

SANFORD LAW OFFICE, PLLC

Jo Anne Sanford, Attorney at Law

May 15, 2024

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Via Electronic Delivery

Re: Docket No. W-354, Sub 400
Application by Carolina Water Service, Inc. of North Carolina for Authority to Adjust and Increase Rates and Charges for Water and Sewer Utility Service in All Service Areas of North Carolina and Approval of a Three-Year Water and Sewer Investment Plan
---Verified Request for Approval of Revised Tariffs Regarding WISP Rate Year 2 Rates

Dear Ms. Dunston:

On April 26, 2023, the Commission issued an *Order Approving Partial Settlement Agreement and Stipulation, Deciding Contested Issues, Granting Partial Rate Increase, Approving Water and Sewer Investment Plan, and Requiring Customer Notice* (Rate Order) in the above-referenced proceeding. Among other things, the Rate Order required that the Public Staff and Carolina Water Service Inc. of North Carolina (CWSNC or Company) jointly file Schedules of Rates, applicable Notices to Customers, and Schedules of Connection fees for CWSNC's Base Case, and Schedules of Rates and applicable Customer Notices for WSIP Rate Year 1, WSIP Rate Year 2, and WSIP Rate Year 3.

On May 3, 2023, CWSNC and the Public Staff jointly filed with the Commission, as appendices to their filing, the applicable Schedules of Rates and Connection Fees and Notices to Customers. On May 12, 2023, the Commission issued an *Order Approving Schedules of Rates, Schedules of Connection Fees, and Customer Notices* (May 12 Order). The May 12 Order required CWSNC to provide notice to its customers of rates to be implemented as of April 1, 2024, through March 31, 2025.

sanford@sanfordlawoffice.com

cell: 919.210.4900

P. O. Box 28085, Raleigh, N.C. 27611-8085

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On February 16, 2024, due to tariff revisions resulting from changes in rates imposed by third-party suppliers of purchased water or sewer service for certain CWSNC service areas, CWSNC submitted for Commission approval revised WSIP Rate Year 2 Customer Notices reflecting those changes as previously noticed to applicable customers.

On February 21, 2024, the Commission entered an Order in this docket which approved the revised Notices to Customers attached to that Order. On February 28, 2024, CWSNC filed the Commission-required Certificates of Service regarding the two Notices to Customers (for the Company's applicable Rate Divisions).

Unfortunately, CWSNC recently discovered that, in its February 16, 2024 filing, the Company did not (1) update and submit a complete set of revised WSIP Rate Year 2 tariffs for approval by the Commission in addition to the revised WSIP Rate Year 2 Customer Notices and (2) failed to include the correct monthly metered base facility and usage charge (per 1,000 gallons) rates for purchased sewer service for customers in the Company's Mt. Carmel Subdivision Service Area in the applicable Customer Notice.¹ The correct sewer pass-through rates for the Mt. Carmel service area were previously approved by Commission Order entered in Docket No. W-354, Sub 419 on August 8, 2023, effective for sewer utility service provided on and after the date of that Order.² The Company has continued to charge those monthly metered base facility and usage charge rates to its Mt. Carmel sewer customers notwithstanding the inconsistency in the tariff approved by the Commission in the Order dated February 21, 2024.

To address the above-referenced issues, CWSNC hereby files a complete set of revised WSIP Rate Year 2 tariffs for approval by the Commission, including

¹ The correct Monthly Collection Charge in the amount of \$35.47 for Mt. Carmel Residential and Commercial customers was properly included in the Company's February 16, 2024 filing.

² As required by the Commission in the Sub 419 Order, CWSNC provided each of the affected customers in the Mt. Carmel service area with a copy of the Commission-prescribed Notice to Customers which described the approved rate increases as that notice affected their monthly metered base facility and usage charge (per 1,000 gallons) rates.

a corrected Sub 400 tariff page applicable to the Mt. Carmel sewer rates. There is no need for a Notice to Customers regarding this correction as the three Commission-authorized components of the monthly sewer rates currently being paid by the affected Mt. Carmel customers will not change (i.e., the base facility charge, the collection charge, and the usage charge).

I am authorized to state that the Public Staff supports this request.

CWSNC apologizes to the Commission and customers for the issues related to the Company's February 16, 2024 filing which necessitated this Verified Request and asks that an Order be issued approving this filing.

This request is verified by Matthew Schellinger II, CWSNC's Vice President of Finance.

CWSNC includes as part of this filing a Proposed Order for consideration and approval by the Commission.

I hereby certify that a copy of this filing has today been electronically served on the parties of record to Docket No. W-354, Sub 400.

As always, thank you and your staff for your assistance; please feel free to contact me if there are any questions or suggestions.

Sincerely,

Electronically Submitted
Sanford Law Office, PLLC

/s/Jo Anne Sanford
N.C. State Bar No. 6831

**Attorney for Carolina Water Service, Inc. of
North Carolina**

VERIFICATION

Matthew Schellinger II, being duly sworn, deposes and says: that he is the Vice President of Finance for Carolina Water Service, Inc. of North Carolina (CWSNC); that he is familiar with the facts set out in the Verified Request for Approval of Revised Tariffs Regarding WISP Rate Year 2 Rates filed by CWSNC in Docket No. W-354, Sub 400; that he has read the foregoing Verified Request and knows the contents thereof; and that the same is true of his knowledge except as to those matters stated therein on information and belief, and as to those he believes them to be true.

Matthew Schellinger II
Matthew Schellinger II

Sworn to and subscribed before me this
the 15 day of May, 2024.

Erica Fain
Notary Public

My Commission Expires: 03/06/2034

 **Erica Fain**
Notary Public for South Carolina
Commission Expires: 03/06/2034