BEFORE THE NORTH CAROLINA UTILITIES COMMISSION DOCKET NO. W-1034, SUB 13

In the Matter of
Application of Water Resources, Inc.,
for Authority to Adjust and Increase Rates
for Water Utility Service in Rocky River
Plantation Subdivision in Cabarrus County
and River Walk Subdivision in
Mecklenburg County, North Carolina

SUPPLEMENTAL
TESTIMONY OF
EVAN M. HOUSER
PUBLIC STAFF –
NORTH CAROLINA
UTILITIES COMMISSION

April 26, 2024

- 1 Q. Please state your name, business address, and present position.
- 2 A. My name is Evan M. Houser. My business address is 430 North Salisbury
- 3 Street, Dobbs Building, Raleigh, North Carolina. I am a Public Utilities
- 4 Engineer with the Water, Sewer, and Telephone Division of the Public Staff
- 5 North Carolina Utilities Commission (Public Staff).
- 6 Q. Are you the same Evan M. Houser who filed direct testimony on behalf
- 7 of the Public Staff in this proceeding on April 12, 2024?
- 8 A. Yes.
- 9 Q. Are your qualifications and duties the same as stated in your direct
- 10 testimony?
- 11 A. Yes.
- 12 Q. What is the purpose of your supplemental testimony.
- 13 A. The purpose of my supplemental testimony is to provide updates to the
- Public Staff's recommended rates following changes to the service revenue
- requirements recommended by Public Staff Witness Feasel.
- 16 Q. What are the updated service revenue requirements recommended by
- 17 Public Staff Witness Feasel?
- 18 A. Public Staff Witness Feasel has advised me that the updated service
- revenue requirements are \$138,027 and \$38,706 for the Rocky River and
- 20 River Walk service areas respectively.

| 1 | Q. | What are the revised recommended rates? | | |
|-------------|----|--|-----|--------------------|
| 2 | A. | The Public Staff recommends the following: | | |
| 3 | | Rocky River | | |
| 4 5 6 | | Base Charge, zero usage: Residential Bulk (McMillan Acres) | • | 26.32 447.44 |
| 7 | | Usage Charge, per 1,000 gallons | \$ | 11.87 |
| 8 | | River Walk | | |
| 9 10 | | Base Charge, zero usage: Residential | \$ | 24.79 |
| 11 | | Usage Charge, per 1,000 gallons | \$ | 13.88 |
| 12 | | My revised calculations can be found in Revised Hou | se | r Exhibit 2. |
| 13 | | The Public Staff's revised recommended rates wou | ıld | result in a 215% |
| 14 | | increase in the average customer bill in the Rocky Riv | /er | subdivision and a |
| 15 | | 10.5% increase in the average customer bill for a co | ust | tomer in the River |
| 16 | | Walk subdivision. | | |
| 17 | Q. | Does this conclude your testimony? | | |
| 18 | A. | Yes, it does. | | |

Water Resources, Inc.

Docket No. W-1034 Sub 13

For the 12 Months Ending December 31, 2022

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Revised Houser Exhibit 2

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Revenue at Public Staff Recommended Rates

PS Recommended Rates

WATER

| Billing | | Usage | Usage | EOP | EOP | Base | Base Charge | Total |
|-------------------|-----------|---------|----------|-----------|-------------|----------|-------------|-----------|
| Туре | Usage | Rate | Revenue | Customers | x 12 months | Charge | Revenue | Revenue |
| Rocky River | | | | | | | | |
| < 1" | 7,091,541 | \$11.87 | \$84,177 | 114 | 1,368 | \$26.32 | \$36,006 | \$120,182 |
| 4" Meter | 1,052,127 | \$11.87 | \$12,489 | 1 | 12 | \$447.44 | \$5,369 | \$17,858 |
| Total Rocky River | 8,143,668 | | \$96,665 | 115 | 1,380 | | \$41,375 | \$138,040 |
| Billing | | Usage | Usage | EOP | EOP | Base | Base Charge | Total |
| Туре | Usage | Rate | Revenue | Customers | x 12 months | Charge | Revenue | Revenue |
| River Walk | | | | | | | | |
| < 1" | 1,952,928 | \$13.88 | \$27,107 | 39 | 468 | \$24.79 | \$11,602 | \$38,708 |
| | | | | | | | | |
| | | | | | | | | |

Total Revenue: \$176,749

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing has been served on all parties of record or their attorneys, or both, in accordance with Commission Rule R1-39, by United States Mail, first class or better; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 26th day April, 2024.

Electronically submitted /s/ Gina C. Holt Staff Attorney