STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

STAFF CONFERENCE AGENDA December 7, 2020

IMPORTANT NOTE: STAFF CONFERENCE
WILL BE CONDUCTED VIA WEBEX.
INSTRUCTIONS FOR PARTICIPATION AND A LINK TO VIEW
THE MEETING WILL BE POSTED ON THE COMMISSION'S
WEBSITE, NCUC.NET

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

- D. <u>ELECTRIC</u>
- P1. <u>APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY</u>
- E. WATER
- P1. DOCKET NO. W-218, SUB 545 AQUA NORTH CAROLINA, INC. REQUEST FOR TARIFF REVISION **EXHIBIT NO. P-1**

TO: Agenda – Commission Conference – December 7, 2020

FROM: PUBLIC STAFF – North Carolina Utilities Commission

D. <u>ELECTRIC</u>

P1. <u>APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY</u>

EXPLANATION: The following application seeks an amended certificate of public convenience and necessity for construction of a solar photovoltaic (PV) electric generating facility, pursuant to N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

Duke Energy Progress:

 <u>Docket Nos. SP-2665, Subs 4 and 41 and SP-4891, Sub 0</u> – Application of Fresh Air Energy XXIII, LLC, for an amended certificate of public convenience and necessity to construct a 23.4-MW solar PV facility in Nash County, North Carolina (registration statement issued previously)

The Public Staff has reviewed the application and determined that it complies with the requirements of N.C.G.S. § 62-110.1 and Commission Rule R8-64.

RECOMMENDATION: (Lucas) That the Commission issue an order approving the application and issuing the requested amended certificate for the facility. A proposed order has been provided to the Commission Staff.

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E. WATER

P1. <u>DOCKET NO. W-218, SUB 545 – AQUA NORTH CAROLINA, INC. –</u> REQUEST FOR TARIFF REVISION

EXPLANATION: On November 17, 2020, Aqua North Carolina, Inc. (Aqua), filed a verified petition with the Commission, pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to its water customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview in Chatham County an increase in the cost of purchasing water service from the Town of Pittsboro (the Town).

Effective July 1, 2020, the Town increased its rates charged to Aqua by \$0.71 per 1,000 gallons, from \$13.67 per 1,000 gallons to \$14.38 per 1,000 gallons.

Aqua's current water usage rates have been in effect since August 20, 2015, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-218, Sub 272. After taking into account the effect of the 0.13% regulatory fee, Aqua has requested authority to increase its water usage rates from \$13.69 to \$14.40 per 1,000 gallons to reflect the increase in the cost of purchasing water service from the County. Under the new water usage rates, the average residential customer's monthly water bill will increase by \$3.55, from \$89.15 to \$92.70 based upon 5,000 gallons usage.

The Public Staff has reviewed Aqua's petition and recommends that the requested tariff revision be approved. The Public Staff is of the opinion that the tariff revision will allow Aqua to recover additional revenues that do not exceed the additional expenses.

EXHIBIT: The Public Staff's proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Junis/Morgan/Jost) That the Commission issue the Public Staff's proposed order approving the requested tariff revision.

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STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-218, SUB 545

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Application by Aqua North Carolina, Inc., 202)

MacKenan Court, Cary, North Carolina 27511, for)

Authority to Amend Its Tariff to Increase Rates for)

Water Utility Service for the Increased Cost of)

Purchased Water from the Town of Pittsboro in)

Chapel Ridge, Laurel Ridge, and The Parks at)

Meadowview in Chatham County, North Carolina

BY THE COMMISSION: On November 17, 2020, Aqua North Carolina, Inc. (Aqua), filed a verified petition with the Commission, pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to its water customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview in Chatham County an increase in the cost of purchasing water service from the Town of Pittsboro (the Town).

Effective July 1, 2020, the Town increased its rates charged to Aqua by \$0.71 per 1,000 gallons, from \$13.67 per 1,000 gallons to \$14.38 per 1,000 gallons.

Aqua's current water usage rates have been in effect since August 20, 2015, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-218, Sub 272. After taking into account the effect of the 0.13% regulatory fee, Aqua has requested authority to increase its water usage rates from \$13.69 to \$14.40 per 1,000 gallons to reflect the increase in the cost of purchasing water service from the County. Under the new water usage rates, the average residential customer's monthly water bill will increase by \$3.55, from \$89.15 to \$92.70 based upon 5,000 gallons usage.

This matter was presented at the Commission's Regular Staff Conference on December 7, 2020. The Public Staff stated that it had reviewed Aqua's petition to increase its water usage rates and recommended that the requested tariff revision be approved. The Public Staff is of the opinion that the tariff revision will allow Aqua to recover additional revenues that do not exceed the additional expenses.

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

IT IS, THEREFORE, ORDERED as follows:

ISSUED BY ORDER OF THE COMMISSION.

- 1. That Aqua North Carolina, Inc., is granted a revision to Appendix A-2 of its tariff for water utility service in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview in Chatham County in which it purchases and resells water from the Town of Pittsboro, as set forth herein.
- 2. That the revised Appendix A-2 attached hereto is approved and deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order.
- 3. That the Notice to Customers, attached hereto as Appendix B, shall be mailed with sufficient postage or hand delivered by Aqua to all of its affected customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview contemporaneously with the next billing of customers, and that Aqua shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

This the ____ day of December, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

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> APPENDIX A-2 PAGE 1 OF 5

AQUA NORTH CAROLINA, INC. BULK PURCHASED WATER SYSTEM USAGE RATES

Usage charge, per 1,000 gallons where water purchased for resale

Service Area	Water Provider	Usage Charge/
Aqua North Carolina Service Are		<u>1,000 gallons</u>
Twin Creeks	City of Asheville	\$ 4.96
Heather Glen and Highland	City of Belmont	\$14.40
Southpoint Landing	City of Belmont	\$14.40
Park South	City of Charlotte	\$ 2.19
Parkway Crossing	City of Charlotte	\$ 2.19
Springhill / Springdale	City of Concord	\$ 5.42
Hoopers Valley	City of Hendersonville	\$ 3.47
Crystal Creek	City of Hendersonville	\$ 3.47
Rambling Ridge	City of Hendersonville	\$ 3.47
Brookwood	City of Hickory (outside city)	\$ 3.25
Heritage Farms	City of Hickory (inside city)	\$ 3.25
Cedarwood Estates	City of Hickory (inside city)	\$ 3.25
Hill-N-Dale	City of Lincolnton	\$ 9.21
East Shores	City of Morganton	\$ 2.51
Greenfield	City of Mount Airy	\$ 6.69
Bett's Brook	City of Newton	\$ 3.29
Crestwood	Davidson Water, Inc.	\$ 4.76
Lancer Acres	Davidson Water, Inc.	\$ 4.76
Beard Acres	Davidson Water, Inc.	\$ 4.76
Woodlake Development	Harnett County	\$ 2.78
Beechwood Cove	Chatham County	\$ 7.04
Chatham	Chatham County	\$ 7.04
Cole Park Plaza Shopping Center	Chatham County	\$ 9.98
Hidden Valley	Chatham County	\$ 7.04
Polks Landing	Chatham County	\$ 7.04
Chapel Ridge	Town of Pittsboro	\$14.40
Laurel Ridge	Town of Pittsboro	\$14.40

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		Usage Charge/
Service Area	Water Provider	1,000 gallons
The Parks at Meadowview	Town of Pittsboro	\$14.40
River Hill Heights	Iredell Water Corp.	\$ 3.61
Bedford at Flowers Plantation	Johnston County	\$ 2.86
Bennett Place	Johnston County	\$ 2.86
Chatham	Johnston County	\$ 2.86
Cottages at Evergreen	Johnston County	\$ 2.86
Cottonfield Village	Johnston County	\$ 2.86
Creekside Place	Johnston County	\$ 2.86
Eastlake at Flowers Plantation	Johnston County	\$ 2.86
Evergreen	Johnston County	\$ 2.86
Flowers Crest	Johnston County	\$ 2.86
Flowers Shopping Center	Johnston County	\$ 2.86
Forge Creek	Johnston County	\$ 2.86
Longleaf	Johnston County	\$ 2.86
Magnolia	Johnston County	\$ 2.86
Magnolia Place/Village	Johnston County	\$ 2.86
Mill Creek North	Johnston County	\$ 2.86
Mill Creek West	Johnston County	\$ 2.86
Neuse Colony	Johnston County	\$ 2.86
North Farm	Johnston County	\$ 2.86
North Farm Cottages	Johnston County	\$ 2.86
North Village	Johnston County	\$ 2.86
Parkway Center/Village	Johnston County	\$ 2.86
Peachtree	Johnston County	\$ 2.86
Pineville Club	Johnston County	\$ 2.86
Pineville East	Johnston County	\$ 2.86
Pineville East Cottages/Palmetto Pl.	Johnston County	\$ 2.86
Pineville East Estates	Johnston County	\$ 2.86
Pineville West	Johnston County	\$ 2.86
Plantation Park	Johnston County	\$ 2.86
Plantation Pointe	Johnston County	\$ 2.86
Poplar Woods	Johnston County	\$ 2.86
River Dell East	Johnston County	\$ 2.86

EXHIBIT NO. P-1 PAGE 5 OF 10

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		Usage Charge/		
Service Area	Water Provider	<u>1,000 gallons</u>		
River Dell Townes	Johnston County	\$ 2.86		
Riverdell Elementary School	Johnston County	\$ 2.86		
Ross Landing	Johnston County	\$ 2.86		
South Plantation	Johnston County	\$ 2.86		
South Quarter	Johnston County	\$ 2.86		
Southgate	Johnston County	\$ 2.86		
Summerset Place	Johnston County	\$ 2.86		
Sun Ridge Farms	Johnston County	\$ 2.86		
Sweetgrass	Johnston County	\$ 2.86		
The Gardens at Flowers Plantation	Johnston County	\$ 2.86		
The Meadows	Johnston County	\$ 2.86		
The Nine	Johnston County	\$ 2.86		
The Woodlands	Johnston County	\$ 2.86		
Trillium	Johnston County	\$ 2.86		
Village at Flowers Plantation	Johnston County	\$ 2.86		
Walker Woods	Johnston County	\$ 2.86		
Watson's Mill	Johnston County	\$ 2.86		
West Ashley	Johnston County	\$ 2.86		
Whitfield at Flowers Plantation	Johnston County	\$ 2.86		
Wilders Woods and Extension	Johnston County	\$ 2.86		
Holly Hills	Town of Forest City	\$ 5.63		
Pear Meadows	Town of Fuquay-Varina	\$ 5.18		
Swiss Pine Lake	Town of Spruce Pine	\$ 5.96		
Brookwood/Lagrange Service Areas				
Kelly Hills	Fayetteville PWC	\$ 2.92		
Bretton Woods	Fayetteville PWC	\$ 2.92		
Raintree	Fayetteville PWC	\$ 2.92		
Colony Village	Fayetteville PWC	\$ 2.92		
Windsong	Fayetteville PWC	\$ 2.92		
Porter Place	Fayetteville PWC	\$ 2.92		
Thornwood	Fayetteville PWC	\$ 2.92		
County Walk	Fayetteville PWC	\$ 2.92		
Lands Down West	Fayetteville PWC	\$ 2.92		

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> APPENDIX A-2 PAGE 4 OF 5

		Usage Charge/
Service Area	Water Provider	<u>1,000 gallons</u>
S & L Estates	Fayetteville PWC	\$ 2.92
Tarleton Plantation	Fayetteville PWC	\$ 2.92
Springdale	Fayetteville PWC	\$ 2.92
Ridge Manor	Fayetteville PWC	\$ 2.92
Forest Lake	Fayetteville PWC	\$ 2.92
Arden Forest	Fayetteville PWC	\$ 2.92
Wendemere	Fayetteville PWC	\$ 2.92
Jena-Shane	Fayetteville PWC	\$ 2.92
Stoney Point	Fayetteville PWC	\$ 2.92
Woodland Run	Town of Linden	\$ 5.23

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> APPENDIX A-2 PAGE 5 OF 5

AQUA NORTH CAROLINA, INC. PURCHASED SEWER RATES

Aqua North Carolina Service Areas

Monthly Metered Service where bulk service purchased from Charlotte (Park South Station and Parkway Crossing residential and commercial):

Base facility charge, zero usage (based on meter size)

Same as commercial charges listed on Appendix A-1, Page 4

Usage charge, per 1,000 gallons

\$ 6.45

<u>Hawthorne at the Greene Apartments, Woodland Farm, and Beaver Farms Subdivision</u> <u>– Mecklenburg County</u>: (See Docket No. W-899, Sub 37 and Docket No. W-218, Subs 357, 517, and 526)

Base facilities charge (to be collected and delivered to Carolina Water Service, Inc. of North Carolina¹ for treatment of the wastewater), per month

\$ 47.94 per REU ²

Each apartment building at Hawthorne at the Greene Apartments (formerly Vista Park Apartments) will be considered 92.42% occupied on an ongoing basis for billing purposes as soon as the certificate of occupancy is issued for the apartment building.

Collection service/commodity charge (based on City of Charlotte's master meter reading), per 1,000 gallons

\$ 6.75

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-218, Sub 545, on this the ____ day of December, 2020.

¹ On August 17, 2016, in Docket Nos. W-1044, Sub 24, et al., the North Carolina Utilities Commission issued an Order Approving Merger. In accordance with the Order, and pursuant to the Articles of Merger filed with the North Carolina Department of the Secretary of State on August 30, 2016, Bradfield Farms Water Company was merged into Carolina Water Service, Inc. of North Carolina effective August 30, 2016.

² Residential Equivalent Unit.

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APPENDIX B PAGE 1 OF 2

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-218, SUB 545

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Aqua North Carolina, Inc., 202)
MacKenan Court, Cary, North Carolina 27511, for)
Authority to Amend Its Tariff to Increase Rates for)
Water Utility Service for the Increased Cost of)
Purchased Water from the Town of Pittsboro in)
Chapel Ridge, Laurel Ridge, and The Parks at)
Meadowview in Chatham County, North Carolina)

BY THE COMMISSION: Notice is given that the North Carolina Utilities Commission has granted Aqua North Carolina, Inc. (Aqua), an increase in its water rates charged to its customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview in Chatham County. Aqua filed a verified petition, pursuant to N.C. Gen. Stat. § 62-133.11, with the Commission on November 17, 2020, requesting authority to amend its tariff for the purpose of passing along to its water customers the July 1, 2020 increase in the cost of purchasing water service from the Town of Pittsboro.

The new rates for water utility service are as follows:

	Old	New
	<u>Rate</u>	<u>Rate</u>
Monthly base charge for zero usage	\$20.70	\$20.70
Usage charge per 1,000 gallons	\$13.69	\$14.40

Under the new rates, the average residential customer's monthly water bill will increase by \$3.55, from \$89.15 to \$92.70 based upon 5,000 gallons usage.

The Public Staff – North Carolina Utilities Commission (Public Staff) reviewed Aqua's petition and recommended the requested tariff revision be approved. The Public Staff stated that the tariff revision will allow Aqua to recover additional revenues that do not exceed the additional expenses.

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APPENDIX B PAGE 2 OF 2

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of December, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

CERTIFICATE OF SERVICE

Ι,				mailed	with suffi	icient
postage or h	nand delivered to a	ll affected o	customers the attached	Notice	to Custo	mers
issued by the	e North Carolina Uti	lities Comm	ission in Docket No. W-	218, Su	ıb 545, an	d the
Notice was r	mailed or hand deliv	ered by the	e date specified in the O	rder.		
This t	he day of		, 20			
		Ву:			· · · · · · · · · · · · · · · · · · ·	
			Signa	iture		
			Name of Util	lity Con	npany	
The	above named	Applicant,				,
personally a	ppeared before me	this day and	d, being first duly sworn,	says th	at the req	uired
Notice to Cu	stomers was mailed	d or hand d	elivered to all affected c	ustome	rs, as req	uired
by the C	Commission Orde	er dated		_ in	Docket	No.
W-218, Sub	545.					
Witne	ess my hand and n	otarial seal	, this the day of _			,
20						
			Notary	y Public	;	
			Printe	ed Nam	e	
(SEAL)	My Commission E	xpires:		ate		

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