

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Docket No. E-35, Sub 51

In the Matter of:

Application of Western Carolina University)	
For an Adjustment of Rates and Charges)	Application
For the Provision of Electric Service)	

Pursuant to N.C. General Statutes 116-35, 62-133, and 62-134 and North Carolina Utilities Commission ("Commission") Rule RI-17, Western Carolina University ("WCU" or the "University") makes this Application for authority to adjust and increase its retail electric rates and charges effective April 8, 2020. In support of this Application, WCU respectfully shows the Commission the following:

1. WCU's offices and mailing address is at:

1 University Way
Cullowhee, NC 28723-9003

2. The name and address of Applicant's attorney is:

Gabriel Du Sablon
Cauley Pridgen, P.A.
2500 Nash Street N
Suite C
Wilson, NC 27896-1394


3. Copies of all pleadings, testimony, orders, and correspondence in this proceeding should be served upon the attorney listed above.
4. WCU operates an electric distribution system off-campus that has approximately 3,170 residential consumers and 230 commercial consumers. Net profits from the electric distribution system are subject to transfer to the university endowment fund.
5. WCU's last general rate case was in 2015. Since that time, the University has made plant investments and sustained higher operating costs in its electric distribution system.

6. WCU has adjusted its rates each year since 1993 in Purchased Power Adjustments (PPAs) made at the Commission.
7. At the present time, WCU is not earning a reasonable return on investment in its utility plant equipment.
8. Copies of the current rates and charges in place are attached in **Exhibit A**. The proposed rates and charges are in **Exhibit B** and are filed in accordance with the provisions of N.C. General Statute 62-134 and Rule RI-17 of the Commission's Rules and Regulations and have an effective date of April 8, 2020, in accordance with N. C. General Statute 62-134 (a). The proposed rates set forth in **Exhibit B** are designed to increase annual revenues from WCU electric sales operation revenues by \$637,500 as shown in Exhibit C.
9. The proposed revenue increase consists of the following rate increases by customer class:
 - 16.8% for the residential class
 - 1.0% for the commercial class
 - 13.0% in area lights
10. The rates set forth in **Exhibit A** are unjust and unreasonable because they do not allow the University the opportunity to earn a fair rate of return. During the twelve-month period ending June 30, 2019, as adjusted for known changes, the rate of return on WCU's rate base, as shown in **Exhibit C**, was -10.16%.
11. As required by Commission Rule RI-17(b)(9)f, Appendix 1 of this Application contains a summary of all proposed increases and changes affecting customers.
12. The exhibits to this Application are as follows:
 - Exhibit A – schedule of the University's electric rates and charges in effect and on file with the Commission at the end of the test year ending June 30, 2019;
 - Exhibit B - schedules of electric rates and charges the University proposes to put into effect on April 8, 2020 as required by Commission RI-17(b)(2);
 - Exhibit C - financial data for the 12-month period ending June 30, 2019, filed in compliance with Commission Rule RI-17(b)(3)-(10);
 - Exhibit D – statement of the probable effect of the proposed rates of peak demand as required by NC General Statute 62-155(e).
13. Commission Form E-1 is filed with this Application in compliance with Commission

Rule RI- 17(b)(12)a and is incorporated herein by reference.

WHEREFORE, Applicant request the Commission approve the rates as filed in Exhibit B, effective April 8, 2020.

Respectfully submitted this 9th day of March, 2020.



Gabriel Du Sablon
Cauley Pridgen, P.A.

STATE OF NORTH CAROLINA
COUNTY OF JACKSON


Mike Byers, being first duly sworn, deposes and says:

That he is the Vice-Chancellor for Administration and Finance for Western Carolina University; that he has read the foregoing Application, and knows the contents thereof, that the same is true to matters therein on information and belief, and as to those matters he believes it to be true.


Mike Byers

Sworn and subscribed to me

This 9TH day of March 2020

Notary Public 
My commission expires 4/21/2024

