

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

1. Trade name used for utility business Saxapahaw Utility Company
2. Name of owner (if different from trade name) \_\_\_\_\_
3. Business mailing address PO Box 126  
City and state Saxapahaw, NC Zip Code 27340
4. Business street address (if different from mailing address) \_\_\_\_\_
5. Business telephone number 336-376-3122
6. List the counties in which you provide water utility service Alamance
7. List the counties in which you provide sewer utility service N/A

PROPOSED AND PRESENT RATES

	<u>Proposed Rates</u>	<u>Present Rates</u>
8. Metered Residential Service:		
Water: <u>See Attachment A</u>	<u>See Attachment A</u>	<u>See Attachment A</u>
Sewer: <u>N/A</u>	<u>N/A</u>	<u>N/A</u>
9. Flat Rate Residential Service:		
Water: <u>N/A flat rate phased out</u>	<u>N/A</u>	<u>N/A</u>
Sewer: <u>N/A</u>	<u>N/A</u>	<u>N/A</u>
10. Nonresidential Service (explain):		
Water: <u>See Attachment A</u>	<u>See Attachment A</u>	<u>See Attachment A</u>
Sewer: <u>N/A</u>	<u>N/A</u>	<u>N/A</u>
11. Tap-on fees:		
Water: <u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Sewer: <u>N/A</u>	<u>N/A</u>	<u>N/A</u>

OTHER PROPOSED RATES

12. Finance charge for late payment: 1% per month per NCUC Rule R 12-9  
(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.)
13. Reconnection charge if water service cut off by utility as specified in NCUC Rule R7-20: \$41.38 (\$62.75 if on Weekends)
14. Reconnection charge if water service discontinued at customer's request: \$41.38 (\$62.75 if on Weekends)
15. Reconnection charge if sewer service cut off by utility as specified in NCUC Rule R10-16: N/A
16. Other charges: \$41.38 new account, \$25.00 returned check
17. What date are the proposed rates to become effective? Immediately upon approval
18. How long have the present rates been in effect? Since Fall 2019

PROPOSED BILLING

19. Frequency of billing shall be (monthly, quarterly, etc.) Monthly
20. Billing shall be for service (in advance or arrears) Arrears
21. Bills past due 15 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).
22. Will regular billing be by written statement? (yes or no) Yes

**REVENUES AND EXPENSES**

For 12 Months Ended December 31, 2020 (Date)

<u>Revenues</u>	<u>Water</u>	<u>Sewer</u>
1. Residential service (flat rate)	\$ 0	\$
2. Residential service (metered rate)	\$ 150,805	\$
3. Nonresidential service (flat rate)	\$ 0	\$
4. Nonresidential service (metered rate)	\$ 0	\$
5. Other revenues (describe in remarks below)	\$ 1,489	\$ See Line 28
6. Total Revenues (Lines 1 thru 5)	\$ 152,294	\$
7. Total salaries	\$ 85,005	\$ see line 32
8. Administrative and office expense (except salaries)	\$ 1,570	\$ see line 29
9. Maintenance and repair expense (except salaries)	\$ 17,074	\$
10. Transportation expenses	\$ 0	\$
11. Electric power for pumping	\$ 7,115	\$
12. Chemicals for treatment	\$ 1,126	\$
13. Testing fees	\$ 505	\$
14. Permit fees	\$ 830	\$
15. Purchased water/sewer treatment	\$ 0	\$
16. Annual depreciation	\$ 20,280	\$
17. Taxes: State income taxes	\$ 0	\$
18. Federal income taxes	\$ 0	\$
19. Gross receipts (or franchise tax)	\$ 487	\$
20. Property taxes	\$ 450	\$
21. Payroll taxes	\$ 0	\$
22. Other taxes	\$ 206	\$
23. Other expenses (describe in remarks below)	\$ 20,389	\$ see line 30 & 31
24. Total Expenses (Lines 7 thru 23)	\$ 155,037	\$
25. Net Operating Income (Line 6 minus Line 24)	\$ (2,743)	\$
26. Interest on debt during year	\$ 0	\$
27. Net Income (Line 25 minus Line 26)	\$ (2,743)	\$

**Remarks**

- 28. Line 5 - Interest Income 443, New Acct. Fee 619, Return Check Fee 25, Reconnection Fee 351, Late Fee 51
- 29. Line 8 - Office Expense 885, Computer and Software 685
- 30. Line 23 - Equipment Expense 6,347, Bank Charges 352, Rent 7,150, Professional & Legal 3,936, Postage 596,
- 31. Insurance 397, Dues 695, Amortization 916
- 32. Wages 35,640, Bookkeeping 34,365, Management Fees 15,000

**NUMBER OF CUSTOMERS SERVED**  
(at end of month)

Month	Water			Sewer		
	Flat Rate Customers	Metered Customers	Gallons Sold to Metered Custs.	Flat Rate Customers	Metered Customers	Gallons Sold to Metered Custs.
33. January	0	268	880,847			
34. February	0	268	876,809			
35. March	0	268	994,780			
36. April	0	268	758,642			
37. May	0	268	846,825			
38. June	0	268	900,903			
39. July	0	268	1,025,099			
40. August	0	268	903,221			
41. September	0	268	1,056,020			
42. October	0	268	858,851			
43. November	0	268	887,725			
44. December	0	268	796,831			



**CONTRIBUTIONS IN AID OF CONSTRUCTION**  
(Including Tap Fees)

1. 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) No

**EMPLOYEE SALARIES**  
(Including Owner)

Name	Duties	Salaries Paid During Year	Hours Worked During Year
2. All Employees are employed by Sellers, Inc. Amounts shown on Page 2 include all wages, taxes and insurance	R & M, meter reading, bookkeeping	\$ 85,005	3,315
4. John M. Jordan management fee	Management	\$	

**FINANCIAL INFORMATION**

Source of Loans (For Utility Purposes)	Interest Rates	Amount Unpaid End of Year
5. None		\$
6.		\$
7.		\$

**OTHER FINANCIAL INFORMATION**

8. Stocks issued .....	\$ 10,000
9. Accumulated (or retained) earnings or losses .....	\$ 0
10. Cash on hand .....	\$ 19,199
11. Accounts receivable .....	\$ 1367
12. Accounts payable .....	\$ 739
13. Customer deposits on hand .....	\$ 0
14. Materials and supplies .....	\$ 0
15. Other Investments .....	\$ 30,000 bond

**FILING INSTRUCTIONS**

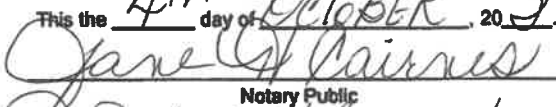
16. Seven (7) copies of the application and exhibits shall be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4325. Twenty-five (25) copies of a Class A or B utility company should be filed. One of these copies must have original signature. (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).
17. 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**

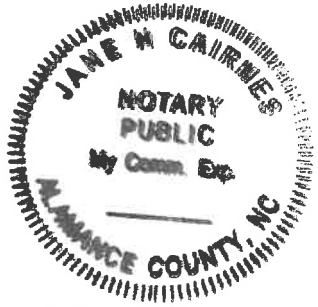
18. Application shall be signed and verified by the Applicant.

  
 \_\_\_\_\_  
 Signature  
 10/4/21  
 \_\_\_\_\_  
 Date

19. (Typed or Printed Name) John M JORDAN  
 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 4th day of OCTOBER, 2021  
  
 \_\_\_\_\_  
 Notary Public

PO Box 128, Cayapahaw NC 27340  
 \_\_\_\_\_  
 Address  
 My Commission Expires: 9/28/2025  
 \_\_\_\_\_  
 Date



**ATTACHMENT A**

**Attachment A - Schedule of Rates**

<b><u>Description</u></b>	<b><u>Present Rates</u></b>	<b><u>6% of Present Rates</u></b>	<b><u>Proposed Rates with 6% Increase</u></b>
<b>Metered Rates - Water Service:</b>			
Residential Base charge, zero usage	\$ 32.69	\$ 1.97	\$ 34.66
Commercial Base charge, zero usage			
3/4 - inch meter	\$ 32.69	\$ 1.97	\$ 34.66
1 -inch meter	\$ 81.79	\$ 4.91	\$ 86.70
1 1/2-inch	\$ 163.54	\$ 9.82	\$ 173.36
2-inch meter	\$ 261.66	\$ 15.70	\$ 277.36
3-inch meter	\$ 490.61	\$ 29.44	\$ 520.05
4-inch meter	\$ 817.67	\$ 49.06	\$ 866.73
6-inch meter	\$ 1635.35	\$ 98.13	\$ 1733.48
Usage charge per 1,000 gallons	\$ 7.81	\$ 0.47	\$ 8.28
<b>Additional Fees:</b>			
New Account	\$ 39.03	\$ 2.35	\$ 41.38
Returned Check	\$ 25.00	N/A	\$ 25.00
Reconnect (during work hours, cut-off for good cause)	\$ 39.03	\$ 2.35	\$ 41.38
Reconnect (after hours, holiday, weekends)	\$ 78.06	\$ 4.69	\$ 82.75
Discontinued (during work hours, cut-off requested)	\$ 39.03	\$ 3.35	\$ 41.38
Late Charge		1% per month	1% per month