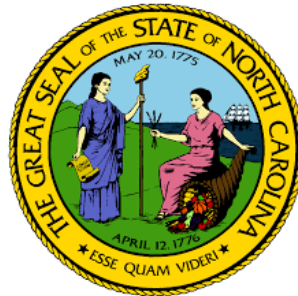


North Carolina Utilities Commission Public Staff

**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 proceedings
 - Not the public at-large
 - Economic regulator and advocate
- Seventy-eight staff members organized into nine divisions
 - Electric, Natural Gas, Water/Sewer/Communications, Transportation
 - Accounting
 - Legal
 - Economic research
 - Executive
 - Consumer Services (complaint analysts)

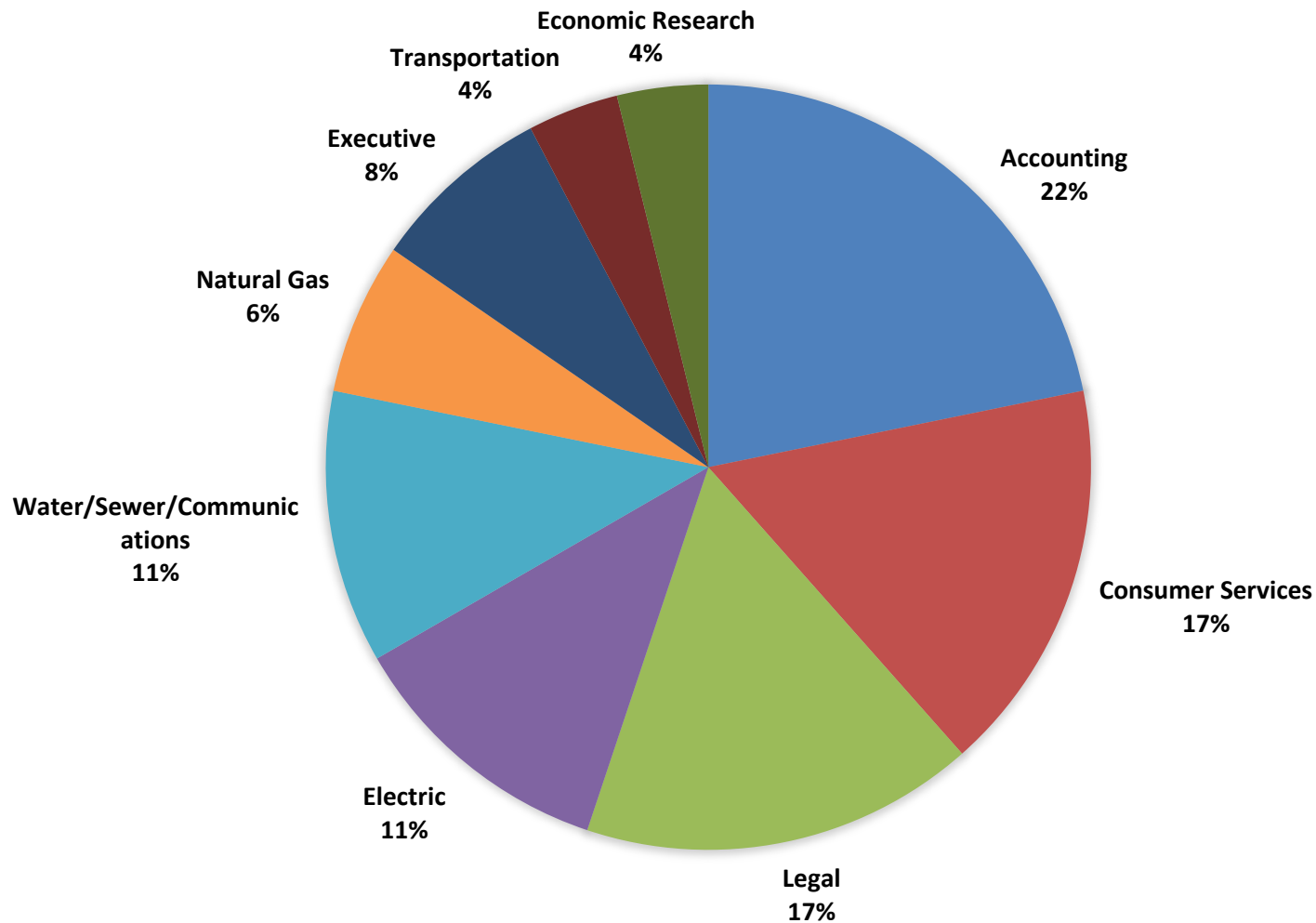
Key Functions

- Present testimony and recommendations to NCUC on behalf of utility customers
- Investigate customer complaints
- Audit public utilities in NCUC proceedings
- Assist legislative staff and legislators regarding proposed legislation and constituent service
- Work with other State agencies (e.g., DEQ), counties and municipalities on regulated utility matters
- Undertake studies and investigations as requested by NCUC

Differences Between NCUC and Public Staff

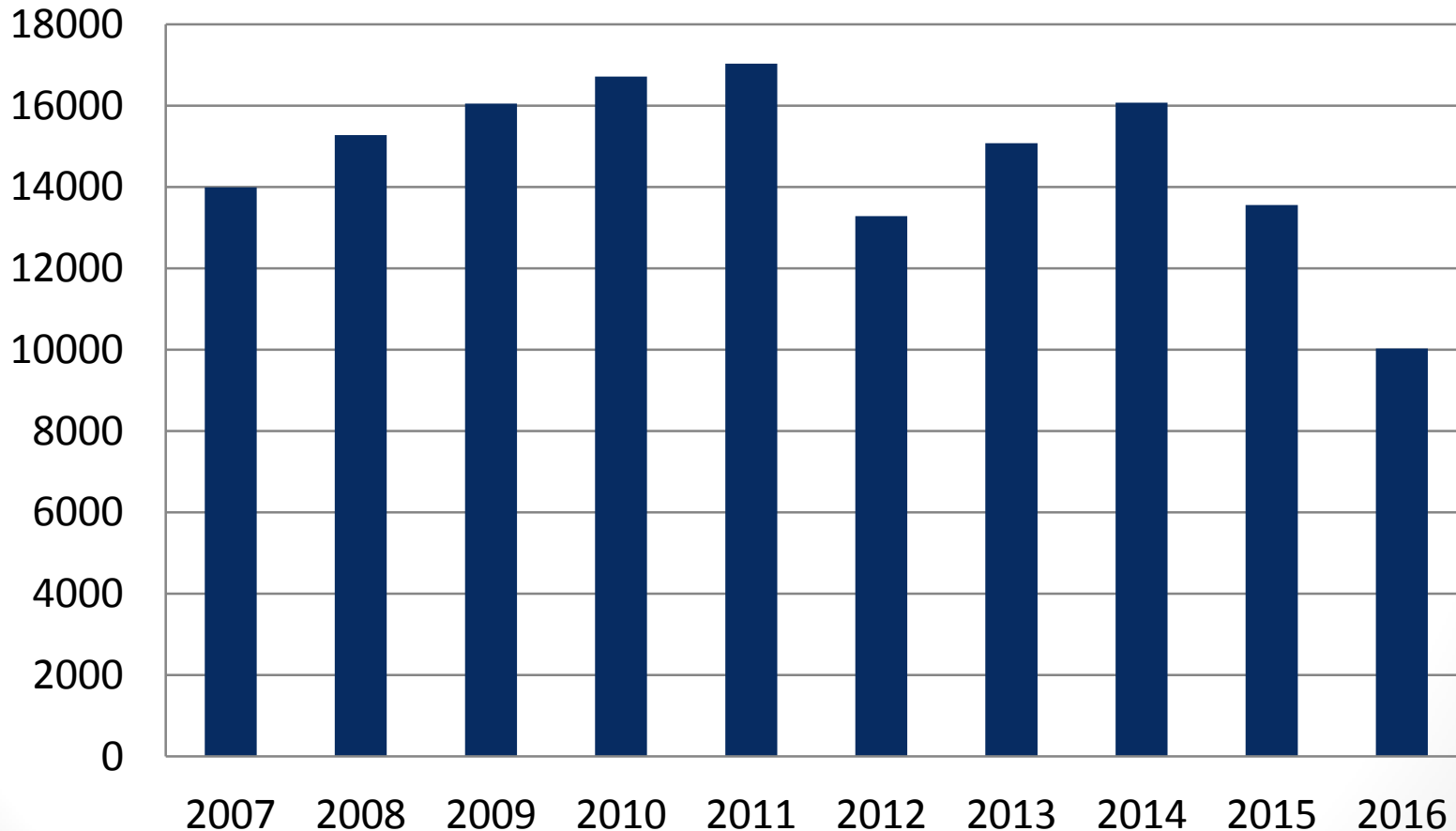
- Independent agencies
 - Separate staffs, leadership and budgets
- NCUC does not direct or oversee the Public Staff's operations
- Public Staff appears as a party before the NCUC
 - Public Staff may appeal decisions to appellate courts
 - Public Staff subject to ex parte rules and cannot independently 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

Staff Organization



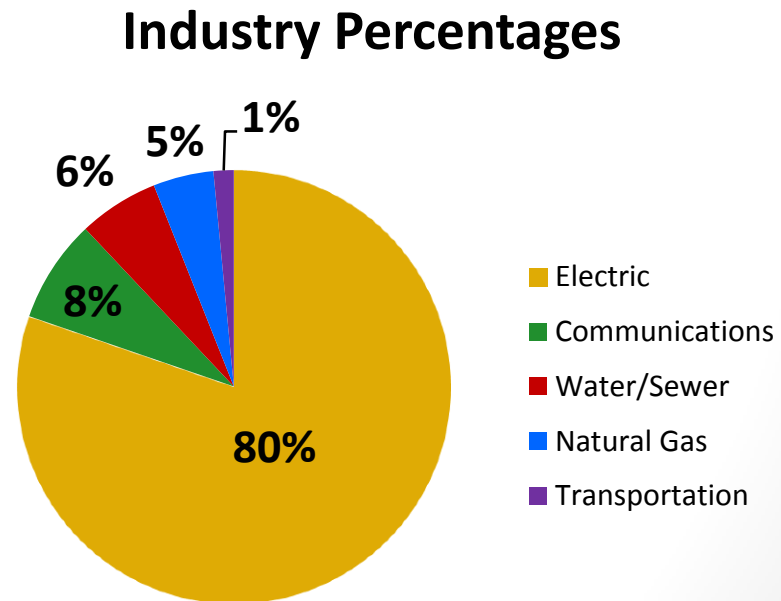
Complaint Investigation

Annual Complaints Received



Complaint Investigation

- Complaints by industry in 2016
 - Electric – 7,717
 - Duke Energy Carolinas – 4,629
 - Duke Energy Progress – 2,805
 - Dominion NC Power – 227
 - Communications – 741
 - Natural Gas – 434
 - Water/Sewer – 577
 - Transportation – 145



Public Staff Role in NCUC Cases

- Public Staff investigates filings made by utilities and other parties with the NCUC
 - Interviews, site visits and document requests
 - Review engineering and operational documentation
 - Audit financial records
 - Review financial data and underlying assumptions
- Presentation of Public Staff case
 - Testimony and exhibits presenting the Public Staff position
 - Analysis of utility and intervener positions
 - Cross examine utility and intervener witnesses
- Monitor utility compliance with NCUC orders going forward
- Other responsibilities as assigned by NCUC

2016 Major Proceedings

- Dominion North Carolina Power general rate case
- Public Service North Carolina general rate case
- Duke Energy/Piedmont Natural Gas merger
- Electric utility rider proceedings:
 - Fuel cost
 - Renewable energy/energy efficiency (REPS)
 - Demand side management/energy efficiency (DSM/EE)
 - NCEMPA acquisition rider
- Integrated resource planning
- DEC's Western Modernization Project
- Renewable Energy Portfolio Standard compliance
- Gas Integrity Management Rider adjustments
- Water and Sewer System Improvement Charge adjustments

Consumer Advocate Perspective

- Focus on safe, reliable service at reasonable rates
- Rates should be based on the cost of service
 - How much does it cost to provide safe, reliable service?
 - Least cost means for providing service
- Expenditure decisions should be both reasonable and prudent
 - Was the decision to incur the cost prudent?
 - Was the amount reasonable?
- Risks should be fairly allocated between customers and utility shareholders

Contact Information

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