**BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

**COLUMBIA, SOUTH CAROLINA**

**CM #19-22** **July 31, 2019** **2:03 ~ 2:26 P.M.**

**COMMISSION MEMBERS PRESENT**: Comer H. 'Randy' RANDALL, *Chairman*; Justin T. WILLIAMS, *Vice Chairman*; and COMMISSIONERS John E. 'Butch' HOWARD, Florence P. BELSER, Swain E. WHITFIELD, and Thomas J. 'Tom' ERVIN

**COMMISSION MEMBERS ABSENT:** Commissioner G. O'Neal HAMILTON

ADVISOR TO COMMISSION: Joseph Melchers
GENERAL COUNSEL

PRESENTING AGENDA: Josh Minges, Esq.
LEGAL ADVISORY STAFF

**STAFF PRESENT:** Jocelyn Boyd, Chief Clerk/Executive Director; B. Randall Dong, Esq., and Jerisha Dukes, Esq., Legal Advisory Staff; Douglas K. Pratt, Norman Scarborough, and John Powers, Technical Advisory Staff; Janice Schmieding, Clerk's Staff; Randy Erskine, Information Technology Staff; Melissa Purvis, Livestream Technician; and Jo Elizabeth M. Wheat, CVR-CM/M-GNSC, Court Reporter.

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P R O C E E D I N G S

**CHAIRMAN RANDALL**: Please be seated. Good afternoon and welcome to this afternoon's business meeting. Before we begin, we'd like to ask everyone to please bow for a moment of silent meditation.

[Brief pause]

Amen. Thank you.

Mr. Minges.

**MR. MINGES**: Good afternoon, Mr. Chairman and Commissioners. Our next business meeting is scheduled for Wednesday, August 7, 2019, at 2 o'clock.

**CHAIRMAN RANDALL**: Thank you. That's good.

**MR. MINGES**: On our Utilities Agenda, Item 1, Docket No. 2018-180-C, the Application of Consolidated Telecom, Incorporated.

**COMMISSIONER BELSER**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Belser.

**COMMISSIONER BELSER**: I move that the Commission grant the Application of Consolidated Telecom, Incorporated, for a Certificate of Public Convenience and Necessity to provide resold interexchange telecommunications services in the State of South Carolina, and for alternative regulation. I do note that the Applicant has acknowledged and agreed to post a bond — and I'm sure this will be specified in the written order that, should they wish to provide prepaid services, they acknowledge the bond.

That's my motion.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Belser's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Item two, Docket No. 2019-255-C, we have the appointment of a hearing examiner.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Williams.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman, I move that we appoint Randall Dong as Hearing Examiner in Docket No. 2019-255-C. So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Williams' motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

And the motion carries.

**MR. MINGES**: Item 3, Docket No. 2014-363-C, we're going to carry this item over.

Item 4, Docket No. 2019-200-WS, Palmetto State Utility Services is seeking authority to issue and sell securities and distribute dividends.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Williams.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman,

Palmetto State Utility Services, Incorporated, has submitted a verified Application requesting the authority to sell up to $17 million of common stock or to borrow up to $17 million from its parent company, American States Utility Services, Incorporated, or any combination thereof up to a total of $17 million, pursuant to South Carolina Code 103-506 and 103-706. Proceeds of the sale or the loan shall be used to fund the operations, maintenance, and capital improvements of the water distribution and wastewater systems at Fort Jackson.

Palmetto State Utility Services requests the ability to issue dividends to its parent, American States Utility Services, when Palmetto State Utility Services earns the funds in excess of its capital needs.

The Office of Regulatory Staff does not oppose the company's Application.

Mr. Chairman, I move that we allow the company to fulfill its contractual obligation to the federal government by approving their request under the terms set forth in their Application.

So moved, Mr. Chairman.

**CHAIRMAN RANDALL:** Thank you.

You've heard Commissioner Williams' motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS:** Aye.

**CHAIRMAN RANDALL:** All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Items 5 and 6 are requests by Blue Granite Water Company to withdraw its Application and Amended Application in Docket Nos. 2018-361-S and 2018-358-S, respectively.

**COMMISSIONER HOWARD**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Howard.

**COMMISSIONER HOWARD**: Mr. Chairman, I move we grant Blue Granite Water Company's request to withdraw the Amended Application, without prejudice, and instruct Staff to close the docket and cancel the scheduled night hearing. I note that ORS does not oppose the request, but reserves the right to contest the company's costs incurred as a result of Commission Docket Nos. 2018-358-WS and 2018-361-S. So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

[Brief pause]

**COMMISSIONER HOWARD**: Is there any question, Mr. Chairman?

**MR. MELCHERS**: May I ask it?

**CHAIRMAN RANDALL**: Yeah.

**MR. MELCHERS**: Commissioner, you were intending to move in regard to both the request in No. 5 and No. 6; is that correct?

**COMMISSIONER HOWARD**: Right.

**MR. MELCHERS**: So, that motion would apply to the Application in Utilities Item 5 and the Amended Application in Utilities Item 6.

**VICE CHAIRMAN WILLIAMS**: Yeah.

**MR. MELCHERS**: Okay, thank you.

**CHAIRMAN RANDALL**: Thank you. Thank you.

**COMMISSIONER BELSER**: Mr. Chairman?

**CHAIRMAN RANDALL**: Yes, Commissioner Belser.

**COMMISSIONER BELSER**: I had previously recused myself in both of these dockets, and ask that the record reflect my recusal and that I'm not voting on these.

**CHAIRMAN RANDALL**: So noted. We'll do that.

So, any other questions for Commissioner Howard on the withdrawing of the Application and Amended Application?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**[except Comm'r Belser]: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

[Please note: Commissioner Belser cast no vote in these matters/Items]

The motions carry. Thank you.

**MR. MINGES**: Item 7, Docket No. 2019-250-E, we have a contract for electric service between Dominion Energy and Domino's Pizza, LLC, along with a request for confidential treatment of certain portions of the contract.

**COMMISSIONER BELSER**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Belser.

**COMMISSIONER BELSER**: I move that the Commission approve the Contract for Electric Service between Dominion Energy South Carolina, Incorporated, and Domino's Pizza, LLC, and also that we grant the request for confidential treatment of certain provisions of the contract. The company maintains that certain provisions of

the contract are commercially sensitive and proprietary in nature and, because of the competitive nature of the industry in which Domino's Pizza operates, they have requested confidential treatment. And that is my motion. Thank you.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Belser's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. That wasn't a very enthusiastic vote for pizza. I'd like to get a little more enthusiasm here on these votes.

**COMMISSIONER HOWARD**: Obviously.

**MR. MINGES**: Item 8, Docket No. 2019-184-E, 2019-185-E, and 2019-186-E, we have petitions to intervene by South Carolina Coastal Conservation League and Southern Alliance for Clean Energy.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Williams.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman, I move that we grant the Petition to Intervene filed on behalf of South Carolina Coastal Conservation League and Southern Alliance for Clean Energy. So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Williams' motion. Questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Item 9, Docket No. 2018-318-E, the Office of Regulatory Staff is requesting clarification of CertainTEED costs.

**COMMISSIONER WHITFIELD**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Whitfield.

**COMMISSIONER WHITFIELD**: Mr. Chairman, on June 27, 2019, the Office of Regulatory Staff filed a letter seeking clarification about the Commission's ruling upon reconsideration or rehearing of Order No. 2019-341. Specifically, there's a question as to whether the Commission intended to allow recovery of the ongoing payment obligation as provided for in Adjustment #38.

I will provide clarification on this point at this time: Mr. Chairman, the Commission ruled that, quote, "The CertainTEED litigation cost adjustment of $830,000 should be recoverable," end of quote. This is the result of what is, in my view, the result of a reasonable and prudent strategic decision that led to approximately $50 million in ratepayer benefits. The costs to satisfy obligations under this arrangement are reasonably recovered.

So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Whitfield's motion.

Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Item 10, Docket Nos. 2019-184-E, 2019-185-E, and 2019-186-E, the Office of Regulatory Staff requests the names of third-party consultants hired by the Commission pursuant to Section 58-41-20, and requests that they be published.

**COMMISSIONER ERVIN**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Ervin.

**COMMISSIONER ERVIN**: The South Carolina Energy Freedom Act, found at South Carolina Code Section 58-41-20(I), authorizes the Commission to employ third-party consultants and experts in carrying out its duties under this statute, including, but not limited to, evaluating avoided-cost rates, methodologies, terms, calculations, and conditions under that section. Through this statute, the Commission's consultant is subject to the same ex parte prohibitions contained in Chapter 3, Title 58, as to all other parties. In keeping with those requirements, the Office of Regulatory Staff has requested that the Commission publish the names of any third-party consultants that the Commission has hired, so that ORS and other participating parties have notice of the consultants' identities.

I move that we grant ORS's request and provide

public notice, through this action, that, pursuant to South Carolina Code Section 58-41-20(I), the Commission is employing Pegasus Global Holdings, Incorporated, and that background materials regarding Pegasus will be posted on the South Carolina Public Service Commission website.

So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Ervin's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Item 11, Docket No. 2019-4-G, this Item concerns Piedmont Natural Gas Company's annual review of purchased gas adjustments and gas purchasing policies.

**COMMISSIONER ERVIN**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Ervin.

**COMMISSIONER ERVIN**: I move that we find that Piedmont Natural Gas's purchasing policies and practices during the review period in question were reasonable and prudent. The company properly adhered to the gas cost recovery provisions of its gas tariff and Commission orders. It managed its hedging program in a reasonable and prudent manner consistent with the Commission's orders, rules, and regulations. The end-of-period balances for Piedmont's hedging account and deferred gas cost

account are reflected in the testimony presented to this Commission by Witness Tomlinson.

Therefore, I move that we adopt, generally, the Joint Proposed Order filed by South Carolina Regulatory Staff and Piedmont Natural Gas Company, Incorporated.

So moved.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Ervin's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries.

**MR. MINGES**: Item 12, Docket No. 2019-223-W, we'll carry this Item over.

Item 13, Docket No. 2019-258-C, we have the appointment of a hearing examiner.

**COMMISSIONER WHITFIELD**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Whitfield.

**COMMISSIONER WHITFIELD**: Mr. Chairman, I move that we appoint Josh Minges as Hearing Examiner in Docket No. 2019-258-C. So moved.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Whitfield's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries.

**MR. MINGES**: Mr. Chairman, that concludes our Utilities Agenda.

Turning to the Transportation Agenda, Items 1 through 4 are new applications that can be taken together. Item 1, 2019-251-T, is Linq Tours, LLC; Item 2, Docket 2019-252-T, is Haley Whisonant; Item 3, Docket 2019-254-T, is Owl, Incorporated; Item 4, Docket 2019-256-T, Erskine J. Carter, d/b/a Carter Transit.

**COMMISSIONER HOWARD**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Howard.

**COMMISSIONER HOWARD**: Mr. Chairman, I move we grant the new Applications in Items 1 through 4, as identified by Mr. Minges. So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Howard's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

And the motion carries.

**MR. MINGES**: Item 5, Docket 2018-229-T, we have a request for suspension.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Williams.

**VICE CHAIRMAN WILLIAMS**: I move we grant the request of Accel Moving & Storage, LLC, to suspend their Class E (Household Goods) Certificate

No. 9855 until July 15, 2020. I further move that, by operation of this ruling, this docket will be closed without further action of the Commission if a request to end the suspension is not received prior to July 15, 2020. If the company is unable to restart operations by that date, but later wants to do so, it must file a new application. So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Williams' motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

And the motion carries.

**MR. MINGES**: Mr. Chairman, Items 6 and 7 are requests for extensions that can be taken together. Item 6, Docket 2019-115-T, is the Application – the request of People Movers, LLC, and Item 7, Docket No. 2019-118-T, is the request of People Movers, LLC, with a Class C (Stretcher Van).

**COMMISSIONER ERVIN**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Ervin.

**COMMISSIONER ERVIN**: I move that we grant People Movers, LLC's requests for extensions of time, until December 31, 2019, to comply with Commission Rules and Regulations.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Ervin's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Item 8, Docket No. 2019-73-T, we have a request for an extension of time.

**COMMISSIONER WHITFIELD**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Whitfield.

**COMMISSIONER WHITFIELD**: Mr. Chairman, MVP Asset Group, LLC, is requesting a 45-day extension of time to complete its certification process, where certification was granted by Order No. 2019-133 on March 13, 2019. However, by the terms of that Order, if the Applicant fails to complete the certification process within 90 days without seeking an extension during that period, the Order granting the Application becomes null and void, and the Application is automatically dismissed.

Since MVP Asset Group is well outside of the 90-day compliance window referenced in Order No. 2019-133, which ended on or about June 13th, the Order granting the Application is now void and the Application has been automatically dismissed by operation of Order No. 2019-133. Therefore, the carrier must refile its Application.

So moved.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Whitfield's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Item 9, Docket No. 2019-77-T, we have a request for an extension of time.

**COMMISSIONER BELSER**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Belser.

**COMMISSIONER BELSER**: I move that the Commission grant the request of Lauren Creech, doing business as Ready Ride Transportation, for an extension of time, until August 8, 2019, to comply with the Commission's Rules and Regulations.

**CHAIRMAN RANDALL**: Okay, thank you.

You've heard Commissioner Belser's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

The motion carries. Thank you.

**MR. MINGES**: Item 10, Docket No. 2019-123-T, we have a request for an extension of time.

**COMMISSIONER HOWARD**: Mr. Chairman.

**CHAIRMAN RANDALL**: Commissioner Howard.

**COMMISSIONER HOWARD**: Mr. Chairman, I move we grant the request of AprilTtransportation, LLC, for an extension of time, until January 31, 2020, to comply with the Commission's Rules and Regulations. So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Howard's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

And the motion carries. Thank you.

**MR. MINGES**: Item 11, Docket Nos. 2018-121-T and 2019-96-T, we have a request for reinstatement.

**COMMISSIONER ERVIN**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Ervin.

**COMMISSIONER ERVIN**: I move that we grant the request of PGF, LLC, doing business as The Total Car Service, for reinstatement of Class C (Charter) Certificate No. 9349, subject to compliance with all applicable Commission Rules and Regulations. So moved.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Ervin's motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

Motion carries.

**MR. MINGES**: Item 12, Docket No. 2016-284-T, we have a request to cancel.

**VICE CHAIRMAN WILLIAMS**: Mr. Chairman?

**CHAIRMAN RANDALL**: Commissioner Williams.

**VICE CHAIRMAN WILLIAMS**: I move that we grant the request of Alan H. Van Heusen, doing business as Private Car Service, to Cancel Class C (Charter) Certificate No. 9185. So moved, Mr. Chairman.

**CHAIRMAN RANDALL**: Thank you.

You've heard Commissioner Williams' motion. Are there questions or comments?

[No response]

If not, all in favor, please say "aye"?

**COMMISSIONERS**: Aye.

**CHAIRMAN RANDALL**: All opposed, "no"?

[No response]

And the motion carries. Thank you.

**MR. MINGES**: Mr. Chairman, other than being hungry for pizza, that concludes today's agenda.

**CHAIRMAN RANDALL**: And I thank you, very much. If there's nothing else, we are adjourned.

**COMMISSIONER WHITFIELD**: Mr. Chairman.

**CHAIRMAN RANDALL**: Yes, sir.

**COMMISSIONER WHITFIELD**: I just want to ask Mr. Minges right quick – I hate to put you on the spot, Mr. Minges – the one we carried over on the Utilities Agenda, Item 12, I know that was ORS' request. Do you have any info or anything in your notes as to when that might come back up?

**MR. MINGES**: [Indicating.]

**MR. MELCHERS**: Commissioner?

**CHAIRMAN RANDALL**: Mr. Melchers.

**MR. MELCHERS**: ORS communicated to us that they have outstanding discovery in that case. They did not indicate when that discovery would be reviewed and resolved.

**COMMISSIONER WHITFIELD**: Okay, thank you. Thank you, Mr. Melchers.

**CHAIRMAN RANDALL**: Anything else to come before us?

[No response]

Then, if not, we are adjourned.

[WHEREUPON, at 2:26 p.m., the proceedings in the above-entitled matter were adjourned.]

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*Date:* 8/2/19 .

*Jo Elizabeth M. Wheat, CVR-CM/M-GNSC*
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