STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

STAFF CONFERENCE AGENDA January 13, 2020

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

E. WATER

P1. DOCKET NO. W-1270, SUB 2, DOCKET NO. W-1325, SUB 0 – TRANSFER OF PUBLIC UTILITY FRANCHISE OF ROLESVILLE MHP, LLC TO MHNC GRANITE ACRES OF ROLESVILLE, LLC and

DOCKET NO. WR-2979, SUB 0 – MHNC GRANITE ACRES OF ROLESVILLE, LLC – APPROVAL OF A CERTIFICATE OF AUTHORITY TO CHARGE FOR WATER AND SEWER SERVICE AND FOR APPROVAL OF RATES FOR GRANITE ACRES MOBILE HOME PARK IN WAKE COUNTY, NORTH CAROLINA Exhibit P1

TO: Agenda – Commission Conference – January 13, 2020

FROM: PUBLIC STAFF – North Carolina Utilities Commission

E. WATER

P1. DOCKET NO. W-1270, SUB 2, DOCKET NO. W-1325, SUB 0 – TRANSFER OF PUBLIC UTILITY FRANCHISE OF ROLESVILLE MHP, LLC TO MHNC GRANITE ACRES OF ROLESVILLE, LLC

DOCKET NO. WR-2979, SUB 0 - MHNC GRANITE ACRES OF ROLESVILLE, LLC - APPROVAL OF A CERTIFICATE OF AUTHORITY TO CHARGE FOR WATER AND SEWER SERVICE AND FOR APPROVAL OF RATES FOR GRANITE ACRES MOBILE HOME PARK IN WAKE COUNTY, NORTH CAROLINA

EXPLANATION: On March 12, 2007, in Docket No. W-1270, Sub 0, Rolesville MHP, LLC filed an application for transfer of public utility franchise and for approval of rates for Rolesville Mobile Home Park (formerly Evergreen Mobile Home Estate). Furthermore, in Docket No. W-1270, Sub 0, Rolesville MHP, LLC filed a \$20,000 bond and certificate of deposit surety for Rolesville Mobile Home Park. By Order dated August 27, 2007, the Commission approved the transfer of franchise, approved bond, approved rates, and required customer notice.

On November 1, 2019, in Docket Nos. W-1325, Sub 0 and W-1270, Sub 2, MHNC Granite Acres of Rolesville, LLC and Rolesville MHP, LLC filed an Application for Transfer of Public Utility Franchise of Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC and for Approval of Rates (Joint Application). Subsequent to that filing and after discussions with the Public Staff, MHNC Granite Acres of Rolesville, LLC determined that since they met the requirements of a Water/Sewer Reseller they would request Commission approval to become a Reseller in accordance with N.C. Gen. Stat. § 62-110(g).

On December 16, 2019, in Docket No. WR-2979, Sub 0, MHNC Granite Acres of Rolesville, LLC filed an Application for Certificate of Authority to Charge for Water and/or Sewer Service and for Approval of Rates for Apartment Complexes and Manufactured Home Parks. All required exhibits were filed with the Application, including the North Carolina General Warranty Deed identifying MHNC Granite Acres of Rolesville, LLC as the Grantee and Rolesville MHP, LLC as the Grantor. The North Carolina General Warranty Deed was recorded with the Wake County Register of Deeds on November 1, 2018, in Book 017283, Pages 01654 through 01657. Further, MHNC Granite Acres of Rolesville, LLC, has changed the name of the mobile home park from Rolesville MHP to Granite Acres Mobile Home Park.

The Public Staff has verified that MHNC Granite Acres of Rolesville, LLC owns all 67 lots comprising Granite Acres Mobile Home Park and purchases water and sewer services for all 67 lots from the City of Raleigh.

The Public Staff has reviewed the subject filings and recommends the transfer of the public utility franchise from Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC. The Public Staff also recommends the approval of the Certificate of Authority for MHNC Granite Acres of Rolesville, LLC and rates as follows:

Water usage charge: \$3.46 per ccf or \$4.63 per 1,000 gallons Sewer usage charge: \$4.53 per ccf or \$6.06 per 1,000 gallons

Monthly administrative fee: \$5.72 per unit

(\$3.75 billing fee + \$0.74 water base charges + \$1.23 sewer base charges)

Based on 4,000 gallons average monthly usage, the monthly water/sewer utility bill is \$48.48, a decrease of \$16.32 from the currently approved rates for Rolesville MHP, LLC.

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

RECOMMENDATION: (Franklin/Creech) That the proposed order be issued approving transfer of franchise, canceling franchise and releasing bond and surety, approving Certificate of Authority, approving rates and requiring customer notice.

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STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1270, SUB 2 DOCKET NO. W-1325, SUB 0 DOCKET NO. WR-2979, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. W-1270, SUB 2 DOCKET NO. W-1325, SUB 0))
In the Matter of Application for Transfer of Public Utility Franchise of Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC)))) ORDER APPROVING) TRANSFER OF FRANCHISE,
DOCKET NO. WR-2979, SUB 0) CANCELING FRANCHISE
In the Matter of Application by MHNC Granite Acres of Rolesville, LLC, 5600 S. Quebec Street, Suite 220A, Greenwood Village, Colorado 80111, for Approval of a Certificate of Authority to Charge for Water and Sewer Service and for Approval of Rates for Apartment Complexes and Manufactured Home Parks for Granite Acres Mobile Home Park in Wake County, North Carolina	 AND RELEASING BOND AND SURETY, APPROVING CERTIFICATE OF AUTHORITY, APPROVING RATES, AND REQUIRING CUSTOMER NOTICE

BY THE COMMISSION: On March 12, 2007, in Docket No. W-1270, Sub 0, Rolesville MHP, LLC filed an application for transfer of public utility franchise and for approval of rates for Rolesville Mobile Home Park (formerly Evergreen Mobile Home Estate). Furthermore, in Docket No. W-1270, Sub 0, Rolesville MHP, LLC filed a \$20,000 bond and certificate of deposit surety for Rolesville Mobile Home Park. By Order dated August 27, 2007, the Commission approved the transfer of franchise, approved bond, approved rates, and required customer notice.

On November 1, 2019, in Docket Nos. W-1325, Sub 0 and W-1270, Sub 2, MHNC Granite Acres of Rolesville, LLC and Rolesville MHP, LLC filed an Application for Transfer of Public Utility Franchise of Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC and for Approval of Rates (Joint Application). Subsequent to that filing and after discussions with the Public Staff, MHNC Granite Acres of Rolesville, LLC determined that since they met the requirements of a Water/Sewer Reseller they would request Commission approval to become a Reseller in accordance with N.C. Gen. Stat. § 62-110(g).

On December 16, 2019, in Docket No. WR-2979, Sub 0, MHNC Granite Acres of Rolesville, LLC filed an Application for Certificate of Authority to Charge for Water and/or Sewer Service and for Approval of Rates for Apartment Complexes and Manufactured Home Parks. All required exhibits were filed with the Application, including the North Carolina General Warranty Deed identifying MHNC Granite Acres of Rolesville, LLC as the Grantee and Rolesville MHP, LLC as the Grantor. The North Carolina General Warranty Deed was recorded with the Wake County Register of Deeds on November 1, 2018, in Book 017283, Pages 01654 through 01657. Further, MHNC Granite Acres of Rolesville, LLC, has changed the name of the mobile home park from Rolesville MHP to Granite Acres Mobile Home Park.

The Public Staff has verified that MHNC Granite Acres of Rolesville, LLC owns all 67 lots comprising Granite Acres Mobile Home Park and purchases water and sewer services for all 67 lots from the City of Raleigh.

The Public Staff has reviewed the subject filings and recommends the transfer of the public utility franchise from Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC. The Public Staff also recommends the approval of the Certificate of Authority for MHNC Granite Acres of Rolesville, LLC and rates as follows:

Water usage charge: \$3.46 per ccf or \$4.63 per 1,000 gallons Sewer usage charge: \$4.53 per ccf or \$6.06 per 1,000 gallons

Monthly administrative fee: \$5.72 per unit

(\$3.75 billing fee + \$0.74 water base charges + \$1.23 sewer base charges)

Based on 4,000 gallons average monthly usage, the monthly water/sewer utility bill is \$48.48, a decrease of \$16.32 from the currently approved rates for Rolesville MHP, LLC.

The Public Staff presented this matter at the Commission's Staff Conference on January 13, 2020. The Public Staff stated that it had reviewed MHNC Granite Acres of Rolesville, LLC request and recommended that the Commission approve the transfer of the public utility franchise from Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC filed in Docket Nos. W-1325, Sub 0 and W-1270, Sub 2; cancel the public utility franchise approved in Docket No. W-1270, Sub 0, for Rolesville MHP, LLC for Rolesville Mobile Home Park; release the bond and surety previously filed by Rolesville MHP, LLC in Docket No. W-1270, Sub 0 for Rolesville Mobile Home Park; cancel the public utility franchise for MHNC Granite Acres of Rolesville, LLC; approve the Certificate of Authority for MHNC Granite Acres of Rolesville to charge for water and sewer services under Docket No. WR-2979, Sub 0; approve the water and sewer rates requested by MHNC Granite Acres of Rolesville, LLC, for Granite Acres Mobile Home Park in Docket No. WR-2979, Sub 0.

Based upon the foregoing, the Commission finds and concludes that an Order should be issued approving the transfer of the utility franchise from Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC filed in Docket Nos. W-1325, Sub 0 and W-1270, Sub 2; canceling the public utility franchise approved in Docket No. W-1270, Sub 0 for Rolesville MHP, LLC for Rolesville Mobile Home Park; releasing the bond and surety previously filed by Rolesville MHP, LLC in Docket No. W-1270, Sub 0 for Rolesville Mobile Home Park; canceling the public utility franchise for MHNC Granite Acres of Rolesville, LLC; approving the Certificate of Authority for MHNC Granite Acres of Rolesville, LLC to charge for water and sewer services under Docket No. WR-2979, Sub 0; approving the water and sewer rates requested by MHNC Granite Acres of Rolesville, LLC, for Granite Acres Mobile Home Park in Docket No. WR-2979, Sub 0.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the transfer of public utility franchise from Rolesville MHP, LLC to MHNC Granite Acres of Rolesville, LLC, filed in Docket No. W-1325, Sub 0 is approved;
- 2. That the public utility franchise for Rolesville MHP, LLC for Rolesville Mobile Home Park is hereby canceled and the bond and surety previously filed by Rolesville MHP, LLC in Docket No. W-1270, Sub 0 for Rolesville Mobile Home Park is released;
- 3. That the public utility franchise for MHNC Granite Acres of Rolesville, LLC is canceled;

- 4. That MHNC Granite Acres of Rolesville, LLC, is granted a certificate of authority to charge for water and sewer utility service in Granite Acres Mobile Home Park in Wake County, North Carolina, pursuant to N.C. Gen. Stat. § 62-110(g) and Commission Rules and Regulations in Chapter 18 Provision of Water and Sewer Service by Lessors. (See http://www.ncuc.net/ncrules/Chapter18.pdf). This Order shall constitute the Certificate of Authority to Charge for Water and Sewer Service;
- 5. That the Schedule of Rates, attached as Appendix A, is approved and deemed to be filed with the Commission pursuant to N.C. Gen. Stat. § 62-138. Said Schedule of Rates is authorized to become effective for service rendered on and after the date of this Order;
- 6. That if the City of Raleigh's base charges or usage rates should be reduced for any reason, MNHC Granite Acres of Rolesville, LLC shall notify the Commission immediately for a tariff revision;
- 7. That a copy of the Notice to Customers, attached as Appendix B, shall be mailed with sufficient postage or hand delivered by MHNC Granite Acres of Rolesville, LLC to all their customers in Granite Acres Mobile Home Park contemporaneously with the next billing to customers; and
- 8. That if the service area is sold or the ownership changes, MHNC Granite Acres of Rolesville, LLC and the new owner shall file for an Application for Transfer of Authority (Form WR2 may be found on the Commission's website www.ncuc.net). Failure to do so may result in revocation of the certificate of authority and suspension of rates.

ISSUED	BY ORDER OF THE COMMISSION.
This the _	day of January, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

EXHIBIT NO. P-1 PAGE 5 OF 7

APPENDIX A

SCHEDULE OF RATES

for

MHNC GRANITE ACRES OF ROLESVILLE, LLC

for water and sewer utility service in

GRANITE ACRES MOBILE HOME PARK

Wake County, North Carolina

Monthly Metered Rates:

	Water usage charge, per 100 cubic feet Sewer usage charge, per 100 cubic feet	` '	\$3.46 \$4.53
or			
	Water usage charge, per 1,000 gallons Sewer usage charge, per 1,000 gallons		\$4.63 \$6.06
Month	nly Administrative Fee:	\$5.72 per unit	
Bills D	Due:	On billing date	
Bills Past Due:		25 days after billing date	
Billing Frequency		Shall be monthly for service in arrears	

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in

Docket No. WR-2979, Sub 0 on this the _____ day of January, 2020.

EXHIBIT NO. P-1 PAGE 6 OF 7

APPENDIX B PAGE 1 OF 2

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

NOTICE TO CUSTOMERS DOCKET NO. WR-2979, SUB 0 BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that the North Carolina Utilities Commission has issued an Order approving the transfer of the franchise of Rolesville MHP, LLC for providing water and sewer utility service in Rolesville Mobile Home Park (now known as Granite Acres Mobile Home Park) in Wake County, North Carolina to MHNC Granite Acres of Rolesville, LLC. The Commission's Order granted MHNC Granite Acres of Rolesville, LLC (5600 S. Quebec Street, Suite 220A, Greenwood Village, Colorado 80111), a certificate of authority to charge for water and sewer service provided in Granite Acres Mobile Home Park in Wake County, North Carolina, for the purpose of passing along the cost of purchasing water and sewer utility service from the City of Raleigh. The new water and sewer rates approved by the Commission for MHNC Granite Acres of Rolesville, LLC, are as follows and are effective for service provided on and after the date of this Notice:

Monthly Metered Rates:

Water usage charge, per 100 cubic feet (ccf)	\$3.46
Sewer usage charge, per 100 cubic feet (ccf)	\$4.53

or

Water usage charge, per 1,000 gallons	\$4.63
Sewer usage charge, per 1,000 gallons	\$6.06

Monthly Administrative Fee: \$5.72 per unit

The average monthly residential water and sewer bill will be \$48.48, based on an estimated average usage of 4,000 gallons, a decrease of \$16.32 from the previously approved rates for Rolesville MHP, LLC.

EXHIBIT NO. P-1 PAGE 7 OF 7

APPENDIX B PAGE 2 OF 2

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of January, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

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