

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

**STAFF CONFERENCE AGENDA  
September 28, 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**

**B. NATURAL GAS**

- P1. [DOCKET NO. G-5, SUB 625 – APPLICATION OF PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC., FOR APPROVAL OF BI-ANNUAL ADJUSTMENT OF RATES UNDER RIDER C TO ITS TARIFF EXHIBIT NO. P-1](#)

**C. COMMUNICATIONS**

- P1. [FILING OF INTERCONNECTION AGREEMENT AMENDMENTS BY AT&T NORTH CAROLINA](#)

**D. ELECTRIC**

- P1. [APPLICATION FOR AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY](#)

**E. WATER**

- P1. [DOCKET NO. W-218, SUB 533 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA EXHIBIT NO. P-2](#)
- P2. [DOCKET NO. W-1148, SUB 18 – MOUNTAIN AIR UTILITIES CORPORATION – REQUEST FOR TARIFF REVISION EXHIBIT NO. P-3](#)

TO: Agenda – Commission Conference – September 28, 2020

FROM: PUBLIC STAFF – North Carolina Utilities Commission

**B. NATURAL GAS**

**P1. DOCKET NO. G-5, SUB 625 – APPLICATION OF PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC., FOR APPROVAL OF BI-ANNUAL ADJUSTMENT OF RATES UNDER RIDER C TO ITS TARIFF**

EXPLANATION: On September 17, 2020, Public Service Company of North Carolina, Inc. (PSNC or Company), filed an application (Application) requesting approval to implement temporary increments and decrements in its rates for residential, small general service, and medium general service customers, effective October 1, 2020, pursuant to N.C. Gen. Stat. § 62-133.7 and Rider C of the Company’s Tariff. Rider C is PSNC’s Customer Usage Tracker (CUT) mechanism. PSNC stated that its Application is based on the Customer Usage Deferred Account balances as of July 31, 2020.

According to the CUT, PSNC is to compare actual residential and small and medium general service margins with the margins contained in the most recent Commission-approved rates. PSNC is to then apply, on a bi-annual basis, for authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the Customer Usage Deferred Account.

The proposed CUT temporaries, as well as the existing CUT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

<b>Rate Class and Schedule</b>	<b>Customer Usage Deferred Account Balance at 7/31/2020 (\$)</b>	<b>Rate Case Volumes (dts)</b>	<b>Proposed CUT Temporaries (\$/dts)</b>	<b>Existing CUT Temporaries (\$/dts)</b>	<b>Change in CUT Temporaries (\$/dts)</b>
<b>Residential (101)</b>	\$22,105,021	29,824,953	\$0.7412	\$0.4733	\$0.2679
<b>Residential Hi-Efficiency (102)</b>	\$241,873	439,438	\$0.5504	\$0.3691	\$0.1813
<b>Sm Gen Service (125)</b>	\$5,276,732	12,075,370	\$0.4370	\$0.1487	\$0.2883
<b>Sm Gen Service Hi-Efficiency (127)</b>	(\$8,951)	100,097	(\$0.0894)	(\$0.3181)	\$0.2287
<b>Med.Gen. Service(140)</b>	\$887,512	3,295,885	\$0.2693	\$0.0689	\$0.2004

The Public Staff has reviewed the Application and the proposed CUT rate adjustments and finds them to be in compliance with Rider C of PSNC's tariffs and recommends approval as filed.

EXHIBIT: A proposed order is attached as [Exhibit No. P-1](#).

RECOMMENDATION: (Naba) That the Commission issue the proposed order approving PSNC's proposed rate changes as filed.

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## **C. COMMUNICATIONS**

### **P1. FILING OF INTERCONNECTION AGREEMENT AMENDMENTS BY AT&T NORTH CAROLINA**

EXPLANATION: The following interconnection agreement amendments were filed for Commission approval on July 2, 2020:

#### **BellSouth Telecommunications, LLC, d/b/a AT&T North Carolina**

Docket No. P-55, Sub 1791 – Amendment filed on July 2, 2020, to an interconnection agreement with BCM One, Inc., formerly McGraw Communications, Inc., approved by the Commission on March 19, 2010. The amendment implements the changes mandated by the Federal Communications Commission (FCC) in two orders issued in WC Docket No. 18-141, specifically: FCC 19-66, released on July 12, 2019, and FCC 19-72, released on August 2, 2019 (collectively, “FCC UNE and Resale Forbearance Order”). Also, the amendment replaces Section 20 of the agreement, which addresses notices and the contact information to be used by the companies, with new language.

Docket No. P-55, Sub 1923 – Amendment filed on July 2, 2020, to an interconnection agreement with Ready Telecom, Inc., approved by the Commission on September 26, 2016. The amendment implements the changes mandated by the FCC UNE and Resale Forbearance Order.

Docket No. P-55, Sub 1633 – Amendment to an existing interconnection agreement with IDT America, Corp., approved by the Commission on June 6, 2006. The amendment implements the changes mandated by the FCC UNE and Resale Forbearance Order. The amendment was erroneously filed in Docket No. P-55, Sub 1494 on July 2, 2020. The error was corrected on September 18, 2020, when it was properly filed in this docket.

Docket No. P-55, Sub 1924 – Amendment filed on July 2, 2020, to an interconnection agreement with Wholesale Carrier Services, Inc., approved by the Commission on October 25, 2016. The amendment implements the changes mandated by the FCC UNE and Resale Forbearance Order.

Docket No. P-55, Sub 1895 – Amendment filed on July 2, 2020, to an existing interconnection agreement with Zayo Group, LLC, approved by the Commission on January 15, 2014. The amendment implements the changes mandated by the FCC UNE and Resale Forbearance Order.

Docket No. P-55, Sub 1930 – Amendment filed on July 2, 2020, to an existing interconnection agreement with Airespring, Inc., approved by the

Commission on April 18, 2017. The amendment implements the changes mandated by the FCC UNE and Resale Forbearance Order.

Docket No. P-55, Sub 1726 – Amendment filed on July 2, 2020, to an existing interconnection agreement with Level 3 Telecom of North Carolina, LP, formerly tw telecom of north carolina l.p., which the Commission approved on February 29, 2008. The amendment implements the FCC Third Report and Order and Declaratory Ruling, FCC No. 18-111, modifying existing pole attachment rules.

The amendment deletes portions of the Structure Access (SA) section of the existing agreement and adds Exhibit B, Attachment 03B, to the agreement, setting forth terms, conditions, and procedures under which the Attaching Party shall have access to AT&T poles, ducts, conduits, and rights-of-way. The amendment also adds relevant rates to the agreement in Exhibit C- Pricing Sheets.

Docket No. P-55, Sub 1628 – Amendment filed on July 2, 2020, to an existing interconnection agreement with TelCove Operations, LLC, formerly Telcove Operations, Inc., which the Commission approved on June 6, 2006. The amendment implements the FCC Third Report and Order and Declaratory Ruling, FCC No. 18-111, modifying existing pole attachment rules.

The amendment deletes portions of the SA section of the existing agreement and adds Exhibit B, Attachment 03B to the agreement, setting forth terms, conditions, and procedures under which the Attaching Party shall have access to AT&T poles, ducts, conduits, and rights-of-way. The amendment also adds relevant rates to the agreement in Exhibit C- Pricing Sheets.

These filings were made in compliance with Commission Rule R17-4(d) and Sections 252(e) and 252(i) of the Telecommunications Act of 1996. The Act provides for the filing of such agreements and amendments with the state commission and approval or rejection by the state commission within 90 days after filing. On June 18, 1996, the Commission issued an Order in Docket No. P-100, Sub 133, allowing interim operation under negotiated agreements filed as public records prior to Commission approval of the agreements.

The Public Staff has reviewed these filings and recommends Commission approval.

RECOMMENDATION: (Proffitt/Coxton) That orders be issued approving the amendments effective on the date they were filed. The Public Staff has provided proposed orders to the Commission Staff.

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## **D. ELECTRIC**

### **P1. APPLICATION FOR AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITY**

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

#### Duke Energy Carolinas, LLC:

- Docket No. SP-8135, Sub 0 – Application of Quail Holdings, LLC, for an amended certificate of public convenience and necessity to construct a 30-MW solar photovoltaic facility in Davie County, North Carolina (amended registration statement)

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.

The applicant has filed an amended registration statement for a new renewable energy facility. The registration statement includes certified attestations, as required by Commission Rule R8-66(b), that: (1) the facility is in substantial compliance with all federal and state laws, regulations, and rules for the protection of the environment and conservation of natural resources; (2) the facility will be operated as a new renewable energy facility; (3) the applicant will not remarket or otherwise resell any renewable energy certificates sold to an electric power supplier to comply with N.C.G.S. §. 62-133.8; and (4) the applicant will consent to the auditing of its books and records by the Public Staff insofar as those records relate to transactions with North Carolina electric power suppliers.

The Public Staff inquired of the Applicant whether the project was planned for participation in the Competitive Procurement of Renewable Energy (CPRE) Program pursuant to N.C.G.S. § 62-110.8, and the Applicant responded that it plans for the project to be bid into current or future CPRE Program tranches.

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

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## **E. WATER**

### **P1. DOCKET NO. W-218, SUB 533 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA**

EXPLANATION: On April 13, 2020, Aqua North Carolina, Inc. (Aqua) filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide sewer utility service to the commercial properties known as TA Property, including the existing Transportation Impact Commercial Building and any future buildings, and TB Property in Carteret County, North Carolina. TA Property and TB Property are contiguous to Aqua's Emerald Plantation Subdivision service area, part of the Emerald Plantation Wastewater System in Carteret County, North Carolina. Aqua filed an amendment to the notification on August 10, 2020. Aqua proposes to charge the rates currently approved for its other franchised service areas. The service area is shown on plans filed with the Notification.

The North Carolina Department of Health and Human Services (DHHS), Division of Public Health, has issued a plan approval letter dated June 26, 2020 for TA Property and TB Property.

Per the Carteret County Health Department Operation Permit VI-25-10, issued December 16, 2010, the permitted capacity of the Emerald Plantation Wastewater System is 55,000 gallons per day (gpd). According to Aqua, the 38,807 gpd current design total flow of the Emerald Plantation wastewater treatment plant combined with the 8,680 gpd reserved by the Developer results in potential usage of 47,487 gpd, which is less than the permitted capacity of 55,000 gpd.

Aqua has entered into an Agreement dated March 28, 2020, including Addendum No. 1 to the Agreement, dated July 22, 2020, with THATSAWFUL, LLC and THATBOTHERSME, LLC (collectively, Developer), under which Developer is installing the wastewater utility system. Aqua is purchasing the wastewater utility system for \$0.

The Agreement states that Aqua shall collect from the Developer a Wastewater Capacity Reserve Payment of \$142,000 for the reservation of 8,680 gpd of wastewater system capacity. The payment is to be made in five installments, with all monies paid in full prior to closing and Aqua providing utility service. Additionally, the Agreement states that prior to closing, the Developer shall pay to Aqua the grossed-up tax payment attributable to Contributions in Aid of Construction (CIAC). Aqua will not close and will not provide services until it receives such grossed-up tax payment. If Developer constructs in phases that are approved by Aqua, then the Agreement requirements associated with Tax Gross Up for CIAC shall apply to each phase.

Aqua presently holds sewer franchises serving approximately 16,686 wastewater customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide wastewater utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes sufficient unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as [Exhibit No. P-2](#).

RECOMMENDATION: (Franklin/Chiu/Luhr) That the Commission issue the proposed order recognizing the contiguous extension.

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P2. DOCKET NO. W-1148, SUB 18 – MOUNTAIN AIR UTILITIES CORPORATION – REQUEST FOR TARIFF REVISION

EXPLANATION: On September 8, 2020, Mountain Air Utilities Corporation (Mountain Air) 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 approximately 424 residential and 25 commercial sewer customers in Mountain Air Development in Yancey County, North Carolina, the increase in costs of purchasing sewer services from the Town of Burnsville (Burnsville).

Effective July 1, 2020, Burnsville increased its minimum monthly sewer rates to Mountain Air from \$43.00 to \$44.28. Mountain Air's current rates have been in effect since August 19, 2019, when they were approved by the Commission in its Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-1148, Sub 17.

The Public Staff has reviewed the current rates and recommends that Mountain Air be allowed to increase both the residential sewer flat rate and commercial sewer base charge by \$1.28 per month for the increased cost of purchasing sewer treatment from Burnsville. The present and proposed rates are as follows:

	<u>Present</u>	<u>Proposed</u>
<u>Monthly Metered Commercial Sewer Rates:</u>		
Base Charge, includes 2,000 gallons	\$ 67.97	\$ 69.25
Usage Charge, per 1,000 gallons:		
From 2,000 to 6,000 gallons	\$ 4.76	\$ 4.76
Above 6,000 gallons	\$ 5.24	\$ 5.24
<u>Monthly Flat Rate for Residential Sewer Service:</u>	\$ 69.88	\$ 71.16

EXHIBIT: A proposed order is attached as [Exhibit No. P-3](#).

RECOMMENDATION: (Franklin/Feasel/Creech) That the proposed order be issued approving the requested tariff revision.

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**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. G-5, SUB 625

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Public Service Company of North Carolina, Inc., for Approval of Bi-Annual Adjustment of Rates Under Rider C to Its Tariff ) ORDER APPROVING RATE ) ADJUSTMENTS EFFECTIVE ) OCTOBER 1, 2020

BY THE COMMISSION: On September 17, 2020, Public Service Company of North Carolina, Inc. (PSNC or Company), filed an application (Application) requesting approval to implement temporary increments and decrements in its rates for residential, small general service, and medium general service customers, effective October 1, 2020, pursuant to N.C. Gen. Stat. § 62-133.7 and Rider C of the Company's Tariff. Rider C is PSNC's Customer Usage Tracker (CUT) mechanism. PSNC stated that its Application is based on the Customer Usage Deferred Account balances as of July 31, 2020.

According to the CUT, PSNC is to compare actual residential and small and medium general service margins with the margins contained in the most recent Commission-approved rates. PSNC is to then apply, on a bi-annual basis, for authority to implement temporary rate increments or decrements (temporaries) to collect or refund any differences in the Customer Usage Deferred Account.

The proposed CUT temporaries, as well as the existing CUT temporaries and the corresponding rate changes, expressed in dollars per dekatherm (\$/dt), are as follows:

Rate Class and Schedule	Customer Usage Deferred Account Balance at 7/31/2020 (\$)	Rate Case Volumes (dts)	Proposed CUT Temporaries (\$/dts)	Existing CUT Temporaries (\$/dts)	Change in CUT Temporaries (\$/dts)
<b>Residential (101)</b>	\$22,105,021	29,824,953	\$0.7412	\$0.4733	\$0.2679
<b>Residential Hi-Efficiency (102)</b>	\$241,873	439,438	\$0.5504	\$0.3691	\$0.1813
<b>Sm Gen Service (125)</b>	\$5,276,732	12,075,370	\$0.4370	\$0.1487	\$0.2883
<b>Sm Gen Service Hi-Efficiency (127)</b>	(\$8,951)	100,097	(\$0.0894)	(\$0.3181)	\$0.2287
<b>Med.Gen. Service(140)</b>	\$887,512	3,295,885	\$0.2693	\$0.0689	\$0.2004

The Public Staff presented this matter to the Commission at its September 28, 2020 Staff Conference. The Public Staff stated it had reviewed the Application and proposed rate adjustments and found them to be in compliance with Rider C of PSNC’s tariffs and recommended approval as filed.

Based upon review of the Application and the recommendation of the Public Staff, the Commission is of the opinion that the proposed rate adjustments should be allowed to become effective as filed.

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC is authorized to implement the proposed rate changes as contained in the body of this Order based on its Customer Usage Deferred Account balances as of July 31, 2020, effective for service rendered on and after October 1, 2020.
2. That PSNC shall file its revised tariffs consistent with Ordering Paragraph 1 within five days of the date of this Order.
3. That PSNC shall give notice to its customers of the rate changes authorized in this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_\_ day of September, 2020

NORTH CAROLINA UTILITIES COMMISSION

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. W-218, SUB 533

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202 )	
MacKenan Court, Cary, North Carolina 27511, )	
of Intention to Begin Operations in an Area )	ORDER RECOGNIZING
Contiguous to a Present Service Area to )	CONTIGUOUS EXTENSION
Provide Sewer Utility Service to TA Property )	AND APPROVING RATES
and TB Property in Carteret County, North )	
Carolina )	

BY THE COMMISSION: On April 13, 2020, Aqua North Carolina, Inc. (Aqua) filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide sewer utility service to the commercial properties known as TA Property and TB Property in Carteret County, North Carolina. TA Property and TB Property are contiguous to Aqua’s Emerald Plantation Subdivision service area, part of the Emerald Plantation Wastewater System in Carteret County, North Carolina. Aqua proposes to charge the rates currently approved for its other franchised service areas. Aqua filed an amendment to the notification on August 10, 2020.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission’s Staff Conference on September 28, 2020.

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

**FINDINGS OF FACT**

1. Aqua presently holds sewer franchises serving approximately 16,686 wastewater customers throughout North Carolina. Aqua’s record of service is satisfactory.
2. Aqua expects to provide sewer utility service to two customers: the TA Property, including the existing Transportation Impact Commercial Building and any future buildings (Phase 1), and the TB Property, including any future buildings (Phase 2).

3. The North Carolina Department of Health and Human Services (DHHS), Division of Public Health, has issued a plan approval letter dated June 26, 2020 for TA Property and TB Property.

4. Per the Carteret County Health Department Operation Permit VI-25-10, issued December 16, 2010, the permitted capacity of the Emerald Plantation Wastewater System is 55,000 gallons per day (gpd). According to Aqua, the 38,807 gpd current design total flow of the Emerald Plantation wastewater treatment plant combined with the 8,680 gpd reserved by the Developer results in potential usage of 47,487 gpd, which is less than the permitted capacity of 55,000 gpd.

5. THATSAWFUL, LLC is the owner and developer of the property referred to as TA Property. THATBOTHERSME, LLC is the owner and developer of the property referred to as TB Property.

6. Aqua has entered into an Agreement dated March 28, 2020, including Addendum No. 1 to the Agreement, dated July 22, 2020, with THATSAWFUL, LLC and THATBOTHERSME, LLC (collectively, Developer), under which Developer is installing the wastewater utility system. Aqua is purchasing the wastewater utility system for \$0.

7. The Agreement states that Aqua shall collect from the Developer a Wastewater Capacity Reserve Payment in the amount of \$142,000 for the reservation of 8,680 gpd of wastewater system capacity. The payment is to be made in five installments, with all monies paid in full prior to closing and Aqua providing utility service.

8. The Agreement states that prior to closing, the Developer shall pay to Aqua the grossed-up tax payment attributable to Contributions in Aid of Construction (CIAC). Aqua will not close and will not provide services until it receives such grossed-up tax payment. If Developer constructs in phases that are approved by Aqua, then the Agreement requirements associated with Tax Gross Up for CIAC shall apply to each phase.

9. Aqua has the technical, managerial, and financial capacity to provide wastewater utility service in this franchise location.

10. Upon acquisition of the system, Aqua proposes to charge its uniform statewide sewer utility service rates approved in Docket No. W-218, Sub 497.

11. The Public Staff has recommended that Aqua post a \$10,000 bond for the TA Property and TB Property service area. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,260,000 of bond surety is assigned to specific subdivisions, and \$740,000 of bond surety is unassigned.

### CONCLUSIONS

Based upon the foregoing and the recommendation of the Public Staff, the Commission concludes that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in TA Property and TB Property should be recognized; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Aqua's unassigned surety bond is assigned to TA Property and TB Property service area. The remaining unassigned bond surety shall be \$730,000.
2. That the contiguous extension of sewer utility service from the Emerald Plantation Subdivision service area into TA Property and TB Property in Carteret County, North Carolina, is recognized as meeting the Commission's criteria for the extension.
3. That Appendix A, attached hereto, constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.
4. That Aqua's existing Schedule of Rates approved by Commission Order issued on September 18, 2019, in Docket No. W-218, Sub 497, is approved for sewer utility service in the TA Property and TB Property.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of September, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. W-218, SUB 533

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide sewer utility service

in

TA PROPERTY AND TB PROPERTY

Carteret 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 September, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

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The Public Staff presented this matter at the Commission's Staff Conference on September 28, 2020. The Public Staff stated that it had reviewed Mountain Air's request and recommended that the Commission approve the tariff revision at the proposed rates and require customer notice.

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

IT IS, THEREFORE, ORDERED as follows:

1. That Mountain Air Utilities Corporation 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 N.C. Gen. Stat. § 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 the Notice to Customers, attached hereto as Appendix B, shall be mailed with sufficient postage or hand delivered by Mountain Air Utilities Corporation to all its customers in Mountain Air Development contemporaneously with the next billing of customers.

4. That Mountain Air Utilities Corporation shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than 15 days after the date of the next billing of customers.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of September, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

SCHEDULE OF RATES

for

MOUNTAIN AIR UTILITIES CORPORATION

for providing water and sewer utility service in

MOUNTAIN AIR DEVELOPMENT

Yancey County, North Carolina

Monthly Metered Water Rates:

Base Charge, includes 2,000 gallons	\$ 26.50
Usage Charge, per 1,000 gallons:	
From 2,000 to 6,000 gallons	\$ 4.08
Above 6,000 gallons	\$ 13.63

Monthly Metered Commercial Sewer Rates:

Base Charge, includes 2,000 gallons	\$ 69.25
Usage Charge, per 1,000 gallons:	
From 2,000 to 6,000 gallons	\$ 4.76
Above 6,000 gallons	\$ 5.24

Monthly Flat Rate for Residential Sewer Service: \$ 71.16

Water Tap on Fee: \$500.00

Sewer Tap on Fees (based on meter size):

<u>Meter Size</u>	<u>Fee</u>
3/4 inch	\$ 4,310
1 inch	\$ 5,650
2 inch	\$11,480
4 inch	\$29,500

6 inch	\$66,600
8 inch	\$76,600
10 inch	\$89,600
12 inch	\$96,600

Grinder Pump Replacement Charge:

The Company will bear responsibility for repair and replacement of grinder pumps. Costs incurred for this service will be recovered from the owner of the grinder pump on a time and materials basis plus 5 percent.

Reconnection Charges:

If water service cut off by utility for good cause	\$ 14.40
If water service discontinued at customer's request	\$ 14.40
If sewer service cut off by utility for good cause	\$ 14.29

NOTE: Customers who ask to be reconnected within nine months of disconnection will be charged the base charge and flat rate charge (if any) for the service periods that they were disconnected.

<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 Charge 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**

**NOTICE TO CUSTOMERS  
DOCKET NO. W-1148, SUB 18  
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is given that the North Carolina Utilities Commission has granted Mountain Air Utilities Corporation (Mountain Air), an increase in its sewer rates for customers in Mountain Air Development in Yancey County, North Carolina.

Mountain Air filed a 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 sewer customers in Mountain Air Development in Yancey County an increase in the cost of purchasing sewer service from the Town of Burnsville (Burnsville). N.C. Gen. Stat. § 62-133.11 provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C. Gen. Stat. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff has reviewed the current rates and recommended that Mountain Air be allowed to increase both its residential sewer flat rate and commercial sewer base charge by \$1.28 per month for the increased cost of purchasing sewer treatment from Burnsville. The new sewer rates are as follows:

Monthly Metered Commercial Sewer Rates:

Base Charge, includes 2,000 gallons	\$ 69.25
Usage Charge, per 1,000 gallons:	
From 2,000 to 6,000 gallons	\$ 4.76
Above 6,000 gallons	\$ 5.24

Monthly Flat Rate for Residential Sewer Service: \$ 71.16

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of September, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

**CERTIFICATE OF SERVICE**

I, \_\_\_\_\_, mailed with sufficient postage or hand delivered to all affected customers a copy of the Order issued by the North Carolina Utilities Commission in Docket No. W-1148, Sub 18, and such Order was mailed or hand delivered by the date specified in the Order.

This the \_\_\_\_ day of \_\_\_\_\_, 2020.

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Utility Company

The above named Applicant, \_\_\_\_\_, personally appeared before me this day and, being first duly sworn, says that the required copy of the Commission Order was mailed or hand delivered to all affected customers, as required by the Commission Order dated \_\_\_\_\_ in Docket No. W-1148, Sub 18.

Witness my hand and notarial seal, this the \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed or Typed Name

(SEAL) My Commission Expires: \_\_\_\_\_

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