

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1166, SUB 17

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by MECO Utilities, Inc., Post)	
Office Box 2369, Swansboro, North)	ORDER ESTABLISHING GENERAL
Carolina 28584, for Authority to Increase)	RATE CASE, SUSPENDING RATES,
Rates for Water and Sewer Utility)	SCHEDULING HEARING, AND
Service in Mobile Estates Mobile Home)	REQUIRING CUSTOMER NOTICE
Park in Wake County, North Carolina)	

BY THE COMMISSION: On October 31, 2017, MECO Utilities, Inc. (MECO or Applicant), filed a letter of intent notifying the Commission of its intent to file a general rate case application, as required by Commission Rule R1-17(a). On December 4, 2017, MECO filed an application with the Commission seeking authority to increase its rates for water and sewer utility service in Mobile Estates Mobile Home Park in Wake County, North Carolina. MECO purchases bulk water and sewer treatment service from the Town of Cary and serves approximately 270 customers. The present rates have been in effect since August 21, 2017, which was MECO's last pass through rate increase (Docket No. W-1166, Sub 16).

The Applicant's present and proposed rates are as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Water Rates:</u>		
Base charge, zero usage (minimum)	\$13.81	\$16.50
Usage charge, per 1,000 gallons	\$ 6.44	\$ 7.69
<u>Monthly Metered Sewer Rates:</u>		
Base charge, zero usage (minimum)	\$12.14	\$16.09
Usage charge, per 1,000 gallons	\$ 9.96	\$13.20

The proposed rates would increase the average residential monthly water bill from \$36.67 to \$43.80, a 19.44% increase and monthly sewer bill from \$47.50 to \$62.95, a 32.53% increase, based on an average monthly usage of 3,550 gallons.

The Commission is of the opinion that the application constitutes a general rate case, that the proposed new rates should be suspended pending investigation, and that the matter should be scheduled for customer hearing, subject to cancellation if no significant protests are received subsequent to customer notice.

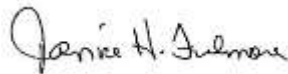
IT IS, THEREFORE, ORDERED as follows:

1. That this proceeding is declared a general rate case pursuant to G.S. 62-137.
2. That the proposed new rates are suspended for up to 270 days pursuant to G.S. 62-134.
3. That the test period is established as the 12-month period ended September 30, 2017.
4. That the application is scheduled for public hearing at 7:00 p.m., on Thursday, March 22, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, NC. This hearing may be canceled if no significant protests are received subsequent to public notice on or before February 15, 2018.
5. That an officer or representative of the Applicant is required to appear in person before the Commission at the time and place of the hearing to testify concerning any of the information contained in the application. If the Applicant desires to cross-examine any witnesses at the hearing, the Applicant shall be represented by legal counsel at this hearing.
6. That the Notice to Customers, attached as Appendix A, shall be mailed with sufficient postage or hand delivered by the Applicant to all customers affected by the proposed new rates no later than seven days after the date of this Order; and that the Applicant shall submit to the Commission the attached Certificate of Service, properly signed and notarized, not later than 20 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 18th day of December, 2017.

NORTH CAROLINA UTILITIES COMMISSION



Janice H. Fulmore, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1160, SUB 17
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that MECO Utilities, Inc., Post Office Box 2396, Swansboro, North Carolina 28770, filed an application with the North Carolina Utilities Commission on December 4, 2017, for authority to increase rates for water and sewer utility service in Mobile Estates Mobile Home Park in Wake County, North Carolina, as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Water Rates:</u>		
Base charge, zero usage (minimum)	\$13.81	\$16.50
Usage charge, per 1,000 gallons	\$ 6.44	\$ 7.69
<u>Monthly Metered Sewer Rates:</u>		
Base charge, zero usage (minimum)	\$12.14	\$16.09
Usage charge, per 1,000 gallons	\$ 9.96	\$13.20

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

EFFECT OF RATES

The present water and sewer rate has been in effect since August 21, 2017, which was MECO's last pass through rate increase (Docket No. W-1166, Sub 16). The proposed rates would increase the average residential monthly water bill from \$36.67 to \$43.80, a 19.44% increase and monthly sewer bill from \$47.50 to \$62.95, a 32.53% increase, based on an average monthly usage of 3,550 gallons.

PUBLIC HEARING

The Commission has scheduled the application for public hearing at 7:00 p.m., on Thursday, March 22, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. This hearing may be canceled and the matter decided on the filings if no significant protests are received from consumers on or before February 15, 2018. Correspondence concerning the proposed rate increase, service problems, or the public hearing should be directed to the Public Staff – North Carolina Utilities Commission (Public Staff).

The Public Staff is authorized by statute to represent the consumers in proceedings before the Commission. Written statements to the Public Staff should include the name of the 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 Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300. Written statements can also be faxed to (919) 715-6704 or e-mailed to gina.casselberry@psncuc.nc.gov.

The Attorney General is also authorized by statute to represent the consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001.

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

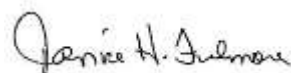
Persons desiring to present testimony concerning their opinion on this application, or any service problems they may be experiencing, may appear at this public hearing and give such testimony.

Persons desiring to intervene in the matter as formal parties of record should file a motion under North Carolina Utilities Commission Rules R1-6, R1-7, and R1-19 no later than February 15, 2018. Any such motion should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

The details of the proposed new rates have been filed with the North Carolina Utilities Commission. A copy of the application and all filings in this matter are available for review by the public at the Office of the Chief Clerk, 430 North Salisbury Street, Raleigh, North Carolina. Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net under the docket number of this proceeding.

This the 18th day of December, 2017.

NORTH CAROLINA UTILITIES COMMISSION



Janice H. Fulmore, Deputy Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Order Establishing General Rate Case, Suspending Rates, Scheduling Hearing, and Requiring Customer Notice issued by the North Carolina Utilities Commission in Docket No. W-1166, Sub 17, by the date specified in the Order.

This the ____ day of _____, _____.

By: _____
Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the Order Establishing General Rate Case, Suspending Rates, Scheduling Hearing, and Requiring Customer Notice was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-1166, Sub 17.

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

Notary Public

Printed or Typed Name

(SEAL) My Commission Expires: _____
Date