

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-567, SUB 8

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Prior Construction)	
Company, Inc., 957 Rand Road, Garner,)	
North Carolina 27529, for Authority to)	ORDER REQUIRING
Increase Rates for Water Utility Service)	CUSTOMER NOTICE
in Deerfield Park, Paynes Park Landing,)	
and Little John Acres Subdivisions in)	
Wake County, North Carolina)	

BY THE CHAIRMAN: On March 15, 2018, Prior Construction Company, Inc. (Prior or Applicant) filed an application with the Commission seeking authority to increase its rates for water utility service in Deerfield Park, Paynes Park Landing, and Little John Acres Subdivisions in Wake County, North Carolina. Prior presently serves approximately 213 residential customers. The present rates have been in effect since January 1, 2017, when they were adjusted due to implementation of House Bill 998 (Session Law 2013-316), in Docket No. M-100, Sub 138, and Docket No. W-567, Sub 7. The last rates established in a general rate case were in Docket No. W-567, Sub 6, on February 12, 2007.

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	\$10.29	\$18.80
Usage charge, per 1,000 gallons	\$ 2.66	\$ 4.90

The proposed rates would increase the average residential monthly water bill from \$21.73 to \$39.87, an 83.5% increase, based on an average monthly usage of 4,300 gallons.

On April 10, 2018, the Commission issued an Order Establishing General Rate Case, Suspending Rates, Scheduling Hearing, and Requiring Customer Notice (the Order). The Order required the Applicant to provide notice to all customers affected by the proposed new rates no later than 30 days after the date of the Order. It has come to the attention of the Commission that customer notice was not provided within 30 days of the Order, May 10, 2018, nor has customer notice been provided thereafter.

Moreover, the Order provided that the hearing, which is scheduled for July 18, 2018, was subject to cancellation if no significant protests were received subsequent to public notice on or before May 25, 2018. Since customers did not receive notice by the May 10, 2018, as required by the Order, there was no meaningful opportunity to submit protests to the proposed rates prior to May 25, 2018. Thus, the Chairman is of the opinion that cancellation of the hearing is not appropriate in this circumstance.

The Order set the deadline to file a petition to intervene in the general rate case for May 25, 2018, based on the assumption that customers had received notice by May 10, 2018. Since customers did not receive notice by May 10, 2018, as required by the Order, there was no meaningful opportunity to file a petition to intervene by May 25, 2018. Thus, the Chairman is of the opinion that the date to file a petition to intervene should be extended until July 6, 2018, being at least 10 days before the hearing.

Based upon the foregoing, the Chairman finds and concludes that notice of this proceeding should be given to all affected customers; therefore, a new order requiring customer notice should be issued. Further, the Chairman finds and concludes that since customers did not receive notice by May 10, 2018 as required by the Order, the hearing scheduled for Wednesday, July 18, 2018, should be held as scheduled and the deadline to file a petition to intervene should be extended to July 6, 2018.

IT IS, THEREFORE, ORDERED as follows:

1. 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; that the Notice to Customers shall be mailed or hand delivered no later than five business days after the date of this Order; and that the Applicant submit to the Commission the attached Certificate of Service, properly signed and notarized, not later seven business days after the date of this Order.
2. That the public hearing scheduled for 7:00 p.m., on Wednesday, July 18, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina shall be held as scheduled.
3. 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.

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

ISSUED BY ORDER OF THE COMMISSION.

This the 8th day of June, 2018.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in dark ink, appearing to read "Linnetta Threatt", written over a horizontal line.

Linnetta Threatt, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-567, SUB 8
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that Prior Construction Company, Inc., 957 Rand Road, Garner, North Carolina 27529, filed an application with the North Carolina Utilities Commission on March 15, 2018, for authority to increase rates for water utility service in Deerfield Park, Paynes Park Landing, and Little John Acres Subdivisions 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	\$10.29	\$18.80
Usage charge, per 1,000 gallons	\$ 2.66	\$ 4.90

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 rates have been in effect since January 1, 2017. The last rates established in a general rate case were in Docket No. W-567, Sub 6, by Commission Order issued on February 12, 2007. The proposed rates would increase the average residential monthly water bill from \$21.73 to \$39.87, an 83.5% increase, based on an average monthly usage of 4,300 gallons.

PUBLIC HEARING

The Commission has scheduled the application for public hearing at 7:00 p.m., on Wednesday July 18, 2018, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. 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 david.furr@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.

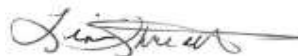
Persons desiring to present testimony concerning their opinion on this application, or any service problems they may be experiencing, may appear at this public hearing and give such testimony.

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 July 6, 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 (i.e., W-567 Sub 8).

This the 8th day of June, 2018.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threatt, Deputy Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-567, Sub 8, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2018.

By: _____
Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-567, Sub 8.

Witness my hand and notarial seal, this the ____ day of _____, 2018.

Notary Public

Printed or Typed Name

(SEAL) My Commission Expires: _____
Date