

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
JULY 30, 2018**

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

E. WATER

P1. DOCKET NO. W-175, SUB 14 – OVERHILLS WATER COMPANY, INC. – REQUEST FOR TARIFF REVISION

EXPLANATION: On June 12, 2018, Overhills Water Company, Inc. (Overhills), filed a petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its approximately 291 residential customers in Overhills Park Subdivision and its bulk water utility customer, Carolina Sands Mobile Home Park, in Cumberland County, North Carolina, the increase in cost of purchasing water from the Town of Spring Lake (Town). On July 23, 2018, Overhills filed the petition verification.

Effective August 1, 2018, the Town will increase its bulk water usage rate to Overhills by \$0.15 per 1,000 gallons.

Overhills' current rates have been in effect since January 1, 2017, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket Nos. W-175, Sub 13 and M-100, Sub 138.

The Public Staff has reviewed Overhills' request and recommends that Overhills be allowed to increase its rates as shown below:

	<u>Present</u>	<u>Recommended</u>
<u>Metered Residential Water Utility Service:</u>		
Base Charge, zero usage	\$ 23.15	\$ 23.15
Usage Charge, per 1,000 gallons	\$ 3.13	\$ 3.28
<u>Bulk Water Utility Service to Carolina Sands MHP:</u>		
Base Charge, zero usage	\$ 647.40	\$ 647.40
Usage Charge, per 1,000 gallons	\$ 3.13	\$ 3.28

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$0.97, from \$43.50 to \$44.47 based upon 6,500 gallons usage. Overhills has agreed with the Public Staff's recommendation.

EXHIBIT: A proposed order is attached as Exhibit No. P- 1.

RECOMMENDATION: (Furr/Henry/Little) That the Commission issue the proposed order approving the tariff revision at the rates recommended by the Public Staff.

P2. DOCKET NO. W-1021, SUB 14 – WATERCREST ESTATES – REQUEST FOR TARIFF REVISION

EXPLANATION: On June 27, 2018, Watercrest Estates (Watercrest) filed a verified petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its customers in Watercrest Estates Mobile Home Park in Iredell County, North Carolina, the increases in costs of purchasing water and sewer services from the City of Statesville (City).

Effective July 1, 2018, the City increased its rates to Watercrest from \$7.55 per 1,000 gallons to \$7.79 per 1,000 gallons for water usage and from \$12.43 per 1,000 gallons to \$12.87 per 1,000 gallons for sewer usage. The City increased the base charge from \$19.13 to \$19.70 for water service and from \$28.25 to \$29.25 for sewer service.

Watercrest's current rates have been in effect since July 10, 2017, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-1021, Sub 13.

The Public Staff has reviewed Watercrest's request and recommends that Watercrest be allowed to increase its rates as shown below:

<u>Metered Water Rates:</u>	<u>Present</u>	<u>Recommended</u>
Base Charge, zero usage	\$ 3.44	\$ 3.45
Usage Charge, per 1,000 gallons	\$ 8.17	\$ 8.41

<u>Metered Sewer Rates:</u>		
Base Charge, zero usage	\$ 3.37	\$ 3.38
Usage Charge, per 1,000 gallons	\$13.28	\$13.72

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$1.92, from \$66.87 to \$68.79 based upon 2,800 gallons usage. Watercrest has agreed with the Public Staff's recommendation.

EXHIBIT: A proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (Furr/Henry/Little) That the Commission issue the proposed order approving the tariff revision at the rates recommended by the Public Staff.

P3. DOCKET NO. W-1166, SUB 18 – MECO UTILITIES, INC. – REQUEST FOR TARIFF REVISION

EXPLANATION: On July 3, 2018, MECO Utilities, Inc. (MECO), filed a petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its approximately 266 customers in Mobile Estates Mobile Home Park in Wake County, North Carolina, the increases in costs of purchasing water and sewer services from the Town of Cary (Town). On July 20, 2018, MECO filed a revised verified petition.

Effective July 1, 2018, the Town increased its rates to MECO from \$5.26 per 1,000 gallons to \$5.42 per 1,000 gallons for water usage and from \$10.04 per 1,000 gallons to \$10.34 per 1,000 gallons for sewer usage. The Town also increased the monthly base charge from \$136.93 to \$141.04 for water service and from \$136.93 to \$141.04 for sewer service.

MECO's current rates have been in effect since May 4, 2018, when they were approved by the Commission in its Order Granting Partial Rate Increase and Requiring Customer Notice issued in Docket No. W-1166, Sub 17.

The Public Staff has reviewed MECO's request and recommends that MECO be allowed to implement its proposed rates as shown below:

<u>Monthly Metered Water Rates:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$14.03	\$14.05
Usage Charge, per 1,000 gallons	\$ 6.72	\$ 6.88

<u>Monthly Metered Sewer Rates:</u>		
Base Charge, zero usage	\$10.42	\$10.44
Usage Charge, per 1,000 gallons	\$12.69	\$12.99

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$1.74, from \$96.27 to \$98.01 based upon 3,700 gallons of usage.

EXHIBIT: A proposed order is attached as Exhibit No. P-3.

RECOMMENDATION: (Furr/Henry/Little) That the Commission issue the proposed order approving the tariff revision at the proposed rates.

P4. DOCKET NO. W-1240, SUB 15 – CHATHAM UTILITIES, INC. – REQUEST FOR TARIFF REVISION

EXPLANATION: On July 3, 2018, Chatham Utilities, Inc. (Chatham), filed a petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its approximately 144 customers in Chatham Estates Manufactured Housing Community in Wake County, North Carolina, the increases in costs of purchasing water and sewer services from the Town of Cary (Town). On July 20, 2018, Chatham filed a revised verified petition.

Effective July 1, 2018, the Town increased its rates to Chatham from \$5.26 per 1,000 gallons to \$5.42 per 1,000 gallons for water usage and from \$10.04 per 1,000 gallons to \$10.34 per 1,000 gallons for sewer usage. The Town also increased the monthly base charge from \$110.93 to \$114.26 for water service and from \$110.93 to \$114.26 for sewer service.

Chatham's current rates have been in effect since August 21, 2017, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-1240, Sub 14.

The Public Staff has reviewed the Chatham's request and recommends that Chatham be allowed to implement its proposed rates as shown below:

<u>Monthly Metered Water Rates:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$13.52	\$13.54
Usage Charge, per 1,000 gallons	\$ 6.57	\$ 6.73

<u>Monthly Metered Sewer Rates:</u>		
Base Charge, zero usage	\$ 9.82	\$ 9.84
Usage Charge, per 1,000 gallons	\$ 9.98	\$10.28

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$1.60, from \$79.61 to \$81.21 based upon 3,400 gallons of usage.

EXHIBIT: A proposed order is attached as Exhibit No. P-4.

RECOMMENDATION: (Furr/Henry/Little) That the Commission issue the proposed order approving the tariff revision at the proposed rates.

P5. DOCKET NO. W-1300, SUB 15 – OLD NORTH STATE WATER COMPANY, LLC
– APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY

EXPLANATION: On October 27, 2017, Old North State Water Company, LLC (Old North State), filed an application seeking a certificate of public convenience and necessity to provide wastewater utility service in Stateside Subdivision in Onslow County, North Carolina, and approval of rates. Old North State proposes to charge a monthly flat rate of \$45.00 per single family residential equivalent (SFRE). Old North State expects eventually to serve 201 wastewater customers in the first phase and eventually 400 wastewater customers at buildout in Stateside Subdivision consisting of Bennett Place, Roanoke Bay, and Somerset Place. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality (NCDEQ), Division of Water Resources (DWR), Water Quality Permitting Section, has issued permit number WQ0035809, dated March 1, 2017, for the construction of the Stateside Wastewater Treatment Plant (Stateside WWTP). NCDEQ, DWR, Water Quality Permitting Section, has issued permit number WQ0038128, dated May 11, 2017, for the construction and operation of the Stateside Subdivision wastewater collection system.

Old North State has entered into an Agreement dated August 10, 2015 (Developer Agreement), with A. Sydes Construction, Inc., (Developer), under which Developer is installing the wastewater collection system and effluent infiltration ponds.

Old North State is requesting a connection fee of \$3,500 per SFRE for wastewater service, to be paid by the builder or person first requesting service to a particular lot. The Developer Agreement provides for Old North State to design and construct at its cost the WWTP at the approximate cost of \$1.6 million. The first 300 SFREs will pay connection fees being contributions in aid of construction totaling \$1,050,000. The Public Staff in future general rate cases will evaluate whether to recommend an excess plant rate base adjustment for the Stateside WWTP. Old North State is purchasing the wastewater system for \$3,500 per SFRE from Developer, payable quarterly based upon the number of connections installed during the previous quarter. The purchase price payments shall begin with the 301st connection to the wastewater collection system.

Old North State presently holds water franchises serving approximately 406 customers and wastewater franchises serving approximately 2,643 customers in North Carolina. Old North State's record of service is satisfactory.

Old North State has filed all exhibits required with the application.

The Public Staff is of the opinion that Old North State has the technical, managerial, and financial capacity to provide wastewater utility service in this franchise location and recommends that the certificate of public convenience and necessity be issued. The Public Staff further recommends that the Commission require posting of a \$10,000 bond

for the franchise in Stateside Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission, which includes \$160,000 of unassigned funds, from which \$10,000 may be assigned to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-5.

RECOMMENDATION: (Darden/Feasel/Grantmyre) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

P6. DOCKET NO. W-1300, SUB 44 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

EXPLANATION: On November 13, 2017, Old North State Water Company, LLC (Old North State), filed an application seeking a certificate of public convenience and necessity to provide water utility service in Mendenhall Subdivision in Wake County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates. Old North State expects eventually to serve 49 water customers in Mendenhall Subdivision. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Mendenhall Subdivision. The plans are approved under serial number 17-00326, dated July 26, 2017.

Old North State has entered into a Water Agreement with Goetze Development Corporation and Cornerstone Realty Ventures, LLC, (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is requesting a connection fee of \$500 per single-family residential equivalent unit (SFRE). Old North State is purchasing the water system for \$1,000 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

Old North State presently holds water franchises serving approximately 406 customers and wastewater franchises serving approximately 2,643 customers in North Carolina. Old North State's record of service is satisfactory.

Old North State has filed all exhibits required with the application.

The Public Staff is of the opinion that Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the certificate of public convenience and necessity be issued. The Public Staff recommends approval of the meter installation fee of \$70 and of the connection fee of \$500 per SFRE. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Mendenhall Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission, which includes \$160,000 of unassigned funds, from which \$10,000 may be assigned to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-6.

RECOMMENDATION: (Darden/Feasel/Grantmyre) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

P7. DOCKET NO. W-1300, SUB 45 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

EXPLANATION: On February 27, 2018, Old North State Water Company, LLC (Old North State), filed an application seeking a certificate of public convenience and necessity to provide water utility service in Stonewood Manor Subdivision in Wake County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates. Old North State expects eventually to serve 51 water customers in Stonewood Manor Subdivision. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Stonewood Manor Subdivision. The plans are approved under serial number 17-00670, dated August 18, 2017.

Old North State has entered into a Water Utility Agreement with Greenfield Communities – Stonewood, LLC, (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is not requesting a connection fee. Old North State is purchasing the water system for \$500 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

Old North State presently holds water franchises serving approximately 406 customers and wastewater franchises serving approximately 2,643 customers in North Carolina. Old North State's record of service is satisfactory.

Old North State has filed all exhibits required with the application.

The Public Staff is of the opinion that Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the certificate of public convenience and necessity be issued. The Public Staff recommends approval of the meter installation fee of \$70. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Stonewood Manor Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission, which includes \$160,000 of unassigned funds, from which \$10,000 may be assigned to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-7.

RECOMMENDATION: (Darden/Feasel/Grantmyre) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-175, SUB 14

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Overhills Water Company, Inc.,)	ORDER APPROVING
P.O. Box 766, Spring Lake, North Carolina)	TARIFF REVISION
28390, for Authority to Amend Its Tariff to)	AND REQUIRING
Increase Rates for Water Utility Service for the)	CUSTOMER NOTICE
Increased Cost of Purchased Water from the)	
Town of Spring Lake)	

BY THE COMMISSION: On June 12, 2018, Overhills Water Company, Inc. (Overhills), filed a petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its approximately 291 residential customers in Overhills Park Subdivision and its bulk water utility customer, Carolina Sands Mobile Home Park, in Cumberland County, North Carolina, the increase in cost of purchasing water from the Town of Spring Lake (Town). On July 23, 2018, Overhills filed the petition verification.

Effective August 1, 2018, the Town will increase its bulk water usage rate to Overhills by \$0.15 per 1,000 gallons.

Overhills' current rates have been in effect since January 1, 2017, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket Nos. W-175, Sub 13 and M-100, Sub 138.

The Public Staff presented this matter at the Commission's Regular Staff Conference on July 30, 2018. The Public Staff stated that it has reviewed Overhills' request and recommended that Overhills be allowed to increase its rates as shown below:

	<u>Present</u>	<u>Recommended</u>
<u>Metered Residential Water Utility Service:</u>		
Base Charge, zero usage	\$ 23.15	\$ 23.15
Usage Charge, per 1,000 gallons	\$ 3.13	\$ 3.28

Bulk Water Utility Service to Carolina Sands MHP:

Base Charge, zero usage	\$ 647.40	\$ 647.40
Usage Charge, per 1,000 gallons	\$ 3.13	\$ 3.28

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$0.97, from \$43.50 to \$44.47 based upon 6,500 gallons usage. The Public Staff stated that Overhills has agreed with the Public Staff's recommendation.

Based upon the foregoing, the Commission finds that Overhills should be allowed to pass through the costs associated with the increased purchased water and sewer expense.

IT IS, THEREFORE, ORDERED as follows:

1. That Overhills Water Company, Inc., is granted a tariff revision as set forth herein.
2. That the Schedule of Rates, attached hereto as Appendix A, is approved and is deemed filed with the Commission pursuant to G.S. 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order.
3. That a copy of this Order, including Appendix A, shall be mailed with sufficient postage or hand delivered by the Applicant to all its customers in Overhills Park Subdivision contemporaneously with the next billing of customers.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

OVERHILLS WATER COMPANY, INC.

for providing water utility service in

OVERHILLS PARK SUBDIVISION

Cumberland County, North Carolina

Metered Residential Water Utility Service:

Base Charge, zero usage	\$ 23.15
Usage Charge, per 1,000 gallons	\$ 3.28

Bulk Water Utility Service to Carolina Sands MHP:

Base Charge, zero usage	\$647.40
Usage Charge, per 1,000 gallons	\$ 3.28

Connection Charge: \$150.00 per tap

Reconnection Charge:

If water service cut off by utility for good cause	\$ 14.35
If water service discontinued at customer's request	\$ 14.35

New Account Fee: \$ 1.92

Returned Check Charge: \$ 14.35

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

EXHIBIT NO. P-1
PAGE 4 OF 4

APPENDIX A
PAGE 2 OF 2

Finance Charges for Late Payment: 1% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1021, SUB 14

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Watercrest Estates, P.O. Box)	
68, Barium Springs, North Carolina 28010, for)	
Authority to Amend Its Tariff to Increase Rates)	ORDER APPROVING
for Water and Sewer Utility Service for the)	TARIFF REVISION
Increased Cost of Purchased Water and Sewer)	AND REQUIRING
from the City of Statesville in Watercrest)	CUSTOMER NOTICE
Estates Mobile Home Park in Iredell County,)	
North Carolina)	

BY THE COMMISSION: On June 27, 2018, Watercrest Estates (Watercrest) filed a verified petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its customers in Watercrest Estates Mobile Home Park in Iredell County, North Carolina, the increases in costs of purchasing water and sewer services from the City of Statesville (City).

Effective July 1, 2018, the City increased its rates to Watercrest from \$7.55 per 1,000 gallons to \$7.79 per 1,000 gallons for water usage and from \$12.43 per 1,000 gallons to \$12.87 per 1,000 gallons for sewer usage. The City increased the base charge from \$19.13 to \$19.70 for water service and from \$28.25 to \$29.25 for sewer service.

Watercrest's current rates have been in effect since July 10, 2017, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-1021, Sub 13.

The Public Staff presented this matter at the Commission's Regular Staff Conference on July 30, 2018. The Public Staff stated that it has reviewed Watercrest's request and recommended that Watercrest be allowed to increase its rates as shown below:

<u>Metered Water Rates:</u>	<u>Present</u>	<u>Recommended</u>
Base Charge, zero usage	\$ 3.44	\$ 3.45
Usage Charge, per 1,000 gallons	\$ 8.17	\$ 8.41

Metered Sewer Rates:

Base Charge, zero usage	\$ 3.37	\$ 3.38
Usage Charge, per 1,000 gallons	\$13.28	\$13.72

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$1.92, from \$66.87 to \$68.79 based upon 2,800 gallons usage. The Public Staff stated that Watercrest has agreed with the Public Staff's recommendation.

Based upon the foregoing, the Commission finds that Watercrest should be allowed to pass through the costs associated with the increased purchased water and sewer expense.

IT IS, THEREFORE, ORDERED as follows:

1. That Watercrest Estates is granted a tariff revision as set forth herein.
2. That the Schedule of Rates, attached hereto as Appendix A, is approved and is deemed filed with the Commission pursuant to G.S. 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order.
3. That a copy of this Order, including Appendix A, shall be mailed with sufficient postage or hand delivered by the Applicant to all its customers in Watercrest Estates Mobile Home Park contemporaneously with the next billing of customers.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

WATERCREST ESTATES

for providing water and sewer utility service in

WATERCREST ESTATES MOBILE HOME PARK

Iredell County, North Carolina

Metered Water Rates:

Base Charge, zero usage	\$ 3.45
Usage Charge, per 1,000 gallons	\$ 8.41

Metered Sewer Rates:

Base Charge, zero usage	\$ 3.38
Usage Charge, per 1,000 gallons	\$13.72

Reconnection Charge:

If water service cut off by utility for good cause:	\$ 4.80
If sewer service cut off by utility for good cause:	\$ 4.70

Returned Check Charge: \$14.40

Bills Due: On billing date

Bills Past Due: 20 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charges for Late Payment: 1% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1021, Sub 14 on this the _____ day of _____, 2018.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1166, SUB 18

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by MECO Utilities, Inc., Post Office)	
Box 2369, Swansboro, North Carolina, 28584-)	
2369, for Authority to Amend Its Tariff to)	ORDER APPROVING
Increase Rates for Water and Sewer Utility)	TARIFF REVISION AND
Service for the Increased Cost of Purchased)	REQUIRING CUSTOMER
Water and Sewer from the Town of Cary in)	NOTICE
Mobile Estates Mobile Home Park in Wake)	
County, North Carolina)	

BY THE COMMISSION: On July 3, 2018, MECO Utilities, Inc. (MECO), filed a petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its approximately 266 customers in Mobile Estates Mobile Home Park in Wake County, North Carolina, the increases in costs of purchasing water and sewer services from the Town of Cary (Town). On July 20, 2018, MECO filed a revised verified petition.

Effective July 1, 2018, the Town increased its rates to MECO from \$5.26 per 1,000 gallons to \$5.42 per 1,000 gallons for water usage and from \$10.04 per 1,000 gallons to \$10.34 per 1,000 gallons for sewer usage. The Town also increased the monthly base charge from \$136.93 to \$141.04 for water service and from \$136.93 to \$141.04 for sewer service.

MECO's current rates have been in effect since May 4, 2018, when they were approved by the Commission in its Order Granting Partial Rate Increase and Requiring Customer Notice issued in Docket No. W-1166, Sub 17.

MECO requested that it be allowed to increase its rates as shown below:

<u>Monthly Metered Water Rates:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$14.03	\$14.05
Usage Charge, per 1,000 gallons	\$ 6.72	\$ 6.88

Monthly Metered Sewer Rates:

Base Charge, zero usage	\$10.42	\$10.44
Usage Charge, per 1,000 gallons	\$12.69	\$12.99

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$1.74, from \$96.27 to \$98.01 based upon 3,700 gallons of usage.

The Public Staff presented this matter at the Commission's Regular Staff Conference on July 30, 2018. The Public Staff stated that it had reviewed MECO's request and recommended that the tariff revision be approved as proposed by MECO.

Based upon the foregoing, the Commission finds that MECO should be allowed to pass through the costs associated with the increased purchased water and sewer expense.

IT IS, THEREFORE, ORDERED as follows:

1. That MECO Utilities, Inc., is granted a tariff revision as set forth herein.
2. That the Schedule of Rates, attached hereto as Appendix A, is approved and is deemed filed with the Commission pursuant to G.S. 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order.
3. That a copy of this Order, including Appendix A, shall be mailed with sufficient postage or hand delivered by MECO to all its customers in Mobile Estates Mobile Home Park contemporaneously with the next billing of customers.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

MECO UTILITIES, INC.

for providing water and sewer utility service in

MOBILE ESTATES MOBILE HOME PARK

Wake County, North Carolina

Monthly Metered Water Rates:

Base Charge, zero usage	\$ 14.05, minimum
Usage Charge, per 1,000 gallons	\$ 6.88

Monthly Metered Sewer Rates:

Base Charge, zero usage	\$ 10.44, minimum
Usage Charge, per 1,000 gallons	\$ 12.99

Reconnection Charges:

If water utility service is cut off by utility for good cause (Rule 7-20), or	^{1/}
If water utility service is discontinued at customer request, or	^{1/}
If sewer utility service is discontinued for good cause (Rule R10-16e)	^{1/}
^{1/} If reconnection is made during <u>scheduled working hours</u>	\$15.00
If reconnection is made <u>after-hours</u> on normal workdays	\$30.00
If reconnection is made in an <u>emergency action</u> on weekends or holidays	\$30.00

Note: [Commission Rule R10-16(f): Whenever sewer service is discontinued for any reason, the utility shall send a report of termination of service to the local county board of health.]

Returned Check Fee: \$25.00

<u>Bills Due:</u>	On billing date
<u>Bills Past Due:</u>	15 days after billing date
<u>Billing Frequency:</u>	Shall be monthly for service in arrears
<u>Finance Charges for Late Payment:</u>	1% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1240, SUB 15

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Chatham Utilities, Inc., Post)	
Office Box 2369, Swansboro, North Carolina,)	
28584-2369, for Authority to Amend Its Tariff to)	ORDER APPROVING
Increase Rates for Water and Sewer Utility)	TARIFF REVISION AND
Service for the Increased Cost of Purchased)	REQUIRING CUSTOMER
Water and Sewer from the Town of Cary in)	NOTICE
Chatham Estates Manufactured Housing)	
Community in Wake County, North Carolina)	

BY THE COMMISSION: On July 3, 2018, Chatham Utilities, Inc. (Chatham), filed a petition with the Commission requesting authority to amend its tariff for the purpose of passing along to its approximately 144 customers in Chatham Estates Manufactured Housing Community in Wake County, North Carolina, the increases in costs of purchasing water and sewer services from the Town of Cary (Town). On July 20, 2018, Chatham filed a revised verified petition.

Effective July 1, 2018, the Town increased its rates to Chatham from \$5.26 per 1,000 gallons to \$5.42 per 1,000 gallons for water usage and from \$10.04 per 1,000 gallons to \$10.34 per 1,000 gallons for sewer usage. The Town also increased the monthly base charge from \$110.93 to \$114.26 for water service and from \$110.93 to \$114.26 for sewer service.

Chatham’s current rates have been in effect since August 21, 2017, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-1240, Sub 14.

Chatham requested that it be allowed to increase its rates as shown below:

<u>Monthly Metered Water Rates:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$13.52	\$13.54
Usage Charge, per 1,000 gallons	\$ 6.57	\$ 6.73

Monthly Metered Sewer Rates:

Base Charge, zero usage	\$ 9.82	\$ 9.84
Usage Charge, per 1,000 gallons	\$ 9.98	\$10.28

Under the new rates, the average residential customer's monthly water and sewer bill will increase by \$1.60, from \$79.61 to \$81.21 based upon 3,400 gallons of usage.

The Public Staff presented this matter at the Commission's Regular Staff Conference on July 30, 2018. The Public Staff stated that it had reviewed the Chatham's request and recommended that the tariff revision be approved as proposed by Chatham.

Based upon the foregoing, the Commission finds that Chatham should be allowed to pass through the costs associated with the increased purchased water and sewer expense.

IT IS, THEREFORE, ORDERED as follows:

1. That Chatham Utilities, Inc., is granted a tariff revision as set forth herein.
2. That the Schedule of Rates, attached hereto as Appendix A, is approved and is deemed filed with the Commission pursuant to G.S. 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order.
3. That a copy of this Order, including Appendix A, shall be mailed with sufficient postage or hand delivered by Chatham to all its customers in Chatham Estates Manufactured Housing Community contemporaneously with the next billing of customers.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

CHATHAM UTILITIES, INC.

for providing water and sewer utility service in

CHATHAM ESTATES MANUFACTURED HOUSING COMMUNITY

Wake County, North Carolina

Monthly Water Service:

Base Charge, zero usage	\$ 13.53
Usage Charge, per 1,000 gallons	\$ 6.58

Monthly Sewer Service:

Base Charge, zero usage	\$ 9.83
Usage Charge, per 1,000 gallons	\$ 9.99

Reconnection Charges:

If water utility service cut off by utility for good cause	\$ 14.36
If water service discontinued at customer's request	\$ 14.36

Returned Check Charge: \$ 23.93

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

EXHIBIT NO. P-4
PAGE 4 OF 4

APPENDIX A
PAGE 2 OF 2

Finance Charge for Late Payment: 1% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 15

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Old North State Water Company,)
LLC, 4700 Homewood Court, Suite 108,)
Raleigh, NC 27609, for a Certificate of Public)
Convenience and Necessity to Provide)
Wastewater Utility Service in Stateside)
Subdivision in Onslow County, North Carolina)
	ORDER GRANTING
	FRANCHISE AND APPROVING
	RATES

BY THE COMMISSION: On October 27, 2017, Old North State Water Company, LLC (Old North State), filed an amended application seeking a certificate of public convenience and necessity to provide wastewater utility service in Stateside Subdivision consisting of Bennett Place, Roanoke Bay, and Somerset Place in Onslow County, North Carolina, and approval of rates. Old North State proposes to charge a monthly flat rate of \$45.00 per single family residential equivalent (SFRE).

The Public Staff presented this matter at the Commission’s Regular Staff Conference on July 30, 2018.

Based upon the verified application and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Old North State presently holds water franchises serving approximately 406 customers and wastewater franchises serving approximately 2,643 customers in North Carolina. Old North State’s record of service is satisfactory.
2. Old North State expects eventually to serve 201 wastewater customers in the first phase and eventually 400 wastewater customers at buildout in Stateside Subdivision. The service area is shown on plans filed with the application.

3. The North Carolina Department of Environmental Quality (NCDEQ), Division of Water Resources (DWR), Water Quality Permitting Section, has issued permit number WQ0035809, dated March 1, 2017, for the construction of the Stateside Wastewater Treatment Plant (Stateside WWTP). NCDEQ, DWR, Water Quality Permitting Section, has issued permit number WQ0038128, dated May 11, 2017, for the construction and operation of the Stateside Subdivision wastewater collection system.

4. Old North State has entered into an Agreement dated August 10, 2015 (Developer Agreement), with A. Sydes Construction, Inc. (Developer), under which Developer is installing the wastewater collection system and effluent infiltration ponds.

Old North State is requesting a connection fee of \$3,500 per SFRE for wastewater service, to be paid by the builder or person first requesting service to a particular lot. The Developer Agreement provides for Old North State to design and construct at its cost the WWTP at the approximate cost of \$1.6 million. The first 300 SFREs will pay connection fees being contributions in aid of construction totaling \$1,050,000. The Public Staff stated at the July 30, 2018 Commission Regular Staff Conference that in future general rate cases the Public Staff will evaluate whether to recommend an excess plant rate base adjustment for the Stateside WWTP. Old North State is purchasing the wastewater system for \$3,500 per SFRE from Developer, payable quarterly based upon the number of connections installed during the previous quarter. The purchase price payments shall begin with the 301st connection to the wastewater collection system.

5. Old North State has filed all exhibits required with the application.

6. Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Old North State be required to post a \$10,000 bond for Stateside Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission. Of this amount, \$440,000 of bond surety is assigned to specific subdivisions, and \$160,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of Old North State's unassigned bond surety should be assigned to Stateside Subdivision; that the wastewater utility franchise requested by Old North State in Stateside Subdivision should be granted; that the connection fee of \$3,500 per SFRE for wastewater service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Old North State's unassigned surety bond is assigned to Stateside Subdivision. The remaining unassigned bond surety shall be \$130,000 (a total of \$30,000 is being assigned concurrently in Docket No. W-1300, Subs 15, 44, and 45).
2. That Appendix A constitutes the Certificate of Public Convenience and Necessity.
3. That the Schedule of Rates attached as Appendix B is approved for Old North State in the Stateside Subdivision.
4. That Old North State is granted a Certificate of Public Convenience and necessity to provide wastewater utility service in Stateside Subdivision in Onslow County, North Carolina.
5. That a connection fee of \$3,500 per SFRE for wastewater service is approved for the Stateside Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 15

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide wastewater utility service

in

Stateside Subdivision

consisting of Bennett Place, Roanoke Bay, and Somerset Place

Onslow County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of July, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 44

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Old North State Water Company,)	
LLC, 4700 Homewood Court, Suite 108,)	ORDER GRANTING
Raleigh, NC 27609, for a Certificate of Public)	FRANCHISE AND APPROVING
Convenience and Necessity to Provide Water)	RATES
Utility Service in Mendenhall Subdivision in)	
Wake County, North Carolina)	

BY THE COMMISSION: On November 13, 2017, Old North State Water Company, LLC (Old North State), filed an application seeking a certificate of public convenience and necessity to provide water utility service in Mendenhall Subdivision in Wake County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on July 30, 2018.

Based upon the verified application and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Old North State presently holds water franchises serving approximately 406 customers and wastewater franchises serving approximately 2,643 customers in North Carolina. Old North State’s record of service is satisfactory.
2. Old North State expects eventually to serve 49 water customers in Mendenhall Subdivision. The service area is shown on plans filed with the application.
3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Mendenhall Subdivision. The plans are approved under serial number 17-00326, dated July 26, 2017.

4. Old North State has entered into a Water Agreement dated March 7, 2017, with Goetze Development Corporation and Cornerstone Realty Ventures, LLC (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is requesting a connection fee of \$500 per single-family residential equivalent (SFRE). Old North State is purchasing the water system for \$500 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Old North State has filed all exhibits required with the application.

6. Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Old North State be required to post a \$10,000 bond for Mendenhall Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission. Of this amount, \$440,000 of bond surety is assigned to specific subdivisions, and \$160,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of Old North State's unassigned bond surety should be assigned to Mendenhall Subdivision; that the water utility franchise requested by Old North State in Mendenhall Subdivision should be granted; that the meter installation fee of \$70 and the connection fee of \$500 per SFRE for water service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Old North State's unassigned surety bond is assigned to Mendenhall Subdivision. The remaining unassigned bond surety shall be \$130,000 (a total of \$30,000 is being assigned concurrently in Docket No. W-1300, Subs 15, 44, and 45).

2. That Old North State is granted a certificate of public convenience and necessity to provide water utility service in Mendenhall Subdivision in Wake County, North Carolina.

3. That Appendix A constitutes the Certificate of Public Convenience and Necessity.

4. That the Schedule of Rates attached as Appendix B is approved for Old North State in Mendenhall Subdivision.
5. That a meter installation fee of \$70 is approved for Mendenhall Subdivision.
6. That a \$500 connection fee per SFRE is approved for Mendenhall Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 44

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Mendenhall Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

OLD NORTH STATE WATER COMPANY, LLC

for providing water utility service in

MENDENHALL SUBDIVISION

Wake County, North Carolina

<u>Monthly Base Rate (zero usage):</u>	\$	15.00	
<u>Water Usage Rate:</u>	\$	5.00 per 1,000 gallons	
<u>Connection Fee:</u>	\$	500.00	
<u>Meter Installation Fee:</u>	\$	70.00	
<u>New Account Fee:</u>	\$	20.00	
<u>Reconnection Charge if Service is Discontinued by Utility:</u>			\$30.00
<u>Reconnection Charge if Service is Discontinued by Customer:</u>			\$15.00
<u>Bills Due:</u>		On billing date	
<u>Bills Past Due:</u>		15 days after billing date	
<u>Billing Frequency:</u>		Shall be monthly for service in arrears	
<u>Finance Charges for Late Payment:</u>		1.0% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.	

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1300, Sub 44, on this the ____ day of _____, 2018.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 45

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Old North State Water Company,)
LLC, 4700 Homewood Court, Suite 108,)
Raleigh, NC 27609, for a Certificate of Public)
Convenience and Necessity to Provide Water)
Utility Service in Stonewood Manor Subdivision)
in Wake County, North Carolina)

ORDER GRANTING
FRANCHISE AND APPROVING
RATES

BY THE COMMISSION: On February 27, 2018, Old North State Water Company, LLC (Old North State), filed an application seeking a certificate of public convenience and necessity to provide water utility service in Stonewood Manor Subdivision in Wake County, North Carolina, and approval of rates. Old North State proposes to charge its currently approved uniform water rates.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on July 30, 2018.

Based upon the verified application and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Old North State presently holds water franchises serving approximately 406 customers and wastewater franchises serving approximately 2,643 customers in North Carolina. Old North State’s record of service is satisfactory.
2. Old North State expects eventually to serve 51 water customers in Stonewood Manor Subdivision. The service area is shown on plans filed with the application.
3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Stonewood Manor Subdivision. The plans are approved under serial number 17-00670, dated August 18, 2017.

4. Old North State has entered into a Water Utility Agreement dated January 9, 2018, with Greenfield Communities – Stonewood, LLC (Developer), under which Developer is installing at Developer's cost the water production, storage, treatment, and distribution system. Old North State is requesting a meter installation fee of \$70. Old North State is not requesting a connection fee. Old North State is purchasing the water system for \$500 per single family residential equivalent (SFRE) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Old North State has filed all exhibits required with the application.

6. Old North State has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Old North State be required to post a \$10,000 bond for Stonewood Manor Subdivision. Old North State currently has \$600,000 of bonds posted with the Commission. Of this amount, \$440,000 of bond surety is assigned to specific subdivisions, and \$160,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of Old North State's unassigned bond surety should be assigned to Stonewood Manor Subdivision; that the water utility franchise requested by Old North State in Stonewood Manor Subdivision should be granted; that the meter installation fee of \$70 should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Old North State's unassigned surety bond is assigned to Stonewood Manor Subdivision. The remaining unassigned bond surety shall be \$130,000 (a total of \$30,000 is being assigned concurrently in Docket No. W-1300, Subs 15, 44, and 45).

2. That Old North State is granted a certificate of public convenience and necessity to provide water utility service in Stonewood Manor Subdivision in Wake County, North Carolina.

3. That Appendix A constitutes the Certificate of Public Convenience and Necessity.

4. That the Schedule of Rates attached as Appendix B is approved for Old North State in Stonewood Manor Subdivision.

5. That a meter installation fee of \$70 is approved for Stonewood Manor Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 45

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Stonewood Manor Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ___ day of _____, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

OLD NORTH STATE WATER COMPANY, LLC

for providing water utility service in

STONEWOOD MANOR SUBDIVISION

Wake County, North Carolina

<u>Monthly Base Rate (zero usage):</u>	\$	15.00	
<u>Water Usage Rate:</u>	\$	5.00 per 1,000 gallons	
<u>Connection Fee:</u>	\$	0.00	
<u>Meter Installation Fee:</u>	\$	70.00	
<u>New Account Fee:</u>	\$	20.00	
<u>Reconnection Charge if Service is Discontinued by Utility:</u>			\$30.00
<u>Reconnection Charge if Service is Discontinued by Customer:</u>			\$15.00
<u>Bills Due:</u>		On billing date	
<u>Bills Past Due:</u>		15 days after billing date	
<u>Billing Frequency:</u>		Shall be monthly for service in arrears	
<u>Finance Charges for Late Payment:</u>		1.0% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.	

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1300, Sub 45, on this the ____ day of _____, 2018.