

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 Dry Ridge Properties, LLC
2. Name of owner (if different from trade name) _____
3. Business mailing address Box 11
City and state Barnardsville, NC Zip Code 28709
4. Business street address (if different from mailing address) _____
5. Business telephone number 828-337-0894
6. List the counties in which you provide water utility service Buncombe
7. List the counties in which you provide sewer utility service Buncombe

PROPOSED AND PRESENT RATES

	<u>Proposed Rates</u>	<u>Present Rates</u>
8. Metered Residential Service:		
Water:	<u>\$19 per 1,000 gallons, or fraction thereof</u>	<u>\$11.71 base; \$2.88 per 1,000 gallons</u>
Sewer:	<u>\$10 base; \$5/ccf, or fraction thereof</u>	<u>\$11.47 base; \$2.91 per 1,000 gallons</u>
9. Flat Rate Residential Service:		
Water:	<u>NA</u>	<u>NA</u>
Sewer:	<u>NA</u>	<u>NA</u>
10. Nonresidential Service (explain):		
Water:	<u>NA</u>	<u>NA</u>
Sewer:	<u>NA</u>	<u>NA</u>
11. Tap-on fees:		
Water:	<u>\$100</u>	<u>\$0</u>
Sewer:	<u>\$100</u>	<u>\$0</u>

OTHER PROPOSED RATES

12. 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.)
13. Reconnection charge if water service cut off by utility as specified in NCUC Rule R7-20: \$15
14. Reconnection charge if water service discontinued at customer's request: \$15
15. Reconnection charge if sewer service cut off by utility as specified in NCUC Rule R10-16: \$15
16. Other charges: _____
17. What date are the proposed rates to become effective? 6/1/2023
18. How long have the present rates been in effect? since 2015

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 12/31/2021 (Date)

<u>Revenues</u>	<u>Water</u>	<u>Sewer</u>
1. Residential service (flat rate)	\$ 0	\$ 0
2. Residential service (metered rate)	\$ 14,883	\$ 15,184
3. Nonresidential service (flat rate)	\$ 0	\$ 0
4. Nonresidential service (metered rate)	\$ 0	\$ 0
5. Other revenues (describe in remarks below)	\$ 0	\$ 0
6. Total Revenues (Lines 1 thru 5)	\$ 14,833	\$ 15,184
7. Total salaries	\$ 7,301	\$ 7,449
8. Administrative and office expense (except salaries)	\$ 0	\$ 0
9. Maintenance and repair expense (except salaries)	\$ 19,570	\$ 19,965
10. Transportation expenses	\$ 0	\$ 0
11. Electric power for pumping	\$ 2,419	\$ 2,467
12. Chemicals for treatment	\$ 594	\$ 605
13. Testing fees	\$ 1,955	\$ 1,995
14. Permit fees	\$ 438	\$ 447
15. Purchased water/sewer treatment	\$ 0	\$ 0
16. Annual depreciation	\$ 9,926	\$ 11,042
17. Taxes: State income taxes	\$ 0	\$ 0
18. Federal income taxes	\$ 0	\$ 0
19. Gross receipts (or franchise tax)	\$ 0	\$ 0
20. Property taxes	\$ 4,627	\$ 4,627
21. Payroll taxes	\$ NA	\$ NA
22. Other taxes	\$ 0	\$ 0
23. Other expenses (describe in remarks below)	\$ 559	\$ 571
24. Total Expenses (Lines 7 thru 23)	\$ 46,583	\$ 48,052
25. Net Operating Income (Line 6 minus Line 24)	\$ (32,068)	\$ (33,537)
26. Interest on debt during year	\$ 14,515	\$ 14,515
27. Net Income (Line 25 minus Line 26)	\$ (46,583)	\$ (48,052)

Remarks

28. Line 23: NCUC Regulatory Fee	
29.	
30.	
31.	
32.	

NUMBER OF CUSTOMERS SERVED
(at end of month)

	<u>Month</u>	<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.	January		54	162,589		54	162,589
34.	February		54	162,729		54	162,729
35.	March		54	173,793		54	173,793
36.	April		54	165,824		54	165,824
37.	May		54	148,138		54	148,138
38.	June		54	144,835		54	144,835
39.	July		54	134,736		54	134,736
40.	August		54	146,402		54	146,402
41.	September		54	215,643		54	215,643
42.	October		54	179,642		54	179,642
43.	November		54	164,856		54	164,856
44.	December		54	156,250		54	156,250

ORIGINAL COST OF UTILITY SYSTEM

As of Year Ended 13/31/2021 (Date)

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

	<u>Utility Property in Service</u>	
	<u>Water</u>	<u>Sewer</u>
1. Land and rights-of-way	\$ 0	\$ 157,291
2. Structures and site improvement	\$ 10,000	\$ 139,634
3. Wells	\$ 20,000	\$ NA
4. Pumping equipment	\$ 12,510	\$ NA
5. Treatment equipment	\$ 21,825	\$ 70,000
6. Storage tanks	\$ 5,000	\$ 0
7. Mains (excluding service connections)	\$ 34,916	\$ 34,916
8. Service connections	\$ 104,749	\$ NA
9. Meters (including spare meters)	\$ 23,656	\$ NA
10. Office furniture and equipment	\$ 0	\$ 0
11. Transportation equipment	\$ 0	\$ 0
12. Other utility property in service (describe in remarks below)	\$ 0	\$ 0
13. Total utility property in service (Lines 1 thru 12)	\$ 232,656	\$ 401,841
14. Less: accumulated depreciation	\$	\$
15. Less: accumulated tap fees and other contributions in aid of construction	\$ 0	\$ 0
16. Less: customer advances	\$ 0	\$ 0
17. Net investment in utility property (Line 13 minus 14, 15, & 16)	\$	\$

	<u>Utility Property Not in Service</u>	
	<u>Water</u>	<u>Sewer</u>
18. Construction work in progress	\$ NA	\$ NA
19. Property held for future use	\$ NA	\$ NA
20. Other (describe in remarks below)	\$ NA	\$ NA

Remarks

21.	
22.	
23.	
24.	

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: See Below

Type of Equipment	Annual Depreciation Rate	Method Used (Straight Line, etc.)	Amount of Annual Depreciation
Water/Sewer main lines	15 year/150 DB		10,309
58 water meters	15 year/150 DB		1,397
Sewer treatment system	15 year/150 DB		4,133
2 wells	15 year/150 DB		1,181
Wellhouse	15 year/150 DB		591
Filtration system	15 year/150 DB		1,289
New water main	15 year/150 DB		165
Well pump	15 year/150 DB		148
Sewer plant renovations	15 year/150 DB		0
Septic system repairs	15 year/150 DB		1,755

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.	Environmental, Inc.	Contract operator	\$ 14,750	208
3.			\$	
4.			\$	

FINANCIAL INFORMATION

	Source of Loans (For Utility Purposes)	Interest Rates	Amount Unpaid End of Year
5.	TruPoint Bank	4.25%	\$ 742,642
6.	TruPoint Bank Bond		\$ 20,000
7.			\$

OTHER FINANCIAL INFORMATION

8.	Stocks issued	\$ NA
9.	Accumulated (or retained) earnings or losses	\$ NA
10.	Cash on hand	\$ 134,091
11.	Accounts receivable	\$ 0
12.	Accounts payable	\$ 0
13.	Customer deposits on hand	\$ 2,700
14.	Materials and supplies	\$ 0
15.	Other investments	\$ 0

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.

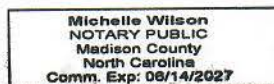



Signature
4/10/23

Date

19. (Typed or Printed Name) Daniel Arnold
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 10 day of April, 2023.





Notary Public

149 Weaver blvd, weaverville 28787 nc

Address

My Commission Expires: 6/14/27

Date