



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

May 11, 2021

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

Re: Docket No. W-1205, Sub 14 - Application for Rate Increase

Dear Ms. Campbell:

Attached for filing is the Public Staff's Proposed Order in the above-referenced docket.

By copy of this letter, I am forwarding a copy to all parties of record by electronic delivery.

Sincerely,

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

RDC/adb

Attachment

Executive Director
(919) 733-2435

Accounting
(919) 733-4279

Consumer Services
(919) 733-9277

Economic Research
(919) 733-2267

Energy
(919) 733-2267

Legal
(919) 733-6110

Transportation
(919) 733-7766

Water/Telephone
(919) 733-5610

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. W-1205, SUB 14

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Clarke Utilities, Inc., 223)	PROPOSED ORDER
Highway 70 East, Suite 115, Garner, North)	SCHEDULING HEARINGS
Carolina 27529-4062, for Authority to Increase)	AND REQUIRING CUSTOMER
Rates for Water and Sewer Utility Service in All)	NOTICE
of Its Service Areas in Wake and Franklin)	
Counties, North Carolina.)	

BY THE COMMISSION: On March 22, 2021, Clarke Utilities, Inc. (Clarke) filed an application with the Commission seeking authority to increase its rates for providing water and sewer utility service in all of its service areas in Wake and Franklin Counties, North Carolina. Clarke serves approximately 358 water customers and 312 sewer customers. The present rates have been in effect since January 1, 2017, pursuant to the Commission’s Order issued on December 6, 2016, in Docket Nos. M-100, Sub 138, and W-1205, Sub 8.

On April 19, 2021, the Commission issued an Order Establishing General Rate Case and Suspending Rates.

Clarke’s present and proposed rates are shown below.

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Water Rates: (Residential and Commercial)</u>		
Based Charge, zero usage		
< 1” meter	\$ 12.68	\$ 17.48
1” meter	\$ 31.69	\$ 43.70
1.5” meter	\$ 63.37	\$ 87.40
2” meter	\$101.40	\$139.84

Usage charge, per 1,000 gallons	\$ 2.49	\$ 3.50
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Monthly Metered Sewer Rates: (Residential and Commercial)

Based Charge, zero usage		
< 1" meter	\$ 25.58	\$ 32.10
1" meter	\$ 63.92	\$ 80.25
1.5" meter	\$127.84	\$160.50
2" meter	\$204.56	\$256.80
Richland Community Church	\$204.56	\$256.80

Usage charge, per 1,000 gallons	\$ 2.88	\$ 3.60
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The proposed rates would increase the average residential bill for water utility service from \$25.44 to \$35.41, an increase of 39.19 percent based on an average monthly usage of 5,123 gallons; and would increase the average residential bill for sewer utility service from \$40.99 to \$51.36, an increase of 25.30 percent based on an average monthly usage of 5,350 gallons. The Commission concludes that the matter should be scheduled for a customer hearing for the sole purpose of receiving testimony from customers; that the matter should also be scheduled for an evidentiary hearing for the sole purpose of receiving expert testimony from Clarke, the Public Staff – North Carolina Utilities Commission (Public Staff), and intervenors, if any; and that Clarke should be required to provide notice to its customers of the Application, including the applied rates and the scheduled hearings.

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 test year period is established as the twelve-month period ending December 31, 2019;

2. That the customer hearing for the sole purpose of receiving testimony from Clarke's service area customers is scheduled beginning at 6:30 p.m., on Thursday, June 17, 2021. The customer hearing will be held remotely via WebEx;

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

4. That the evidentiary hearing for the sole purpose of receiving expert testimony from Clarke, the Public Staff, and intervenors, if any, is scheduled beginning at 2:00 p.m., on Wednesday, July 21, 2021, 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;

5. 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;

6. That on or before Monday, June 21, 2021, 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;

7. That the Public Staff and intervenors, if any, shall file their testimony on or before Monday, June 21, 2021;

8. That Clarke shall file its rebuttal testimony, if any, on or before Tuesday, July 6, 2021;

9. That an officer or representative of Clarke 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

10. That the Notice to Customers, attached as Appendix A (Notice to Customers), shall be mailed with sufficient postage or hand delivered by Clarke to all affected customers on or before Friday, May 28, 2021; and

11. That Clarke shall submit to the Commission the attached Certificate of Service properly signed and notarized on or before Friday, June 4, 2021.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of May, 2021.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

NOTICE TO CUSTOMERS

**DOCKET NO. W-1205, SUB 14
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that Clarke Utilities, Inc. (Clarke or Applicant), 223 Highway 70 East, Suite 115, Garner, North Carolina, has filed an Application with the North Carolina Utilities Commission (Commission) for authority to increase its rates for providing water utility service in all of its service areas in Wake and Franklin Counties, North Carolina.

Clarke's present and proposed rates are as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Water Rates: (Residential and Commercial)</u>		
Based Charge, zero usage		
< 1" meter	\$ 12.68	\$ 17.48
1" meter	\$ 31.69	\$ 43.70
1.5" meter	\$ 63.37	\$ 87.40
2" meter	\$101.40	\$139.84
Usage charge, per 1,000 gallons	\$ 2.49	\$ 3.50
<u>Monthly Metered Sewer Rates: (Residential and Commercial)</u>		
Based Charge, zero usage		
< 1" meter	\$ 25.58	\$ 32.10
1" meter	\$ 63.92	\$ 80.25
1.5" meter	\$127.84	\$160.50
2" meter	\$204.56	\$256.80
Richland Community Church	\$204.56	\$256.80
Usage charge, per 1,000 gallons	\$ 2.88	\$ 3.60

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 Clarke. However, any rate structure considered will not generate more overall revenues than requested.

EFFECT OF THE RATES

The proposed rates would increase the average residential bill for water utility service from \$25.44 to \$35.41, an increase of 39.19 percent based on an average monthly usage of 5,123 gallons; and would increase the average residential bill for sewer utility service from \$40.99 to \$51.36, an increase of 25.30 percent based on an average monthly usage of 5,350 gallons.

PROCEDURE FOR PUBLIC HEARING

The Commission has scheduled the following hearings on the Application:

Customer Hearing at 6:30 p.m., on Thursday, June 17, 2021. The hearing will be held remotely via WebEx.

Evidentiary hearing beginning at 2:00 p.m., on Wednesday, July 21, 2021, 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 Thursday, June 17, 2021, shall be for the sole purpose of receiving the testimony of public witnesses. The hearing scheduled for Wednesday, July 21, 2021, shall be for the sole purpose of receiving expert witness testimony from Clarke, 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 June 17, 2021, 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.

Commission 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 Commission Rules R1-5, R1-7, and R1-19 no later than Monday, June 21, 2021. 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-1205 Sub 14."

This the _____ day of May, 2021.

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-1205, Sub 14, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2021.

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-1205, Sub 14.

Witness my hand and notarial seal, this the ____ day of _____, 2021.

Notary Public

Printed or Typed Name

(SEAL) My Commission Expires: _____

Date