

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1314, SUB 4

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Pluris Webb Creek, LLC,)	REQUEST FOR APPROVAL
5950 Berkshire Lane, Suite 800, Dallas, Texas,)	OF TRANSITIONAL BILLING
75225 for Authority to Increase Rates for Sewer)	ARRANGEMENTS IN 2021
Utility Service in All Service Areas in Onslow)	
County, North Carolina)	

Now comes Pluris Webb Creek, LLC and requests that the Commission grant it permission to modify its billings beginning in February 2021 in order to mitigate the impact on its customers of the transitional billing arrangements described herein.

In support of its request, Pluris shows the Commission as follows.

1. Pluris was appointed as emergency operator of the sewer system of Webb Creek Water and Sewer, Inc. (“WCWS”) by Order issued on August 8, 2016, in Docket No. W-864, Sub 11. In that Order, the Commission set interim rates to be charged by Pluris as emergency operator of the WCWS system.

2. Even though its residential customers were billed on a flat rate basis, WCWS billed all its customers in arrears. The Tariff issued in connection with the appointment of Pluris as emergency operator required that Pluris continue to bill in arrears. That approach was necessary to avoid billing the WCWS customers for two months service at one time, *i.e.*, one bill for service in arrears together with a second bill for service in advance.

3. On March 26, 2019, in Docket Nos. W-864, Sub 14 and Sub 11 and W-1314, Sub 1, the Commission issued its Order revoking WCWS’s franchise and granting a Certificate

of Public Convenience and Necessity to Pluris authorizing it to provide wastewater utility service in the area formerly served by WCWS. That Order also continued for Pluris as franchise owner the interim provisional rates previously approved for Pluris as the Commission-appointed emergency operator.

4. The Tariff issued in connection with the Order granting Pluris that CPCN did not speak to whether Pluris is to bill flat rate customers in advance or arrears. Pluris has continued to bill all the customers it serves, both flat rate residential customers and the usage-based commercial customers, in arrears. Pluris' affiliates (Pluris, LLC and Pluris Hampstead, LLC) both bill their flat rate residential customers in advance, as provided for in their Tariffs.

5. In its Order Approving Agreement And Stipulation, Granting Rate Increase, And Requiring Customer Notice issued in Docket W-1314, Sub 4 on December 17, 2020 ("Rate Case Order"), the Commission issued a revised Tariff for Pluris (which was the tariff proposed in the Joint Proposed Order filed with the Commission by Pluris and the Public Staff). That Tariff provides that Pluris will bill its residential customers in advance, and is functionally identical to the Tariffs of Pluris' affiliates.

6. Pluris understands that the logic behind billing flat rate customers in advance rather than arrears is to reduce the level of uncollectable billings resulting from the scenario where customers terminate service and fail to pay the bill for the final month of their service. Reducing the number of uncollectible accounts is in the best interests of a utility's remaining customers, as it reduces the impact of bad debt write-offs on them.

7. Pluris failed to notice that the tariff it included with the Joint Proposed Order, which is consistent with the approved Tariffs of Pluris' affiliates, provided for billing residential

customers in advance. The Commission issued the proposed Tariff with the Rate Case Order, which will require Pluris to begin billing its residential customers in advance instead of in arrears.

8. In an effort to mitigate the impact of transitioning to billing in its flat-rate customers in advance, and to avoid having its customers receive both a bill for the prior month's service in arrears and a bill for the coming month's service in advance, Pluris proposes to mitigate that impact in the fashion described herein.

9. Under the Rate Case Order, Pluris' new approved monthly residential rate is \$73.38 per month.

10. Pluris billed all its customers for service provided in December 2020, in arrears, based on its prior approved rates, adjusted to reflect the rate increase approved effective December 17, 2020.

11. Pluris plans to bill all customers for service provided in January 2021, in arrears, at the newly approved rate.

12. Pluris plans to then transition to billing its flat rate residential customers in advance beginning in February 2021. To mitigate the customer impact of this transition by not billing its residential flat rate customers at the same time for service in arrears during the month of January 2021, and for service in advance for the month of February, Pluris proposes to defer the February billing of \$73.38, and to recover the charge for service provided in February over a period of eleven months, by billing 1/11 of the \$73.38 monthly billing charge in the remaining eleven months of 2021.

13. Under this approach, the February 2021 billing would be $\$73.38 / 11 = \6.67 . In the months of March through December 2021, Pluris would bill each residential customer

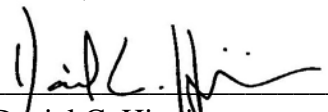
in advance in the amount of $\$73.38 + \$6.67 = \$80.05$. As of January 2022, Pluris would begin billing residential customers for service in advance in the amount of \$73.38 per month.

14. Pluris has discussed this proposal with the Public Staff and is authorized to say that the Public Staff is agreeable to this approach.

Wherefore, Pluris requests leave to implement the interim billing arrangements described above in order to mitigate the impact on its residential customers of transitioning from billing in arrears to billing in advance.

Respectfully submitted, this the 8th day of January, 2021.

BURNS, DAY & PRESNELL, P.A.

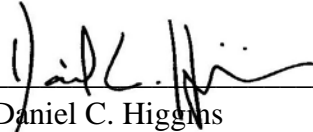
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CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing document, has been served on all counsel of record for all parties in this docket, and the Public Staff, by either depositing same in a depository of the United States Postal Service, first-class postage prepaid and mailed by the means specified below, or by electronic delivery.

This the 8th day of January, 2021.

BURNS, DAY & PRESNELL, P.A.



Daniel C. Higgins
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Raleigh, NC 27605

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I hereby certify that a true and exact copy of the foregoing document has been served on all counsel of record for all parties in this docket, the Public Staff, and the Registered Agent for Webb Creek Water and Sewage, Inc., by either depositing same in a depository of the United States Postal Service, first-class postage prepaid and mailed by the means specified below, or by electronic delivery.

This the 28th day of December, 2018.

BURNS, DAY & PRESNELL, P.A.

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