings
 - Tariff and price plan modifications
 - Interconnection agreements
 - Service quality reviews
 - Local and long distance telephone applications
- Investigate customer complaints
 - Service quality
 - Outages
 - Billing
 - Bundled offerings (regulated and non-regulated)
- Federal Universal Service and Carrier of Last Resort issues
- Lifeline/Linkup and Telecommunications Relay Service

Communications docket filings made with NCUC in FY 2012-13: 1,846

Communications orders issued by NCUC in FY 2012-13: 246

Transportation Division

Certificate Application Process	15%
Compliance Audits of Moving Documents	15%
Investigating Damage Claims and Complaints	15%
Annual Report Processing	15%
Responding to Inquiries	10%
Investigating/Enforcement – Unauthorized Carriers	10%
Ferry Service Operations	8%
Maximum Rate Tariff Training Seminars	5%
Fuel Surcharge Proceedings	5%
Regular Route Passenger Service	2%

Household Goods Carriers docket filings made with NCUC in FY 2012-13: 795

Household Goods Carriers orders issued by NCUC in FY 2012-13: 177

Water and Wastewater

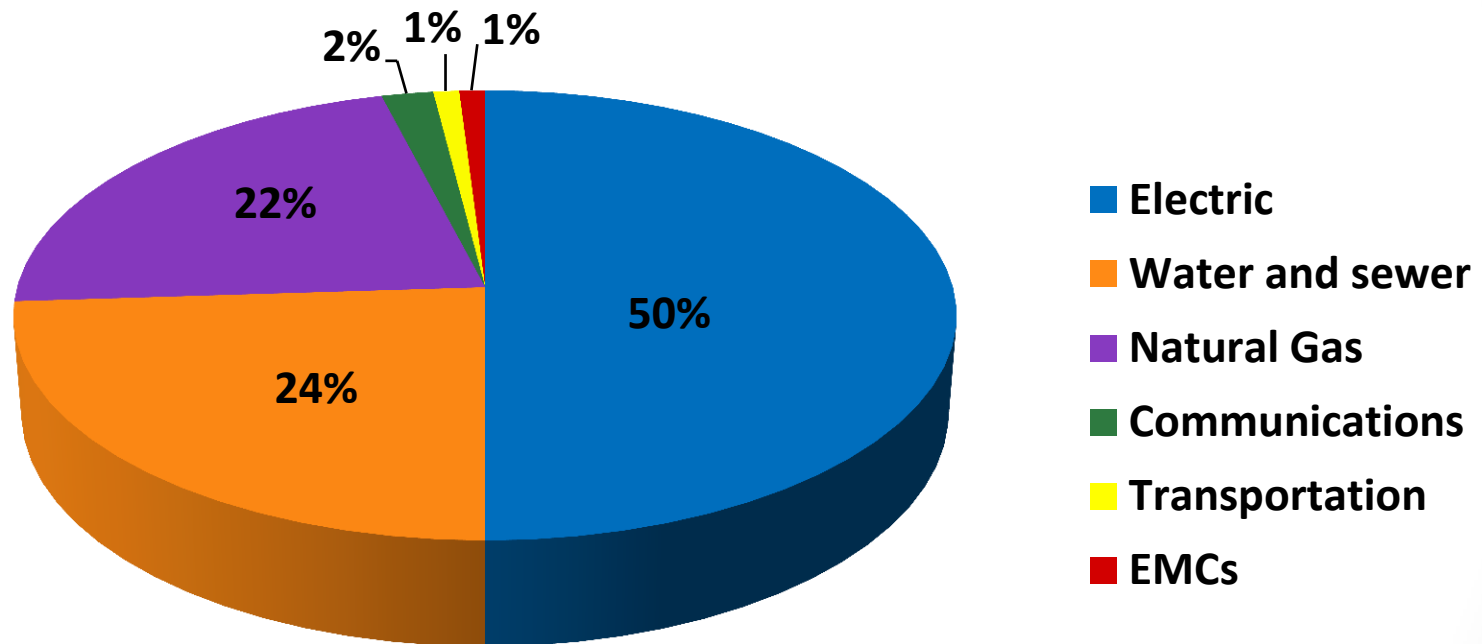
Traditional water and wastewater utility rate case investigations/audits/inspections and presentations before the NCUC	50%
Investigations/audits of filings by water and wastewater utilities for new/expanded franchise areas, transfers of franchises, contiguous extensions of service areas, discontinuation of service, tariff revisions and related recommendations to the NCUC	35%
Responding to verbal and written inquiries for information from the public, utilities, agencies and outside professionals	5%
Working with Consumer Services Division to resolve utility customer complaints	3%
Resolving issues where water and/or wastewater utility customers are in danger of losing utility service	2%

Water and wastewater docket filings made with NCUC in FY 2012-13: 1,678

Water and wastewater orders issued by NCUC in FY 2012-13: 997

Accounting Division

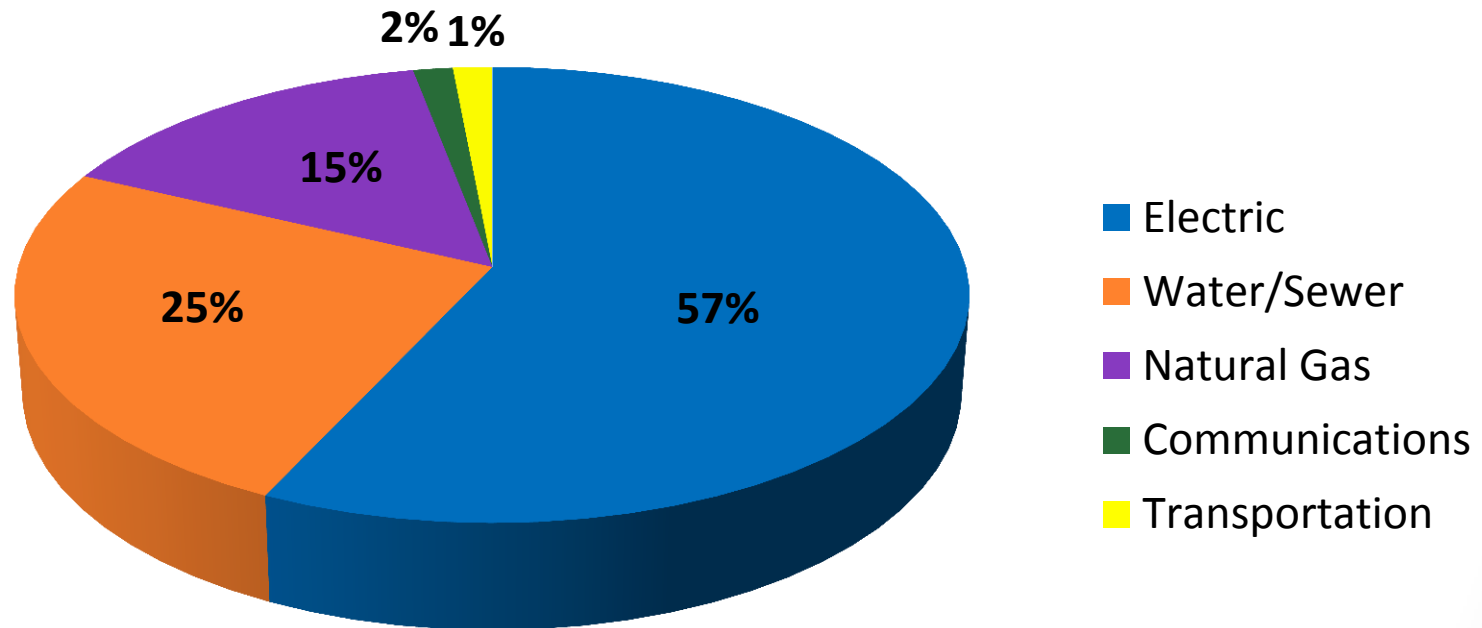
Allocation of Accounting Division Resources



Resource allocations can vary substantially depending upon filings made by regulated companies

Legal Division

Allocation of Legal Division Resources



Resource allocations can vary substantially depending upon filings made by regulated companies

Economic Research Division

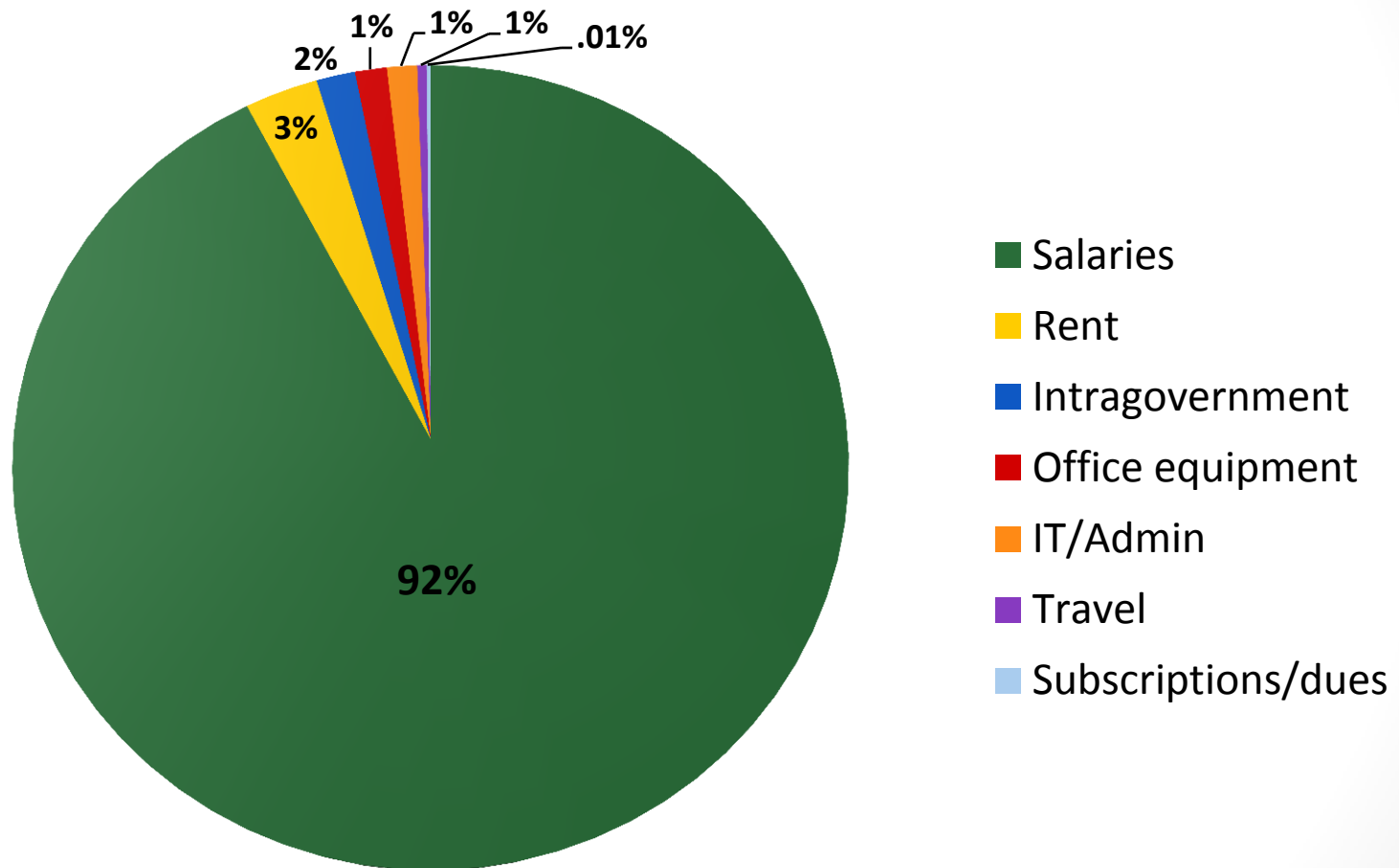
Provides research, analysis and testimony on utility financial issues:

- Rate case investigations (electric, natural gas, water/sewer)
- Cost of capital (debt and equity)
- Issuance of new securities by utilities
- Electric utility hedging programs
- Electric load forecasts
- Integrated Resource Plan modeling
- Avoided cost proceedings
- Weather normalization of utility sales
- Statistical sampling plans for meter testing

Budget Allocation

- Overall budget of \$9.05 million
 - Salaries - \$8.35 million
 - Rent - \$274,000
 - IT & Admin Services - \$112,600
 - Travel - \$34,500
 - Office equipment & supplies - \$118,800
 - Subscriptions and membership dues - \$16,200
 - Intra-governmental transfers - \$145,300

Budget Allocation Percentages



Contact Information

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Consumer Services Division (Consumer Complaints)

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