

**GRANDFATHER
GOLF & COUNTRY CLUB
LINVILLE, NORTH CAROLINA**

OFFICIAL COPY

June 14, 2018

FILED

JUN 21 2018

**Clerk's Office
N.C. Utilities Commission**

North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC 27699-4325

W-755 Sub 10

Dear Sir or Madam:

Enclosed please find (25) copies of an Application for Rate Increase for GGCC Utility, Inc. We are filing this application after the required 30 days waiting period from when we filed of our letter of intent, of which we have enclosed a copy. Also enclosed, is a filing fee payment of \$250.

Sincerely,



Richard P. Foutz, CFO
GGCC Utility Co., Inc.

Enclosures

Tradition. Community. Family.

OFFICIAL COPY

DOCKET NO. 11-755 Sub 10
FILING FEE RECEIVED: \$250.00

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION
APPLICATION FOR RATE INCREASE

INSTRUCTIONS

Notes or explanations placed in the margins of the application are acceptable. If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable" or cross out the section.

APPLICANT

FILED
JUN 21 2018
Clerk's Office
N.C. Utilities Commission

Water

- Trade name used for utility business GGCC Utility Co., Inc.
- Name of owner (if different from trade name) Grandfather Golf & Country Club
- Business mailing address P.O. Box 368
City and state Linville, NC Zip Code 28646
- Business street address (if different from mailing address) 2120 U.S. Hwy. 105 S, Linville, NC 28646
- Business telephone number 828-898-4531
- List the counties in which you provide water utility service Avery
- List the counties in which you provide sewer utility service Avery

PROPOSED AND PRESENT RATES

	<u>Proposed Rates</u>	<u>Present Rates</u>
8. Metered Residential Service:		
Water:	_____	_____
Sewer:	_____	_____
9. Flat Rate Residential Service:		
Water:	<u>\$189.39/Quarter/REU</u>	<u>\$161.58/Quarter/REU</u>
Sewer:	<u>\$143.09/Quarter/REU</u>	<u>\$134.30/Quarter/REU</u>
10. Nonresidential Service (explain):		
Water:	<u>\$319.08/Quarter/REU</u>	<u>\$161.58/Quarter/REU</u>
Sewer:	<u>\$170.23/Quarter/REU</u>	<u>\$134.30/Quarter/REU</u>
11. Tap-on fees:		
Water:	<u>\$1,500/REU</u>	<u>\$1,500/REU</u>
Sewer:	<u>\$1,200/REU</u>	<u>\$1,200/REU</u>

OTHER PROPOSED RATES

- Finance charge for late payment: 1%
(NCUC Rule R12-9) specifies not more than one percent (1.0%) per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.)
- Reconnection charge if water service cut off by utility as specified in NCUC Rule R7-20: No Change
- Reconnection charge if water service discontinued at customer's request: No Change
- Reconnection charge if sewer service cut off by utility as specified in NCUC Rule R10-16: No Change
- Other charges: Return Check Fee increase from \$5 to \$12
- What date are the proposed rates to become effective? September 1, 2018
- How long have the present rates been in effect? October 16, 2016

PROPOSED BILLING

- Frequency of billing shall be (monthly, quarterly, etc.) Quarterly
- Billing shall be for service (in advance or arrears) Arrears
- Bills past due 30 days after the billing dates:
(NCUC Rule R12-9 specifies that bills shall not be past due less than fifteen (15) days after billing date).
- Will regular billing be by written statement? (yes or no) Yes

REVENUES AND EXPENSES

For 12 Months Ended February 28, 2018 (Date)

<u>Revenues</u>	<u>Water</u>	<u>Sewer</u>
1. Residential service (flat rate)	\$ 171,826	\$ 102,929
2. Residential service (metered rate)	\$ _____	\$ _____
3. Nonresidential service (flat rate)	\$ 20,388	\$ 16,914
4. Nonresidential service (metered rate)	\$ _____	\$ _____
5. Other revenues (describe in remarks below)	\$ _____	\$ 80
6. Total Revenues (Lines 1 thru 5)	<u>\$ 192,214</u>	<u>\$ 119,923</u>
7. Total salaries	\$ _____	\$ _____
8. Administrative and office expense (except salaries)	\$ 42,009	\$ 31,608
9. Maintenance and repair expense (except salaries)	\$ 42,067	\$ 18,176
10. Transportation expenses	\$ _____	\$ _____
11. Electric power for pumping	\$ 7,959	\$ 12,255
12. Chemicals for treatment	\$ 3,233	\$ 91
13. Testing fees	\$ 22,656	\$ _____
14. Permit fees	\$ 690	\$ 870
15. Purchased water/sewer treatment	\$ _____	\$ _____
16. Annual depreciation	\$ 55,483	\$ 17,127
17. Taxes: State income taxes	\$ _____	\$ _____
18. Federal income taxes	\$ _____	\$ _____
19. Gross receipts (or franchise tax)	\$ 114	\$ 86
20. Property taxes	\$ 2,755	\$ 1,486
21. Payroll taxes	\$ _____	\$ _____
22. Other taxes	\$ 320	\$ 206
23. Other expenses (describe in remarks below)	\$ 20,296	\$ 19,793
24. Total Expenses (Lines 7 thru 23)	<u>\$ 197,582</u>	<u>\$ 101,698</u>
25. Net Operating Income (Line 6 minus Line 24)	<u>\$ (5,368)</u>	<u>\$ 18,225</u>
26. Interest on debt during year	\$ (24,032)	\$ 0
27. Net Income (Line 25 minus Line 26)	<u>\$ (29,400)</u>	<u>\$ 18,225</u>

Remarks

28. Line 5 - Sewer: Finance Charges
29. Line 23 - Water: Professional Fees: \$1,922; Insurance: \$6,465; Bank Fees \$189;
30. Loss on Abandoned Assets: \$1,961; Contract Services: \$9,759
31. Sewer: Insurance: \$4,877; Bank Fees: \$143; Contract Services: \$13,425
32. Small Tools & Equipment: \$1,348

NUMBER OF CUSTOMERS SERVED
(at end of month)

	<u>Water</u>			<u>Sewer</u>		
	<u>Flat Rate Customers</u>	<u>Metered Customers</u>	<u>Gallons Sold to Metered Custs.</u>	<u>Flat Rate Customers</u>	<u>Metered Customers</u>	<u>Gallons Sold to Metered Custs.</u>
33. March	266	_____	_____	191	_____	_____
34. April	266	_____	_____	191	_____	_____
35. May	266	_____	_____	191	_____	_____
36. June	266	_____	_____	191	_____	_____
37. July	267	_____	_____	192	_____	_____
38. August	267	_____	_____	192	_____	_____
39. September	267	_____	_____	192	_____	_____
40. October	267	_____	_____	192	_____	_____
41. November	268	_____	_____	192	_____	_____
42. December	268	_____	_____	192	_____	_____
43. January	268	_____	_____	192	_____	_____
44. February	268	_____	_____	192	_____	_____

ORIGINAL COST OF UTILITY SYSTEM

As of Year Ended February 28, 2018 (Date)

Note: List the total original cost to construct and establish the system, whether or not paid for by the Present Owner.

	Balance at End of Year	
	Water	Sewer
1. Land and rights-of-way	\$ _____	\$ _____
2. Structures and site improvement	\$ <u>119,196</u>	\$ <u>312,878</u>
3. Wells	\$ <u>164,714</u>	\$ _____
4. Pumping equipment	\$ <u>365,660</u>	\$ <u>9,504</u>
5. Treatment equipment	\$ _____	\$ <u>32,827</u>
6. Storage tanks	\$ <u>120,328</u>	\$ _____
7. Mains (excluding service connections)	\$ <u>15,276</u>	\$ <u>88,888</u>
8. Service connections	\$ <u>1,309</u>	\$ _____
9. Meters (including spare meters)	\$ _____	\$ _____
10. Office furniture and equipment	\$ _____	\$ _____
11. Transportation equipment	\$ _____	\$ _____
12. Other utility property in service (describe in remarks below)	\$ <u>22,459</u>	\$ <u>29,000</u>
13. Total utility property in service (Lines 1 thru 12)	\$ <u>808,942</u>	\$ <u>473,097</u>
14. Less: accumulated depreciation	\$ <u>(415,493)</u>	\$ <u>(247,344)</u>
15. Less: accumulated tap fees and other contributions in aid of construction	\$ <u>(109,819)</u>	\$ <u>(37,829)</u>
16. Less: customer advances	\$ _____	\$ _____
17. Net investment in utility property (Line 13 minus 14, 15, & 16)	\$ <u>283,630</u>	\$ <u>187,924</u>

	Balance at End of Year	
	Water	Sewer
18. Construction work in progress	\$ <u>67,105</u>	\$ _____
19. Property held for future use	\$ _____	\$ _____
20. Other (describe in remarks below)	\$ _____	\$ _____

Remarks

- 21. Line 12: System Study: Water = 2,136 Sewer = 29,000
- 22. Monitoring System: Water = 23,200
- 23. System Generator: Water = 23,094
- 24. Line 18: Waterline Extension

ANNUAL DEPRECIATION

- 25. If annual depreciation is claimed using a composite rate for the entire system, show composite rate used:
 Water: _____
 Sewer: _____
- 26. If annual depreciation is claimed using individual rates for each type of equipment, show rates of depreciation used: _____

Type of Equipment	Annual Depreciation Rate	Method Used (Straight Line, etc.)	Amount of Annual Depreciation
<u>Mains</u>	<u>20-50 yrs</u>	<u>S/L</u>	<u>5,341</u>
<u>Control Panel</u>	<u>20 yrs</u>	<u>S/L</u>	<u>17</u>
<u>Generator</u>	<u>10 yrs</u>	<u>S/L</u>	<u>4,555</u>
<u>Pressure Reducer Valves</u>	<u>7 yrs</u>	<u>S/L</u>	<u>21,915</u>
<u>Pumps</u>	<u>7-20 yrs</u>	<u>S/L</u>	<u>4,077</u>
<u>Monitoring System</u>	<u>7 yrs</u>	<u>S/L</u>	<u>6,621</u>
<u>UV System</u>	<u>25 yrs</u>	<u>S/L</u>	<u>777</u>
<u>System Evaluation</u>	<u>15 yrs</u>	<u>S/L</u>	<u>1,933</u>
<u>Motors/Filters/Valves</u>	<u>7-10 yrs</u>	<u>S/L</u>	<u>4,485</u>
<u>Tanks</u>	<u>10-50 yrs</u>	<u>S/L</u>	<u>4,296</u>

CONTRIBUTIONS IN AID OF CONSTRUCTION
(Including Tap Fees)

- Has the utility collected any gross-up on contributions in aid of construction (CIAC), such as contributed plant and tap fees, since the test year of its last rate case? (yes or no) Yes

EMPLOYEE SALARIES
(Including Owner)

	Name	Duties	Salaries Paid During Year	Hours Worked During Year
2.	N/A		\$	
3.			\$	
4.			\$	

FINANCIAL INFORMATION

	Source of Loans (For Utility Purposes)	Interest Rates	Amount Unpaid End of Year
5.	Grandfather Golf & Country Club	Prime Rate	\$ (306,400)
6.			\$
7.			\$

OTHER FINANCIAL INFORMATION

8.	Stocks issued	\$ (1,000)
9.	Accumulated (or retained) earnings or losses	\$ 352,818
10.	Cash on hand	\$ 9,876
11.	Accounts receivable	\$ 78,161
12.	Accounts payable	\$ (80,737)
13.	Customer deposits on hand	\$
14.	Materials and supplies	\$
15.	Other investments	\$
	Contributed Capital	\$ (591,377)

FILING INSTRUCTIONS

- Seven (7) copies of the application and exhibits shall be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4325. **Twenty-five (25) copies of a Class A or B utility company should be filed.** One of these copies **must** have original signature. (Applicants must make their copies if desired.) Class A and B utility companies are also required to file a written letter of intent to file a general rate case with the Commission thirty (30) days in advance of filing this application. Furthermore, Class A utility companies should file a NCUC Form W-1 along with this rate increase application form as required in Rule R1-17(12)(d).
- Enclose a filing fee as required by G. S. §62-300. A Class A company (annual revenues of \$1,000,000 or more) requires a \$500 filing fee. A Class B company (annual revenues between \$200,000 and \$1,000,000) requires a \$250 filing fee. A Class C company (annual revenues less than \$200,000) requires a filing fee of \$100. **MAKE CHECK PAYABLE TO N.C. DEPARTMENT OF COMMERCE/UTILITIES COMMISSION.**

SIGNATURE

- Application shall be signed and verified by the Applicant.

Richard P. Foutz
Signature

6.14.18
Date

- (Typed or Printed Name) Richard P. Foutz
personally appearing before me and being first duly sworn, says that the information contained in this application and in the exhibits attached hereto are true to the best of his/her knowledge and belief.

This the 14th day of June, 2018.

Michele E. Sulejcin
Notary Public

P.O. Box 368 Linville, NC 28646
Address

My Commission Expires: June 10, 2021
Date

