



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

August 31, 2020

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. W-1136, Sub 3
Application by JAARS, Inc., Post Office Box 248, Waxhaw, North Carolina, 28173, for Authority to Adjust and Increase Rates for Water Utility Service in All Service Areas in Union County, North Carolina

Dear Ms. Campbell:

On June 23, 2020, JAARS, Inc. (JAARS) filed an application with the Commission seeking authority to increase its rates for providing water utility service in all of its service areas in Union County, North Carolina. JAARS serves approximately 67 residential and three commercial flat-rate water customers in Union County, North Carolina. JAARS is proposing to increase the monthly flat rate from \$20.00 per residential equivalent unit (REU) to \$28.48 per REU.

On July 20, 2020, the Commission issued an Order Establishing General Rate Case and Suspending Rates in this docket.

The Public Staff recommends that the matter should be scheduled for customer and evidentiary hearings, and customers notified. JAARS is not represented by counsel and Rick Rivers, Water System Manager, will be appearing on its behalf. The Public Staff has conferred with Mr. Rivers regarding the requirements and deadlines set forth in this filing and he has not raised any objections.

Executive Director (919) 733-2435	Communications (919) 733-5610	Economic Research (919) 733-2267	Legal (919) 733-6110	Transportation (919) 733-7766
Accounting (919) 733-4279	Consumer Services (919) 733-9277	Electric (919) 733-2267	Natural Gas (919) 733-4326	Water (919) 733-5610

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Based upon the above-referenced application and Order, the Public Staff respectfully believes this matter does not require presentation at a Staff Conference, but instead may be decided by the Commission based upon this letter and the filings. A proposed order scheduling hearings and requiring customer notice is attached for Commission consideration, a copy of which has been provided to Commission staff.

Yours very truly,

Electronically submitted
/s/ Reita D. Coxton
Staff Attorney
reita.coxton@psncuc.nc.gov

Attachments

cc: Sam Watson
Heather Fennell
Freda Hilburn

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1136, SUB 3

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application by JAARS, Inc., Post Office Box) 248, Waxhaw, North Carolina 28173, for) Authority to Increase Rates for Water Utility) Service in All of Its Service Areas in Union) County, North Carolina.)	ORDER SCHEDULING HEARINGS AND REQUIRING CUSTOMER NOTICE
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BY THE COMMISSION: On June 23, 2020, JAARS, Inc. (JAARS or Applicant) filed an application with the Commission seeking authority to increase its rates for providing water utility service in all of its service areas in Union County, North Carolina.

On July 8, 2020, JAARS amended its application to clarify the proposed rates. JAARS amended its application a second time, on August 14, 2020, to decrease the proposed rates set forth in its initial application.

JAARS is a charitable, educational, nonprofit 501(c) corporation. JAARS provides water utility service to the JAARS Center, the Lydia House, Waxhaw Apartments, and approximately 67 residential customers in the Aerowood, Dogwood, and Radin Subdivisions.

On July 20, 2020, the Commission issued an Order Establishing General Rate Case and Suspending Rates.

The Applicant is proposing to increase the monthly flat rate from \$20.00 per residential equivalent unit (REU) to \$28.48 per REU. The present rates have been in effect since March 17, 2009.

The Applicant’s present and proposed rates are shown below.

<u>Monthly Water Service:</u>	<u>Present Rates</u>	<u>Proposed Rates</u>
Flat Rate per REU		
Residential customer (1.0 REU)	\$ 20.00	\$ 28.48
JAARS, Inc. (97.7 REUs)	\$ 1,954.00	\$2,782.50
Lydia House (1.3 REUs)	\$ 26.00	\$ 37.02
Waxhaw Court Apartments (6.0 REUs)	\$ 120.00	
Waxhaw Court Apartments (20.7 REUs)		\$ 589.54

The Commission concludes that the matter should be scheduled for a customer hearing for the sole purpose of receiving testimony from customers, subject to cancellation if no significant protests are received subsequent to customer notice; that the matter should also be scheduled for an evidentiary hearing for the sole purpose of receiving expert testimony from JAARS, the Public Staff – North Carolina Utilities Commission (Public Staff), and intervenors, if any; and that JAARS should be required to provide notice to its customers of the Application, including the applied rates and the scheduled hearings.

In March 2020, Governor Roy Cooper issued a progression of Executive Orders that declared a State of Emergency in North Carolina to coordinate the response and protective actions to prevent the spread of coronavirus (COVID-19). Executive Order No. 121 established a statewide stay-at-home order beginning at 5:00 p.m. on March 30, 2020. The stay-at-home order and related requirements

and prohibitions have been modified and relaxed with the passage of time. The Governor's plan for gradual reopening consists of three phases. Phase I began at 5:00 p.m. on May 5, 2020, in accordance with Executive Order No. 138. Phase I ended, and Phase II began, at 5:00 p.m. on May 22, 2020, in accordance with Executive Order No. 141. Phase II has been extended twice in Executive Order Nos. 147 and 155. Phase II currently expires at 5:00 p.m. on September 11, 2020, under the terms of Executive Order No. 155. While Phase II eases some restrictions on business operations and mass gatherings, it continues to limit face-to-face meetings to no more than ten people and require social distancing between individuals of at least six feet.

Based on the current state of uncertainty regarding future requirements to assist in preventing the spread of COVID-19, the Commission will decide at a later date whether the evidentiary hearing will be held in person or remotely.

IT IS, THEREFORE, ORDERED as follows:

1. That the customer hearing for the sole purpose of receiving testimony from JAARS's service area customers is scheduled beginning at 6:30 p.m., on Wednesday, October 28, 2020. The customer hearing will be held remotely via WebEx and is subject to cancellation if no significant protests are received on or before Friday, October 9, 2020;

2. That the Commission will issue an order setting forth the procedures for the remote customer hearing;

3. That the evidentiary hearing for the sole purpose of receiving expert testimony from JAARS, the Public Staff, and intervenors, if any, is scheduled beginning at 10:00 a.m., on Tuesday, November 10, 2020, and continuing as necessary until conclusion. The hearing will be either held remotely via WebEx, or in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina;

4. That the Commission will issue an order setting forth the procedures for remote expert witness hearing or confirming that the expert witness hearing will be held in the Commission Hearing Room;

5. That on or before Friday, October 9, 2020, any person having an interest in this matter may file petitions to intervene to this proceeding pursuant to Commission Rules R1-5, R1-7, and R1-19;

6. That the Public Staff and intervenors, if any, shall file their testimony on or before Friday, October 9, 2020;

7. That JAARS shall file its rebuttal testimony, if any, on or before Monday, October 26, 2020;

8. That an officer or representative of JAARS is required to appear before the Commission at the time and place of the evidentiary hearing to testify concerning any of the information contained in the Application; and

9. That the Notice to Customers, attached as Appendix A (Notice to Customers), shall be mailed with sufficient postage or hand delivered by JAARS to all affected customers on or before Tuesday, September 8, 2020; and

10. That JAARS shall submit to the Commission the attached Certificate of Service properly signed and notarized on or before Tuesday, September 15, 2020.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of August, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

NOTICE TO CUSTOMERS

DOCKET NO. W-1163, SUB 3
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

<p>In the Matter of Application by JAARS, Inc., Post Office Box) 248, Waxhaw, North Carolina 28173, for) Authority to Increase Rates for Water Utility) Service in All of Its Service Areas in Union) County, North Carolina.)</p>	<p>ORDER SCHEDULING HEARINGS AND REQUIRING CUSTOMER NOTICE</p>
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Notice is hereby given that JAARS, Inc. (JAARS or Applicant), Post Office Box 248, Waxhaw, North Carolina, has filed an Application with the North Carolina Utilities Commission for authority to increase its rates for providing water utility service in all of its service areas in Union County, North Carolina.

JAARS is proposing to increase the monthly flat rate from \$20.00 per residential equivalent unit (REU) to \$28.48 per REU. The present rates have been in effect since March 17, 2009.

The Applicant's present and proposed rates are shown below.

<u>Monthly Water Service:</u>	<u>Present Rates</u>	<u>Proposed Rates</u>
Flat Rate per REU		
Residential customer (1.0 REU)	\$ 20.00	\$ 28.48
JAARS, Inc. (97.7 REUs)	\$1,954.00	\$2,782.50
Lydia House (1.3 REUs)	\$ 26.00	\$ 37.02
Waxhaw Court Apartments (6.0 REUs)	\$ 120.00	
Waxhaw Court Apartments (20.7 REUs)		\$ 589.54

The Commission may consider additional or alternative rate design proposals which were not included or proposed in the original Application and may order increases or decreases in the utility rate schedules which differ from those proposed by JAARS. However, any rate structure considered will not generate more overall revenues than requested.

PROCEDURE FOR PUBLIC HEARING

The Commission has scheduled the following hearings on the Application:

Customer Hearing at 6:30 p.m., on Wednesday, October 28, 2020. The hearing will be held remotely via WebEx and is subject to cancellation if no significant protests are received on or before Friday, October 9, 2020. The Commission will issue an order setting forth the procedure for the remote hearing.

Evidentiary hearing beginning at 10:00 a.m., on Tuesday, November 10, 2020, and continuing as necessary until conclusion. The hearing will be either held remotely via WebEx, or in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The Commission will issue an order setting forth the procedure for a remote hearing or confirming that the hearing will be held in the Commission Hearing Room.

The hearing scheduled for Wednesday, October 28, 2020, shall be for the sole purpose of receiving the testimony of public witnesses. The hearing scheduled

for Tuesday, November 10, 2020, shall be for the sole purpose of receiving expert witness testimony from JAARS, the Public Staff – North Carolina Utilities Commission (Public Staff), and any other parties of record.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include the customer's name, subdivision, contact information, and any information that the writer wishes to be considered by the Public Staff in its investigation of the matter; and these statements should be addressed to Ms. Dianna Downey, Chief Counsel, Public Staff-North Carolina Utilities Commission, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300. Written statements can also be faxed to Public Staff Utilities Engineer, Gina Casselberry, at 919-715-6704 or e-mailed to gina.casselberry@psncuc.nc.gov.

Persons desiring to present testimony concerning their opinions on this Application, or on any service problems they may be experiencing, may appear via WebEx at the October 28, 2020, remote public hearing and give such testimony.

Written statements are not evidence unless those persons appear at the public hearing and testify concerning the information contained in their written statements.

North Carolina Utilities Commission (NCUC) hearings are subject to change because of COVID-19. Any changes to scheduled hearings will be posted on the NCUC website (<https://www.ncuc.net>).

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Utilities Section, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001. Written statements may also be e-mailed to utilityAGO@ncdoj.gov.

Persons desiring to intervene in the matter as formal parties of record should file a motion under North Carolina Utilities Commission Rules R1-5, R1-7, and R1-19 no later than Friday, October 9, 2020. Any such motion should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net under Docket Number "W-1136 Sub 3".

This the _____ day of August, 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 the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-1136, Sub 3, and the Notice 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 Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-1136, Sub 3.

Witness my hand and notarial seal, this the ___ day of _____, 2020.

Notary Public

Printed Name

(SEAL) My Commission Expires: _____
Date