

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY OCTOBER 12, 2022
8:30 AM

Present: Ronna Rowe Garrett, Chairwoman
 Donald L. Porter, Vice Chairman
 Evelyn O. Shaw, Secretary
 Wade R. Fowler, Jr., Treasurer (VIA WEBEX)

Others Present: Mick Noland, Interim CEO/General Manager
 Deno Hondros, City Council Liaison
 Adam Lindsay, Asst. City Manager
 Media

Absent: Jimmy Keefe, Cumberland County Liaison

REGULAR BUSINESS

Chairwoman Evelyn Shaw called the meeting of October 12, 2022, to order at 8:31 am.

Election of Officers for Fiscal Year 2022-2023

Commissioner Ronna Garrett submitted the following slate of officers for FY2022-2023

- ❖ Chairwoman - Ronna Rowe Garrett
- ❖ Vice Chairman – Donald L. Porter
- ❖ Secretary – Evelyn O. Shaw
- ❖ Treasurer – Wade R. Fowler, Jr.

The motion was seconded by Commissioner Donald Porter, and unanimously approved.

APPROVAL OF AGENDA

Commissioner Donald Porter motioned to amend the agenda by adding a closed session for personnel matters, pursuant to N. C. G. S. 143-318.11(A)(6) as Item VIII, and move Item VIII to Item IX. Commissioner Evelyn Shaw seconded motion, and the amended agenda was unanimously approved.

CONSENT ITEMS

Upon motion by Commissioner Donald Porter, seconded by Commissioner Evelyn Shaw, the Consent Items were unanimously approved.

A. Approve Minutes of meeting of September 28, 2022

END OF CONSENT

PUBLIC HEARING ON PROPOSED WIRELESS ATTACHMENT TARIFF & ELECTRIC RATE SCHEDULE MODIFICATIONS

Chairwoman Ronna Garrett opened the Public Hearing on the proposed wireless facilities attachment tariff and electric rate modifications.

She stated on September 28, 2022, this hearing was set for this October 12 meeting, and PWC staff was directed to give public notice of this rate case.

PWC staff gave the requisite notice by publishing notice in a newspaper of general circulation serving this community, the Fayetteville Observer, on Sunday, October 2, 2022.

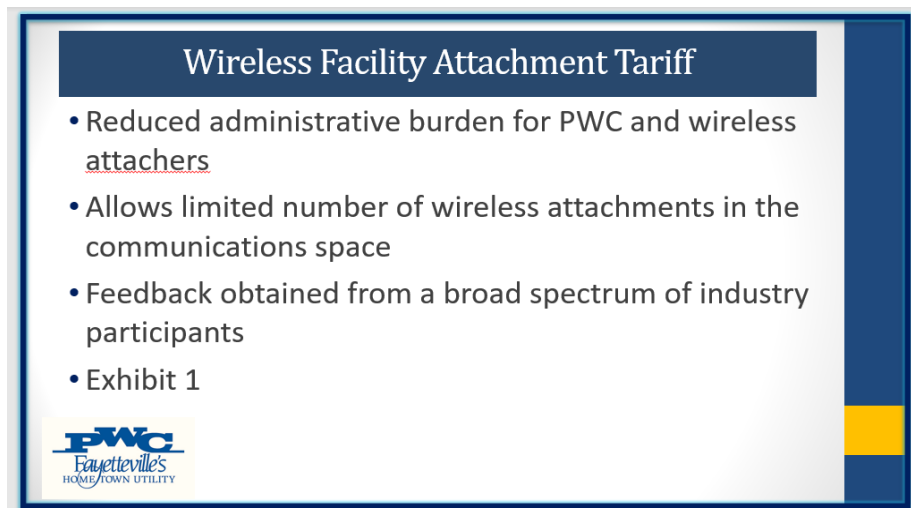
A copy of the notice has been submitted to the Clerk of the Commission, along with a copy of the proposed tariff and rate schedule modifications, and these documents were made available to the public upon request for inspection in accordance with the published notice and Commission Policy 2.6.

In addition, PWC staff timely posted notice of the rate case and the proposed tariff and rate schedule modification on PWC's website, consistent with the published notice.

She then asked for PWC staff to present the proposed wireless facilities attachment tariff and certain electric rate modifications.

Mr. Noland, PWC Interim CEO/General Manager requested for Mr. James West, PWC General Counsel to present this item.

Mr. West stated we will discuss the wireless attachment and some electric rate modifications. He stated the wireless facilities attachment tariff is a document that is designed to standardize the process of attaching what we refer to as simple wireless attachments. He stated we have utility poles that have a designated communication space on them and an electric space. We also have street lights. If wireless attachers want to attach within the communications space or on a street light, they can use this tariff, if there is anything that is more complex or dangerous, they will have to do so by separate agreement. The primary purpose of this wireless attachment tariff is to make the process simpler for the attacher and for PWC. Mr. West provided examples of an entity wanting to attach on several poles, and the process in the absence of a tariff.

A presentation slide titled "Wireless Facility Attachment Tariff" with a blue header. The slide contains a bulleted list of four points: "Reduced administrative burden for PWC and wireless attachers", "Allows limited number of wireless attachments in the communications space", "Feedback obtained from a broad spectrum of industry participants", and "Exhibit 1". At the bottom left is the PWC Fayetteville's HomeTown Utility logo. The slide has a blue border and a yellow square in the bottom right corner.

Wireless Facility Attachment Tariff

- Reduced administrative burden for PWC and wireless attachers
- Allows limited number of wireless attachments in the communications space
- Feedback obtained from a broad spectrum of industry participants
- Exhibit 1

PWC
Fayetteville's
HomeTown Utility

Mr. West stated this proposed tariff will reduce the administrative burden for everyone.

In order to make this work for everyone, PWC circulated this draft to a spectrum of the industry. Mr. Dustin Doty, PWC's Senior Counsel was responsible for creating the wireless attachment tariff. We sent it to a law firm in Washington, DC, which does FCC and municipal utility work around the country to get their prospective. We circulated the proposed tariff to our electric division to ensure the attachments would not


interfere with what they are doing. Our electric division sent it to an industry consultant who does this type of work all over the country to receive their feedback. We also sent the draft tariff to four companies who do a lot of attachments. We received their feedback, and incorporated it.

The Wireless Facility Attachment Tariff creates a set of standardized rates and charges for the attachments. Mr. West detailed all the fees below.

Wireless Facility Attachment Tariff

- The rates and fees in the tariff for which board approval is sought are:

Application Fee (per proposed Attachment for each of the first 5 proposed Attachments in an Application).....	\$100.00
Additional Attachment Fee (per proposed Attachment for each proposed Attachment in an Application in excess of the first 5 proposed Attachments).....	\$50.00
Technical Consulting Fee (assessed per Application).....	\$500.00
Administrative Documentation Fee (assessed per Attachment).....	\$25.00
Annual License Fee (assessed per Attachment).....	\$50.00
Unauthorized Fee Attachment.....	Up to 5X Annual License Fee




Mr. West stated the next set of changes addresses Electric Rate Schedule Modifications, and there are two sets of modifications. The first set relates to Whole Home and Whole Business Rate Schedules.

Electric Rate Schedule Modifications

- Super Off-Peak Hours Expanded for Whole Home and Whole Business Rates

- On-Peak Hours (daily, excluding Saturdays, Sundays and Holidays):
Summer: (April-October) 3:00 PM to 7:00 PM Non-Summer: (November-March) 6:00 AM to 10:00 AM
- Super Off-Peak Hours (daily): (January-December) 9:00 PM to 5:00 AM
- Off-Peak Hours: All hours other than On-Peak Hours and Super Off-Peak Hours.



Mr. West stated as of February 1, 2023 we will put into place some new rate schedules that were adopted in the last electric rate case, and in a re-review of the rate schedules and discussion with members of the public, there was recognition that we wanted to redefine what these periods were, and in particular there was a desire to expand the Super Off-Peak Hours to be applicable to every day of the year from 9pm to 5am. The change is consistent to our revenue projections and by extending the super off-peak hours it will save the residential and small business customers some funds over the long term, if they opt to go onto this rate, as it is optional.

The last set of changes apply to our large power rate schedules. We have two large power rate schedules (coincident peak and owning transmission schedule). Mr. West asked the Commission to clarify the size of the load to which the rate schedule is applicable. He also stated we have experienced some significant changes to the wholesale electric market in this region. Those changes are ongoing, but they indicate that we need to encourage operation by large power customers at high load factors. In order to do that, because we are in between electric rate cases, we needed to do something on an interim basis. We propose to close the existing rate schedules, effective October 14th to new customers; and to grandfather existing customers. If they are on existing rate schedules, they can remain on them if they choose.

Electric Rate Schedule Modifications

- Existing Large Power Service schedules are closed to new customers, applicable load limitations are clarified:

- For Large Power Service-Noncoincident Differential Load:

Applicable . . . where the demand exceeds 1,000 kW . . . but is less than 10,000 kW; provided, however, if PWC determines that the existing configuration of PWC's . . . system necessitates . . . connection of a Customer with a demand of less than 10,000 kW directly from PWC's existing transmission lines . . ., PWC may require the Customer to instead take electric service on the Large Power Service-Noncoincident Differential Load-Owning Transmission rate schedule.



Mr. West stated we will open two new rate schedules for Large Power Service – Noncoincident Differential Load, and Noncoincident Differential Load-Owning Transmission.

Mr. West went on to explain these two new rate schedules.

Electric Rate Schedule Modifications

- New Large Power Service schedules encourage high load factor operations, designed to be revenue neutral at high load factors

- Large Power Service-Noncoincident Differential Load:

CP Demand Charge: \$16.82 per kW

Customer Peak Demand Charge: \$3.97 per kW

Noncoincident Demand Differential Charge: [Customer Peak Demand - (System CP Demand + Allowance)] x CP Demand Charge x Adjustment Factor



Electric Rate Schedule Modifications

- Large Power Service-Noncoincident Differential Load-Owning Transmission:
 - CP Demand Charge: \$16.82 per kW
 - Customer Peak Demand Charge: \$7.71 per kW
 - Noncoincident Demand Differential Charge: [Customer Peak Demand - (System CP Demand + Allowance)] x CP Demand Charge x Adjustment Factor



There being no questions, Chairwoman Garrett thanked Mr. West for the presentation.

Chairwoman Garrett asked Ms. Durant, Clerk to the Board if any members of the public timely submitted written comments to her regarding the rate case? If so, please identify the person submitting the comments and read the comments into the minutes. There were no written comments.

She also asked if any members of the public timely submitted a request to speak in person or virtually? Ms. Durant responded, no one has requested to speak in person or virtually.

The Public Hearing was then closed.

COMMISSION CONSIDERATION OF RECOMMENDED WIRELESS ATTACHMENT TARIFF & ELECTRIC RATE SCHEDULE MODIFICATIONS

Commissioner Evelyn Shaw moved to adopt the proposed wireless facility attachment tariff, including the wireless facility attachment fee schedule, and the application labeled as Appendix 1 or Exhibit 1 to be effective today (October 12, 2022, and we adopt all the proposed electric rate schedule modifications to be effective October 14, 2022, for all Large Power Service Rate Schedules, and to be effective February 1, 2023 for the Whole Home and Whole Business Rate Schedules, all subject to the clarifications set forth in Exhibit 1 provided by the staff presentation this morning. The motion was seconded by Commissioner Donald Porter, and unanimously approved.

GENERAL MANAGER REPORT

GFOA Award

Mr. Noland informed the Commission the GFOA has notified PWC that our Annual Comprehensive Financial Report for Fiscal Year 2021 qualifies for the GFOA certificate of achievement for financial reporting. Mr.

Noland thanked the financial division for their diligent work. Commissioner Shaw echoed the CEO's sentiment.

Tomorrow is PWC Day. We have between 30 and 40 citizens signed up to attend. They will receive an education process. Mr. Noland stated most people who attend are amazed at how much goes on at PWC.

Dogwood Festival is coming this weekend, and PWC will have a bucket truck onsite.

The Annual Drive EV Event is October 29th.

Response to Ian.

Mr. Noland stated we had approximately 300 customers out at one time. We stood up a virtual EOC, and it worked well. We did not have any issues on the water and sewer side. We had about 3 inches of rain. By Friday evening most of the serious work had been completed. We also conducted an after-action review and identified areas we can improve.

Commissioner Shaw asked if we had mutual aid representation. Mr. Rynne replied our assistance was originally requested, but as the storm progressed, we were notified our services were not needed.

Commissioner Garrett stated that when she became a board member, she took a tour of PWC, and though she has lived in this community on and off for 35 years, she is amazed at how much there is to discover about the services PWC provide as well as others.

Commissioner Garrett thanked Mr. Noland for the report on Ian, and for standing up the EOC and the update on power outages in the community. She stated we are built for this, and it is good that we do not have to respond to it. This team has the whole confidence of the community in situations like this. Ike and others lead the way, and a team's excellence is always presented under pressure. She appreciates all the effort that goes into being prepared.

COMMISSIONER/LIAISON COMMENTS

Council Member Deno Hondros

Council Member Hondros introduced Mr. Adam Lindsay to the Commission. Mr. Lindsay is an Assistant City Manager, and will serve as liaison to PWC.

Council Member Hondros congratulated the Commission on the election of officers. He commented on Hurricane Ian, and PWC's response to it.

He will attend the PWC Day tomorrow and he is excited for the experience. Council Member Hondros stated communication tends to solve a lot of problems, and lack of it creates a lot of problems. He likes to go to as many board and citizen meetings as possible, because the more we can understand the other group's mission the better we can help in our capacity.

Council Member Hondros expressed his frustration with the silos in which the governmental agencies operate in. And he challenged all to collaborate more with one another.

Chairwoman Garrett stated she appreciates Council Member Hondros comments. She has been on many boards, and she know processes may be frustrating, but the one thing that will always get us through is relationship.

Commissioner Wade R. Fowler, Jr.

Commissioner Fowler stated that one of the values of having a public utility is we strive to get our customers back online as soon as possible.

Commissioner Donald Porter

Commissioner Porter stated a few weeks ago, he tuned in to a City Council Meeting. He honed into a City Council Meeting. One of our employees was presented an item to the City Council which required their approval. The City Council asked her a question that he believed was not one that she would have the answer to. But Ms. Misty Manning was also in that meeting and offered the answer, and satisfied the Council.

Commissioner Evelyn Shaw

Commissioner Shaw thanked everyone for the support provided to the chair in previous years when she had the privilege of sitting in the chair. She thanked Mr. Noland, and Ms. Durant. She stated she is remarkable in how she can juggle so many balls in the air and support this board.

Commissioner Shaw stated everyone has been tremendous in supporting her during the time she has led the board. She echoed the sentiments that have been expressed toward the utility's electric division for their on the spot readiness for anytime we have inclement weather. She stated she has watched them, and she is always heartened when she sees the PWC trucks rolling. It says to her that we are out there serving our customers. That is important. And like Commissioner Fowler stated it is just another reason for our customers to appreciate the Hometown Utility of the Public Works Commission. She asked Mr. Rynne to thank his staff from her as a customer as well as a board member.

Commissioner Ronna Garrett

Commissioner Garrett expressed to Commissioner Shaw we will always think of you as the chairwoman, as Council Member Hondros stated earlier. She stated, you have led on this board for a long time, and we appreciate all that you and Commissioner Fowler have done. The same with Commissioner Fowler when he rolls off.

She was also talking to Ms. Durant earlier, and thanking her. She has been on many, many boards, and the Clerk can make it happen or make it chaos. She has been in both situations, and Ms. Durant is the ultimate professional and she keeps us all straight, and we appreciate her. She went on to express to Commissioner Shaw that she regrets that our comments are reduced to just a few minutes to talk about her accomplishments and commitment. Commission Garrett stated she strives to be professional but with a personal touch, and with a genuine authentic approach and she believes Commissioner Shaw brings that touch to the Commission.

REPORTS AND INFORMATION

The Commission acknowledges receipt of the following reports and information.

A. Personnel Report – September 2022

B. Career Opportunities

C. Actions by City Council during the meeting of September 26, 2022, related to PWC:

- Approved - Bid Recommendation – Shadow Lawn Aerial Sewer Crossing Replacement
- Approved – Bid Recommendation – Ann Street to Green Street Sanitary Sewer Relocation Project
- Approved – Lease of Suite 303 of R. C. Williams Building

CLOSED SESSION PURSUANT TO NORTH CAROLINA GENERAL STATUTES 143-318.11(A)(6) TO DISCUSS PERSONNEL MATTERS

Commissioner Donald Porter motioned to enter Closed Session pursuant to North Carolina General Statutes 143-318.11(a) (6) to discuss personnel matters. Motion was seconded by Commissioner Evelyn Shaw, and unanimously approved at 9:16 am.

There being no further discussion, upon motion by Commissioner Evelyn Shaw, seconded by Commissioner Donald Porter, the Commission returned to open session at 10:44 am.

ADJOURNMENT

There being no further discussion, upon motion by Commissioner Donald Porter, seconded by Commissioner Evelyn Shaw, the Commission adjourned at 10:44 a.m.